

JOURNAL OF THE SENATE
OF THE
STATE OF VERMONT

BIENNIAL SESSION, 2019

VOLUME 2



Published by Authority

STATE OF VERMONT

BUILDINGS AND GENERAL SERVICES,

MIDDLESEX, VERMONT

JOHN H. BLOOMER, JR.
SECRETARY OF THE SENATE

VANESSA J. DAVISON
JOURNAL CLERK

Table of Contents

	Page
Journal of the Senate (volume 1).....	1
Journal of the Senate (volume 2).....	1181
Journal of the Joint Assemblies (volume 2).....	2051
Appendix A – List of Senators, Officers and Staff of the Senate, and Committees of of the Senate (volume 2).....	2099
Appendix B – Table of Bills (volume 2).....	2107
General Index (volume 2).....	2193

Pursuant to the request of the Senate for a Committee of Conference the Speaker appointed the following members on the part of the House:

H. 132. An act relating to adopting protections against housing discrimination for victims of domestic and sexual violence.

Rep. Stevens of Waterbury

Rep. Szott of Barnard

Rep. Gamache of Swanton

Message from the House No. 70

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

Mr. President:

I am directed to inform the Senate that:

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

S. 111. An act relating to the U.S. Department of Veterans Affairs' Airborne Hazards and Open Burn Pit Registry.

And has passed the same in concurrence.

The House has passed House bills of the following titles:

H. 508. An act relating to approval of amendments to the charter of the Town of Bennington.

H. 547. An act relating to approval of an amendment to the charter of the City of Montpelier.

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

Adjournment

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

WEDNESDAY, MAY 15, 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 and Senator Deborah J. Ingram of Chittenden District.

Bill Referred to Committee on Finance**H. 135.**

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 the authority of the Agency of Digital Services.

Bill Introduced

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

S. 178.

By Senator Rodgers,

An act relating to repealing the prohibition on large capacity ammunition feeding devices.

To the Committee on Judiciary.

Bills Referred

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

H. 508. An act relating to approval of amendments to the charter of the Town of Bennington.

And pursuant to Temporary Rule 44A was referred to the Committee on Rules.

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

H. 547. An act relating to approval of an amendment to the charter of the City of Montpelier.

And pursuant to Temporary Rule 44A was referred to the Committee on Rules.

**House Proposal of Amendment to Senate Proposal of Amendment
Concurred In****H. 133.**

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

An act relating to miscellaneous energy subjects.

Was taken up.

The House proposes to the Senate to amend the Senate proposal of amendment as follows:

By striking out Sec. 24, effective date, in its entirety and inserting in lieu thereof five new sections and their reader assistance headings to read as follows:

* * * Energy Storage Facilities * * *

Sec. 24. 30 V.S.A. § 201 is amended to read:

§ 201. DEFINITIONS

* * *

(c) As used in this chapter, “energy storage facility” means a system that uses mechanical, chemical, or thermal processes to store energy for export to the grid.

Sec. 25. 30 V.S.A. § 248 is amended to read:

§ 248. NEW GAS AND ELECTRIC PURCHASES, INVESTMENTS, AND FACILITIES; CERTIFICATE OF PUBLIC GOOD

(a)(1) No company, as defined in section 201 of this title, may:

* * *

(B) invest in an electric generation facility, energy storage facility, or transmission facility located outside this State unless the Public Utility Commission first finds that the same will promote the general good of the State and issues a certificate to that effect.

(2) Except for the replacement of existing facilities with equivalent facilities in the usual course of business, and except for electric generation or energy storage facilities that are operated solely for on-site electricity consumption by the owner of those facilities and for hydroelectric generation facilities subject to licensing jurisdiction under the Federal Power Act, 16 U.S.C. chapter 12, subchapter 1:

(A) no company, as defined in section 201 of this title, and no person, as defined in 10 V.S.A. § 6001(14), may begin site preparation for or construction of an electric generation facility, energy storage facility, or electric transmission facility within the State that is designed for immediate or eventual operation at any voltage; and

(B) no such company may exercise the right of eminent domain in connection with site preparation for or construction of any such transmission facility, energy storage facility, or generation facility, unless the Public Utility

Commission first finds that the same will promote the general good of the State and issues a certificate to that effect.

* * *

(7) When a certificate of public good under this section or amendment to such a certificate is issued for an in-state electric generation or energy storage facility with a capacity that is greater than 15 kilowatts, the certificate holder within 45 days shall record a notice of the certificate or amended certificate, on a form prescribed by the Commission, in the land records of each municipality in which a facility subject to the certificate is located and shall submit proof of this recording to the Commission. The recording under this subsection shall be indexed as though the certificate holder were the grantor of a deed. The prescribed form shall not exceed one page and shall require identification of the land on which the facility is to be located by reference to the conveyance to the current landowner, the number of the certificate, and the name of each person to which the certificate was issued, and shall include information on how to contact the Commission to view the certificate and supporting documents.

* * *

(u) A certificate under this section shall only be required for an energy storage facility that has a capacity of 500 kW or greater.

Sec. 26. DEPARTMENT OF PUBLIC SERVICE RECOMMENDATIONS

On or before January 15, 2020, the Department of Public Service, after consultation with stakeholders, shall provide to the General Assembly recommendations, including proposed statutory language, for the regulatory treatment of energy storage facilities. These recommendations shall address both energy storage facilities with a capacity of less than 500 kW and energy storage facilities of any size with grid-exporting capabilities not subject to direct or indirect control by a Vermont distribution utility.

* * * Standard Offer Program Exemption * * *

Sec. 27. 30 V.S.A. § 8005a is amended to read:

§ 8005a. STANDARD OFFER PROGRAM

* * *

(k) Executed standard offer contracts; transferability; allocation of benefits and costs. With respect to executed contracts for standard offers under this section:

* * *

(B) A retail electricity provider ~~shall be exempt and wholly that was relieved from the requirements of this subdivision if,~~ by the Commission on or before January 25, 2018, shall be exempt from the requirements of this subdivision in any year that the Standard Offer Facilitator allocates electricity pursuant to this subdivision if the retail electricity provider meets the following criteria:

(i) during the immediately preceding 12-month period ending October 31, the amount of renewable energy supplied to the provider by generation owned by or under contract to the provider, regardless of whether the provider owned the energy's environmental attributes, was not less than the amount of energy sold by the provider to its retail customers; and

(ii) the retail electricity provider owns and retires an amount of 30 V.S.A. § 8005(a)(1) qualified energy environmental attributes that is not less than the provider's retail sales.

* * *

* * * Effective Date * * *

Sec. 28. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

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

House Proposal of Amendment Concurred In with Amendment

S. 131.

House proposal of amendment to Senate bill entitled:

An act relating to insurance and securities.

Was taken up.

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

* * * Insurance Regulatory Sandbox; Sunset * * *

Sec. 1. 8 V.S.A. § 15a is added to read:

§ 15a. INSURANCE REGULATORY SANDBOX; INNOVATION WAIVER; SUNSET

(a) Subject to the limitations specified in subsection (g) of this section, the Commissioner may grant a variance or waiver (innovation waiver or waiver) with respect to the specific requirements of any insurance law, regulation, or

bulletin if a person subject to that law, regulation, or bulletin demonstrates to the Commissioner's satisfaction that:

(1) the application of the law, regulation, or bulletin would prohibit the introduction of an innovative or more efficient insurance product or service that the applicant intends to offer during the period for which the proposed waiver is granted;

(2) the public policy goals of the law, regulation, or bulletin will be or have been achieved by other means;

(3) the waiver will not substantially or unreasonably increase any risk to consumers; and

(4) the waiver is in the public interest.

(b) An application for an innovation waiver shall include the following information:

(1) the identity of the person applying for the waiver;

(2) a description of the product or service to be offered if the waiver is granted, including how the product or service functions and the manner and terms on which it will be offered;

(3) an explanation of the potential benefits to consumers of the product or service;

(4) an explanation of the potential risks to consumers posed by the product or service and how the applicant proposes to mitigate such risks;

(5) an identification of the statutory or regulatory provision that prohibits the introduction, sale, or offering of the product or service; and

(6) any additional information required by the Commissioner.

(c)(1) An innovation waiver shall be granted for an initial period of up to 12 months, as deemed appropriate by the Commissioner.

(2) Prior to the end of the initial waiver period, the Commissioner may grant a one-time extension for up to an additional 12 months. An extension request shall be made to the Commissioner at least 30 days prior to the end of the initial waiver period and shall include the length of the extension period requested and specific reasons why the extension is necessary. The Commissioner shall grant or deny an extension request before the end of the initial waiver period.

(d) An innovation waiver shall include any terms, conditions, and limitations deemed appropriate by the Commissioner, including limits on the amount of premium that may be written in relation to the underlying product

or service and the number of consumers that may purchase or utilize the underlying product or service; provided that in no event shall a product or service subject to an innovation waiver be purchased or utilized by more than 10,000 Vermont consumers.

(e) A product or service offered pursuant to an innovation waiver shall include the following written disclosures to consumers in clear and conspicuous form:

(1) the name and contact information of the person providing the product or service;

(2) that the product or service is authorized pursuant to an innovation waiver for a temporary period of time and may be discontinued at the end of the waiver period, the date of which shall be specified;

(3) contact information for the Department, including how a consumer may file a complaint with the Department regarding the product or service; and

(4) any additional disclosures required by the Commissioner.

(f) The Commissioner's decision to grant or deny a waiver or extension shall not be subject to the contested-case provisions of the Vermont Administrative Procedures Act.

(g)(1) Pursuant to the authority granted by this section, the Commissioner shall not grant a waiver with respect to any of the following:

(A) Any law, regulation, bulletin, or other provision that is not subject to the Commissioner's jurisdiction under Title 8;

(B) section 3304, 3366, or 6004(a)–(b) of this title or any other requirement as to the minimum amount of paid-in capital or surplus required to be possessed or maintained by any person;

(C) chapter 107 (concerning health insurance), 112 (concerning the Vermont Life and Health Insurance Guaranty Association Act), 117 (concerning workers' compensation insurance), 129 (concerning insurance trade practices), or 131 (concerning licensing requirements), and chapter 154 (concerning long-term care insurance) of this title or any regulations or bulletins directly relating thereto;

(D) section 4211 (concerning volunteer drivers) of this title;

(E) any law, regulation, or bulletin required for the Department to maintain its accreditation by the National Association of Insurance Commissioners unless said law or regulation permits variances or waivers;

(F) the application of any taxes or fees; and

(G) any other law or regulation deemed ineligible by the Commissioner.

(2) The authority granted to the Commissioner under this section shall not be construed to allow the Commissioner to grant or extend a waiver that would abridge the recovery rights of Vermont policyholders.

(h) A person who receives a waiver under this section shall be required to make a deposit of cash or marketable securities with the State Treasurer in an amount subject to such conditions and for such purposes as the Commissioner determines necessary for the protection of consumers.

(i)(1) At least 30 days prior to granting an innovation waiver, the Commissioner shall provide public notice of the draft waiver by publishing the following information:

(A) the specific statute, regulation, or bulletin to which the draft waiver applies;

(B) the proposed terms, conditions, and limitations of the draft waiver;

(C) the proposed duration of the draft waiver; and

(D) any additional information deemed appropriate by the Commissioner.

(2) The notice requirement of this subsection may be satisfied by publication on the Department's website.

(j)(1) If a waiver is granted pursuant to this section, the Commissioner shall provide public notice of the existence of the waiver by providing the following information:

(A) the specific statute, regulation, or bulletin to which the waiver applies;

(B) the name of the person who applied for and received the waiver;

(C) the duration of and any other terms, conditions, or limitations of the waiver; and

(D) any additional information deemed appropriate by the Commissioner.

(2) The notice requirement of this subsection may be satisfied by publication on the Department's website.

(k) The Commissioner, by regulation, shall adopt uniform procedures for the submission, granting, denying, monitoring, and revocation of petitions for a waiver pursuant to this section. The procedures shall set forth requirements for the ongoing monitoring, examination, and supervision of, and reporting by, each person granted a waiver under this section and shall permit the Commissioner to attach reasonable conditions or limitations on the conduct permitted pursuant to a waiver. The procedures shall provide for an expedited application process for a product or service that is substantially similar to one for which a waiver has previously been granted by the Commissioner. The procedures shall include an opportunity for public comment on draft waivers under consideration by the Commissioner.

(l) Upon expiration of an innovation waiver, the person who obtained the waiver shall cease all activities that were permitted only by the waiver and comply with all generally applicable laws and regulations.

(m) The ability to grant a waiver under this section shall not be interpreted to limit or otherwise affect the authority of the Commissioner to exercise discretion to waive or enforce requirements as permitted under any other section of this title or any regulation or bulletin adopted pursuant thereto.

(n) Biannually, beginning on January 15, 2020, the Commissioner shall submit a report to the General Assembly providing the following information:

(1) the total number of petitions for waivers that have been received, granted, and denied by the Commissioner;

(2) for each waiver granted by the Commissioner, the information specified under subsection (f) of this section;

(3) a list of any regulations or bulletins that have been adopted or amended as a result of or in connection with a waiver granted under this section;

(4) with respect to each statute to which a waiver applies, the Commissioner's recommendation as to whether such statute should be continued, eliminated, or amended in order to promote innovation and establish a uniform regulatory system for all regulated entities; and

(5) a list of any waivers that have lapsed or been revoked and, if revoked, a description of other regulatory or disciplinary actions, if any, that resulted in, accompanied, or resulted from such revocation.

(o) No new waivers or extensions shall be granted after July 1, 2021.

(p) This section shall be repealed on July 1, 2023.

* * * Capital and Surplus Requirements * * *

Sec. 2. [Deleted.]

Sec. 3. 8 V.S.A. § 3366 is amended to read:

§ 3366. ASSETS OF COMPANIES

(a)(1) ~~Such~~ A foreign or alien insurer authorized to do business in this State shall possess and thereafter maintain unimpaired paid-in capital or basic surplus of not less than \$2,000,000.00 and, when first so authorized, shall possess and maintain free surplus of not less than \$3,000,000.00. ~~Such~~

(2) The capital and surplus shall be in the form of cash or marketable securities, a portion of which may be held on deposit with the State Treasurer, such securities as designated by the insurer and approved by the Commissioner, in an amount and subject to ~~such~~ conditions determined by the Commissioner. ~~Such~~ The conditions shall include a requirement that any interest or other earnings attributable to such cash or marketable securities shall inure to the benefit of the insurer until such time as the Commissioner determines that the deposit must be used for the benefit of the policyholders of the insurer or some other authorized public purpose relating to the regulation of the insurer.

(3) The Commissioner may prescribe additional capital or surplus for all insurers authorized to transact the business of insurance based upon the type, volume, and nature of insurance business transacted. The Commissioner may reduce or waive the capital and surplus amounts required by this section pursuant to a plan of dissolution for the company approved by the Commissioner.

(b) The express purpose of subsection (a) of this section and the Commissioner's power to require the deposit of cash or marketable securities set forth therein is to protect the interests of Vermont policyholders in the event of the insolvency of the insurer. Except to the extent it would contravene applicable provisions of 9A V.S.A. Article 9, the State of Vermont shall be deemed to control the funds on deposit and to have a lien on the funds for the benefit of the Vermont policyholders affected by the insolvency. The lien so created shall be superior to any lien filed by a general creditor of the insurer.

* * * Domestic Surplus Lines Insurer; Home State Surplus Lines
Premium Taxation * * *

Sec. 4. 8 V.S.A. § 5022 is amended to read:

§ 5022. DEFINITIONS

* * *

(b) As used in this chapter:

(1) “Admitted insurer” means an insurer possessing a certificate of authority licensed to transact business in this State issued by the Commissioner pursuant to section 3361 of this title. For purposes of this chapter, “admitted insurer” shall not include a domestic surplus lines insurer.

* * *

(3) “Domestic insurer” means any insurer that has been chartered by, incorporated, organized, or constituted within or under the laws of this State.

(4) “Domestic risk” means a subject of insurance which ~~which~~ that is resident, located, or to be performed in this State.

(5) “Domestic surplus lines insurer” means a domestic insurer with which insurance coverage may be placed under this chapter.

~~(4)~~(6) “To export” means to place surplus lines insurance with a non-admitted insurer.

~~(5)~~(7) “Home state” means, with respect to an insured:

(A)(i) the state in which an insured maintains its principal place of business or, in the case of an individual, the individual’s principal residence; or

(ii) if 100 percent of the insured risk is located outside the state referred to in subdivision (A)(i) of this subsection, the state to which the greatest percentage of the insured’s taxable premium for that insurance contract is allocated.

(B) If more than one insured from an affiliated group are named insureds on a single non-admitted insurance contract, the term “home state” means the home state, as determined pursuant to subdivision (A) of this subdivision ~~(5)~~(7), of the member of the affiliated group that has the largest percentage of premium attributed to it under such insurance contract.

~~(6)~~(8) “NAIC” means the National Association of Insurance Commissioners.

~~(7)~~(9) “Surplus lines broker” means an individual licensed under this chapter and chapter 131 of this title.

~~(8)~~(10) “Surplus lines insurance” means coverage not procurable from admitted insurers.

~~(9)~~(11) “Surplus lines insurer” means a non-admitted insurer with which insurance coverage may be placed under this chapter.

Sec. 5. 8 V.S.A. § 5023a is added to read:

§ 5023a. DOMESTIC SURPLUS LINES INSURER; AUTHORIZED

(a) Surplus lines insurance may be procured from a domestic surplus lines insurer if all of the following criteria are met:

(1) The board of directors of the insurer has adopted a resolution seeking certification as a domestic surplus lines insurer and the Commissioner has approved such certification.

(2) The insurer is already eligible to offer surplus lines insurance in at least one other state besides Vermont.

(3) The insurer meets the requirements of section 5026 of this title.

(4) All other requirements of this chapter are met.

(b) The requirements of 8 V.S.A. § 80 shall not apply to domestic surplus lines insurers. A domestic surplus lines insurer shall be deemed to be a non-admitted insurer for purposes of chapter 138 of this title.

Sec. 6. 8 V.S.A. § 5024 is amended to read:

§ 5024. CONDITIONS FOR PLACEMENT OF INSURANCE

(a) Insurance coverage, except as described in section 5025 of this chapter, shall not be placed with a ~~non-admitted~~ surplus lines insurer unless the full amount of insurance required is not reasonably procurable from admitted insurers actually transacting that kind and class of insurance in this State; and the amount of insurance exported shall be only the excess over the amount procurable from admitted insurers actually transacting and insuring that kind and class of insurance.

* * *

Sec. 7. 8 V.S.A. § 5026 is amended to read:

§ 5026. SOLVENT INSURERS REQUIRED

(a) Where Vermont is the home state of the insured, surplus lines brokers shall not knowingly place or continue surplus lines insurance with ~~non-admitted~~ surplus lines insurers who are insolvent or unsound financially, and in no event shall any surplus lines broker place any insurance with a non-admitted insurer unless such insurer:

* * *

(b) Notwithstanding the capital and surplus requirements of this section, a ~~non-admitted~~ surplus lines insurer may receive approval upon an affirmative finding of acceptability by the Commissioner. The finding shall be based upon

such factors as quality of management, capital, and surplus of any parent company, company underwriting profit and investment-income trends, market availability, and company record and reputation within the industry. In no event, however, shall the Commissioner make an affirmative finding of acceptability when the surplus lines insurer's capital and surplus is less than \$4,500,000.00.

* * *

Sec. 8. [Deleted.]

* * *

Sec. 9. 8 V.S.A. § 5028 is amended to read:

§ 5028. INFORMATION REQUIRED ON CONTRACT

Where Vermont is the home state of the insured, each surplus lines broker through whom a surplus lines insurance coverage is procured shall endorse on the outside of the policy and on any confirmation of the insurance, his or her name, address and license number, and the name and address of the producer, if any, through whom the business originated. Where such coverage is placed with an eligible surplus lines insurer there shall be stamped or written conspicuously in no smaller than 10 point boldface type of a contrasting color upon the first page of the policy and the confirmation of insurance if any, "The company issuing this policy ~~has not been licensed by the State of Vermont~~ is a surplus lines insurer and the rates charged have not been approved by the Commissioner of Financial Regulation. Any default on the part of the insurer is not covered by the Vermont Insurance Guaranty Association."

Sec. 10. 8 V.S.A. § 5029 is amended to read:

§ 5029. SURPLUS LINES INSURANCE VALID

(a) Insurance contracts procured as surplus lines insurance from ~~non-~~admitted surplus lines insurers in accordance with this chapter shall be valid and enforceable to the same extent as insurance contracts procured from admitted insurers.

(b) The insurance trade practices provisions of sections 4723 and 4724(1)–(7) and (9)–(18) of this title, and the cancellation provisions of sections 3879–3883 (regarding fire and casualty policies) and 4711–4715 (regarding commercial risk policies) of this title shall apply to surplus lines insurers, both domestic and foreign.

(c) Other provisions of this title not specifically applicable to surplus lines insurers shall not apply.

Sec. 11. 8 V.S.A. § 5030 is amended to read:

§ 5030. LIABILITY OF ~~NON-ADMITTED~~ SURPLUS LINES INSURER
FOR LOSSES AND UNEARNED PREMIUMS

If a ~~non-admitted~~ surplus lines insurer has assumed a surplus lines coverage through the intervention of a licensed surplus lines broker of this State, and if the premium for that coverage has been received by that broker, then in all questions thereafter arising under the coverage as between the insurer and the insured, the insurer shall be deemed to have received that premium and the insurer shall be liable to the insured for losses covered by such insurance and for any return premiums due on that insurance to the insured whether or not the broker is indebted to the insurer for such insurance or for any other cause.

Sec. 12. 8 V.S.A. § 5035 is amended to read:

§ 5035. SURPLUS LINES TAX

(a) Where Vermont is the home state of the insured, gross premiums charged, less any return premiums, for surplus lines coverages placed with ~~non-admitted~~ surplus lines insurers are subject to a premium receipts tax of three percent, which shall be collected from the insured by the surplus lines broker at the time of delivery of policy or other confirmation of insurance, in addition to the full amount of the gross premium charged by the insurer for the insurance. The tax on any portion of the premium unearned at termination of insurance shall be returned to the policyholder by the surplus lines broker. Nothing contained in this section will preclude a surplus lines broker from charging a fee to the purchaser of the contract sufficient to recover the amount of this tax. ~~Where the insurance covers properties, risks, or exposures located or to be performed both in and out of this State, the sum payable shall be computed based on gross premiums charged, less any return premiums, as follows:~~

~~(1) An amount equal to three percent on that portion of the premiums applicable to properties, risks, or exposures located or to be performed in Vermont; plus~~

~~(2) An amount equal to a percentage on that portion of the premiums applicable to properties, risks, or exposures located or to be performed outside Vermont. Such percentage shall be determined based on the laws of the jurisdiction within which the property, risk, or exposure is located or to be performed.~~

* * *

Sec. 13. 8 V.S.A. § 5036 is amended to read:

§ 5036. DIRECT PLACEMENT OF INSURANCE

* * *

~~(b) If any such insurance also covers a subject located or to be performed outside this State, a proper pro rata portion of the entire premium shall be allocated to the subjects of insurance located or to be performed in this State.~~

~~(e) Any insurance with a non-admitted insurer procured through negotiations or by application in whole or in part made within this State, where this State is the home state of the insured, or for which premium in whole or in part is remitted directly or indirectly from within this State, shall be deemed insurance subject to subsection (a) of this section.~~

~~(d)(c) A tax at the rate of three percent of the gross amount of premium, less any return premium, in respect of risks located in this State, shall be levied upon an insured who procures insurance subject to subsection (a) of this section. Before March 1 of the year after the year in which the insurance was procured, continued, or renewed, the insured shall remit to the Commissioner the amount of the tax. The Commissioner before June 1 of each year shall certify and transmit to the Commissioner of Taxes the sums so collected.~~

~~(e)(d) The tax shall be collectible from the insured by civil action brought by the Commissioner.~~

Sec. 14. 8 V.S.A. § 5038 is amended to read:

§ 5038. ACTIONS AGAINST INSURER; SERVICE OF PROCESS

* * *

(b) Each ~~non-admitted~~ surplus lines insurer ~~assuming~~ that assumes a surplus lines coverage shall be deemed thereby to have subjected itself to this chapter.

* * *

* * * HIV-Related Tests * * *

Sec. 15. 8 V.S.A. § 4724 is amended to read:

§ 4724. UNFAIR METHODS OF COMPETITION OR UNFAIR OR DECEPTIVE ACTS OR PRACTICES DEFINED

The following are hereby defined as unfair methods of competition or unfair or deceptive acts or practices in the business of insurance:

* * *

(7) Unfair discrimination; arbitrary underwriting action.

* * *

(C)(i) Inquiring or investigating, directly or indirectly as to an applicant's, an insured's or a beneficiary's sexual orientation, or gender identity in an application for insurance coverage, or in an investigation conducted by an insurer, reinsurer, or insurance support organization in connection with an application for such coverage, or using information about gender, marital status, medical history, occupation, residential living arrangements, beneficiaries, zip codes, or other territorial designations to determine sexual orientation or gender identity;

* * *

(iii) Making adverse underwriting decisions because medical records or a report from an insurance support organization reveal that an applicant or insured has demonstrated ~~AIDS-related~~ HIV-related concerns by seeking counseling from health care professionals;

* * *

(20) HIV-related tests. Failing to comply with the provisions of this subdivision regarding HIV-related tests. "HIV-related test" means a test approved by the United States Food and Drug Administration ~~and the Commissioner~~, included in the current Centers for Disease Control and Prevention recommended laboratory HIV testing algorithm for serum or plasma specimens, used to determine the existence of HIV antibodies or antigens in the blood, ~~urine, or oral mucosal transudate (OMT)~~.

* * *

(B)(i) No person shall request or require that an individual submit to an HIV-related test unless he or she has first obtained the individual's written informed consent to the test. Before written, informed consent may be granted, the individual shall be informed, by means of a printed information statement ~~which~~ that shall have been read aloud to the individual by any agent of the insurer at the time of application or later and then given to the individual for review and retention, of the following:

(I) an explanation of the test or tests to be given, including: the tests' relationship to AIDS, the insurer's purpose in seeking the test, potential uses and disclosures of the results, limitations on the accuracy of and the meaning of the test's results, the importance of seeking counseling about the individual's test results after those results are received, and the availability of information from and the telephone numbers of the Vermont Department of Health ~~AIDS hotline~~ and the Centers for Disease Control and Prevention; and

(II) an explanation that the individual is free to consult, at personal expense, with a personal physician or counselor or the ~~State~~ Vermont Department of Health, which shall remain confidential, or to obtain an

anonymous test at the individual's choice and personal expense, before deciding whether to consent to testing and that such delay will not affect the status of any application or policy; and

* * *

~~(ii) In addition, before drawing blood or obtaining a sample of the urine or OMT for the HIV-related test or tests, the person doing so shall give the individual to be tested an informed consent form containing the information required by the provisions of this subdivision (B), and shall then obtain the individual's written informed consent. If an OMT test is administered in the presence of the agent or broker, the individual's written informed consent need only be obtained prior to administering the test, in accordance with the provisions of this subdivision (B).~~

~~(C)(i) The forms for informed consent, information disclosure, and test results disclosure used for HIV-related testing shall be filed with and approved by the Commissioner pursuant to section 3541 of this title; and~~

~~(ii) Any testing procedure shall be filed and approved by the Commissioner in consultation with the Commissioner of Health.~~

~~(D) No laboratory may be used by an insurer or insurance support organization for the processing of HIV-related tests unless it is approved by the Vermont Department of Health. Any requests for approval under this subdivision shall be acted upon within 120 days. The Department may approve a laboratory without on-site inspection or additional proficiency data if the laboratory has been certified under the Clinical Laboratory Improvement Act, 42 U.S.C. § 263a or if it meets the requirements of the federal Health Care Financing Administration under the Clinical Laboratory Improvement Amendments.~~

~~(E) The test protocol shall be considered positive only if test results are two positive ELISA tests, and a Western Blot test confirms the results of the two ELISA tests, or upon approval of any equally or more reliable confirmatory test or test protocol which has been approved by the Commissioner and the U.S. Food and Drug Administration. If the result of any test performed on a sample of urine or OMT is positive or indeterminate, the insurer shall provide to the individual, no later than 30 days following the date of the first urine or OMT test results, the opportunity to retest once, and the individual shall have the option to provide either a blood sample, a urine sample, or an OMT sample for that retest. This retest shall be in addition to the opportunities for retest provided in subdivisions (F) and (G) of this subdivision (20).~~

~~(F) If an individual has at least two positive ELISA tests but an indeterminate Western Blot test result, the Western Blot test may be repeated on the same sample. If the Western Blot test result is indeterminate, the insurer may delay action on the application, but no change in preexisting coverage, benefits, or rates under any separate policy or policies held by the individual may be based upon such indeterminacy. If action on an application is delayed due to indeterminacy as described herein, the insurer shall provide the individual the opportunity to retest once after six but not later than eight months following the date of the first indeterminate test result. If the retest Western Blot test result is again indeterminate or is negative, the test result shall be considered as negative, and a new application for coverage shall not be denied by the insurer based upon the results of either test. Any underwriting decision granting a substandard classification or exclusion based on the individual's prior HIV-related test results shall be reversed, and the company performing a retest which had forwarded to a medical information bureau reports based upon the individual's prior HIV-related test results shall request the medical information bureau to remove any abnormal codes listed due to such prior test results.~~

(D) HIV-related tests required by insurers or insurance support organizations must be processed in a laboratory certified under the Clinical Laboratory Improvement Act, 42 U.S.C. § 263a, or that meets the requirements of the federal Health Care Financing Administration under the Clinical Laboratory Improvement Amendments.

(E) The test protocol shall be considered positive only if testing results meet the most current Centers for Disease Control and Prevention recommended laboratory HIV testing algorithm or more reliable confirmatory test or test protocol that has been approved by the United States Food and Drug Administration.

(F) If the HIV-1/2 antibody differentiation test result is indeterminate, the insurer may delay action on the application, but no change in preexisting coverage, benefits, or rates under any separate policy or policies held by the individual shall be based upon such indeterminacy. If the HIV-1 NAT test result is negative, a new application for coverage shall not be denied by the insurer. If the HIV-1 NAT test is invalid, the full testing algorithm shall be repeated. No application for coverage shall be denied based on an indeterminate or invalid result. Any underwriting decision granting a substandard classification or exclusion based on the individual's prior HIV-related test results shall be reversed, and the company performing any previous HIV-related testing that had forwarded to a medical information bureau reports based upon the individual's prior HIV-related test results shall request the medical information bureau to remove any abnormal codes listed due to such

prior test results.

(G)(i) Upon the written request of an individual for a retest, an insurer shall retest, at the insurer's expense, any individual who was denied insurance, or offered insurance on any other than a standard basis, because of the positive results of an HIV-related test:

* * *

(II) in any event, upon the approval by the Commissioner of an alternative test or test protocol for the presence of HIV antibodies or antigens updates to the Centers for Disease Control and Prevention recommended laboratory HIV testing algorithm for serum or plasma specimens.

* * *

Sec. 16. 18 V.S.A. § 501b is amended to read:

§ 501b. CERTIFICATION OF LABORATORIES

* * *

(d) Laboratory certification and approval	Annual fee shall be:
Drug laboratory approval	\$500.00
Drug laboratory alternate approval	\$300.00
Drug laboratory approval renewal	\$300.00
HIV laboratory approval	\$300.00
HIV laboratory alternate approval	\$100.00
HIV laboratory approval renewal	\$100.00
HIV laboratory (insurance) approval	\$500.00
HIV laboratory (insurance) alternate approval	\$300.00
HIV laboratory (insurance) approval renewal	\$300.00

* * *

* * * Financial Services Education and Victim Restitution
Special Fund * * *

Sec. 17. REPEAL; FINANCIAL SERVICES EDUCATION AND TRAINING SPECIAL FUND

9 V.S.A. § 5601(e), establishing the Financial Services Education and Training Special Fund, is repealed.

Sec. 17a. 9 V.S.A. § 5616 is added to read:

§ 5616. VERMONT FINANCIAL SERVICES EDUCATION AND VICTIM
RESTITUTION SPECIAL FUND

(a) Purpose. The purpose of this section is to provide:

(1) funds for the purposes specified in subsection 5601(d) of this title;
and

(2) restitution assistance to victims of securities violations who:

(A) were awarded restitution in a final order issued by the
Commissioner or were awarded restitution in the final order in a legal action
initiated by the Commissioner;

(B) have not received the full amount of restitution ordered before
the application for restitution assistance is due; and

(C) demonstrate to the Commissioner's satisfaction that there is no
reasonable likelihood that they will receive the full amount of restitution in the
future.

(b) Definitions. As used in this section,

(1) "Claimant" means a person who files an application for restitution
assistance under this section on behalf of a victim. The claimant and the
victim may be the same but do not have to be the same. The term includes the
named party in a restitution award in a final order, the executor of a named
party in a restitution award in a final order, and the heirs and assigns of a
named party in a restitution award in a final order.

(2) "Final order" means a final order issued by the Commissioner or a
final order in a legal action initiated by the Commissioner.

(3) "Fund" means the Vermont Financial Services Education and Victim
Restitution Special Fund created by this section.

(4) "Securities violation" means a violation of this chapter and any
related administrative rules.

(5) "Victim" means a person who was awarded restitution in a final
order.

(6) "Vulnerable person" means:

(A) a person who meets the definition of vulnerable person under
33 V.S.A. § 6902(14); or

(B) a person who is at least 60 years of age.

(c) Eligibility.

(1) A natural person who was a resident of Vermont at the time of the alleged fraud is eligible for restitution assistance.

(2) The Commissioner shall not award securities restitution assistance under this section:

(A) to more than one claimant per victim;

(B) unless the person ordered to pay restitution has not paid the full amount of restitution owed to the victim before the application for restitution assistance from the fund is due;

(C) if there was no award of restitution in the final order; or

(D) to a claimant who has not exhausted his or her appeal rights.

(d) Denial of assistance. The Commissioner shall not award restitution assistance if the victim:

(1) sustained the monetary injury as a result of:

(A) participating or assisting in the securities violation; or

(B) attempting to commit or committing the securities violation;

(2) profited or would have profited from the securities violation; or

(3) is an immediate family member of the person who committed the securities violation.

(e) Application for restitution assistance and maximum amount of restitution assistance award.

(1) The Commissioner may adopt procedures and forms for application for restitution assistance under this section.

(2) An application must be received by the Commissioner within two years after the deadline for payment of restitution established in the final order.

(3) Except as provided in subdivision (4) of this subsection, the maximum award from the Fund for each claimant shall be the lesser of \$25,000.00 or 25 percent of the amount of unpaid restitution awarded in a final order.

(4) If the claimant is a vulnerable person, the maximum award from the Fund shall be the lesser of \$50,000.00 or 50 percent of the amount of unpaid restitution awarded in the final order.

(f) Vermont Financial Services Education and Victim Restitution Special Fund. The Vermont Financial Services Education and Victim Restitution Special Fund, pursuant to 32 V.S.A. chapter 7, subchapter 5, is created to provide funds for the purposes specified in this section and in subsection

5601(d) of this title. All monies received by the State for use in financial services education initiatives pursuant to subsection 5601(d) of this title or in providing uncompensated victims restitution pursuant to this section shall be deposited into the Fund. The Commissioner may direct a party to deposit a sum not to exceed 15 percent of the total settlement amount into the Fund in conjunction with settling a State securities law enforcement matter. Interest earned on the Fund shall be retained in the Fund.

(g) Award not subject to execution, attachment, or garnishment. An award made by the Commissioner under this section is not subject to execution, attachment, garnishment, or other process.

(h) State's liability for award. The Commissioner shall have the discretion to suspend applications and awards based on the solvency of the Fund. The State shall not be liable for any determination made under this section.

(i) Subrogation of rights of State.

(1) The State is subrogated to the rights of the person awarded restitution under this chapter to the extent of the award.

(2) The subrogation rights are against the person who committed the securities violation or a person liable for the pecuniary loss.

(j) Rulemaking authority. The Commissioner may adopt rules to implement this section.

(k) Bulletin. The Commissioner shall publish a bulletin defining the term "immediate family member" for purposes of this section.

* * * New England Equity Crowdfunding * * *

Sec. 18. 9 V.S.A. § 5305 is amended to read:

§ 5305. SECURITIES REGISTRATION FILINGS

* * *

(b) A person filing a registration statement shall pay a filing fee of \$600.00. A person filing a registration statement in connection with the New England Crowdfunding Initiative shall be exempt from the filing fee requirement. Open-end investment companies shall pay a registration fee and an annual renewal fee for each portfolio as long as the registration of those securities remains in effect. If a registration statement is withdrawn before the effective date or a preeffective stop order is issued under section 5306 of this title, the Commissioner shall retain the fee.

* * *

* * * Surplus Lines Insurance Compact; Repeal * * *

Sec. 19. REPEAL

8 V.S.A. chapter 138A (Surplus Lines Insurance Multi-state Compliance Compact) is repealed.

* * * Insurance Producers; Licensing Requirements; Definitions * * *

Sec. 20. 8 V.S.A. § 4791 is amended to read:

§ 4791. DEFINITIONS

As used in this chapter:

* * *

(3) “Adjuster” means any person who investigates claims ~~and~~ or negotiates settlement of claims arising under policies of insurance in behalf of insurers under such policies, or who advertises or solicits business from insurers as an adjuster. Lawyers settling claims of clients shall not be considered an adjuster. A license as an adjuster shall not be required of an official or employee of a domestic fire or casualty insurance company or of a duly licensed resident insurance producer of a domestic or duly licensed foreign insurer who is authorized by such insurer to appraise losses under policies issued by such insurer.

(4) “Public adjuster” means any person who investigates claims ~~and~~ or negotiates settlement of claims arising under policies of insurance in behalf of the insured under such policies or who advertises or solicits business as such adjuster. Lawyers settling claims of clients shall not be deemed to be insurance public adjusters.

* * *

* * * Fair Credit Reporting; Definition of Credit Report * * *

Sec. 21. 9 V.S.A. § 2480a(3) is amended to read:

(3) “Credit report” means ~~a consumer report, as defined in 15 U.S.C. § 1681a, that is used or collected in whole or in part for the purpose of serving as a factor in establishing a consumer’s eligibility for credit for personal, family, or household purposes~~ any written, oral, or other communication of any information by a credit reporting agency bearing on a consumer’s credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living, including an investigative credit report. The term does not include:

(A) a report containing information solely as to transactions or experiences between the consumer and the person making the report; or

(B) an authorization or approval of a specific extension of credit directly or indirectly by the issuer of a credit card or similar device.

* * * Effective Date * * *

Sec. 22. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Cummings, Balint, Brock, Campion, MacDonald, Pearson and Sirotkin moved that the Senate concur in the House proposal of amendment with an amendment as follows:

First: In Sec. 17a, 9 V.S.A. § 5616, by striking out subsection (d) in its entirety and inserting in lieu thereof a new subsection (d) to read as follows:

(d) Denial of assistance. The Commissioner shall not award restitution assistance if the victim:

(1) sustained the monetary injury as a result of:

(A) participating or assisting in the securities violation; or

(B) attempting to commit or committing the securities violation; or

(2) profited or would have profited from the securities violation.

Second: In Sec. 17a, 9 V.S.A. § 5616, by striking out subsection (k) in its entirety.

Which was agreed to.

Bills Passed in Concurrence with Proposal of Amendment

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

H. 287. An act relating to small probate estates.

H. 524. An act relating to health insurance and the individual mandate.

H. 525. An act relating to miscellaneous agricultural subjects.

H. 530. An act relating to the qualifications and election of the Adjutant and Inspector General.

Proposal of Amendment; Third Reading Ordered

H. 512.

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

An act relating to miscellaneous court and Judiciary related amendments.

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

Sec. 1. 12 V.S.A. § 5 is amended to read:

§ 5. DISSEMINATION OF ELECTRONIC CASE RECORDS

(a) The Court shall not permit public access via the Internet to criminal, ~~or family, or probate~~ case records. The Court may permit criminal justice agencies, as defined in 20 V.S.A. § 2056a, Internet access to criminal case records for criminal justice purposes, as defined in section 2056a.

* * *

Sec. 2. 12 V.S.A. § 5169 is amended to read:

§ 5169. JUDGMENT FOR PLAINTIFF; COMMISSIONERS; WAIVER

(a) When the issue is determined in favor of the plaintiff, or if the person interested defaults, the court shall render judgment that partition be made and appoint three disinterested residents of the county as commissioners. The commissioners shall make partition of the estate and set off each share of the several persons interested, according to their respective titles, and shall award to the plaintiff reasonable costs against the adverse party.

(b) Notwithstanding subsection (a) of this section, the parties may, with the approval of the court, waive the use of commissioners and have all matters decided by the court at a bench trial.

Sec. 3. 15A V.S.A. § 1-110 is amended to read:

§ 1-110. NOTICE OF INTENT TO RETAIN PARENTAL RIGHTS

* * *

(b) Each ~~probate division of the superior court~~ Probate Division of the Superior Court shall ~~forward~~ maintain a notice filed with that court under subsection (a) of this section, ~~to the probate division of the superior court in the district of Chittenden, which~~ within an electronic database that shall serve as a central repository for all such notices.

Sec. 4. 33 V.S.A. § 5117 is amended to read:

§ 5117. RECORDS OF JUVENILE JUDICIAL PROCEEDINGS

* * *

(c)(1) Upon motion of a party in a divorce or parentage proceeding related to parental rights and responsibilities for a child or parent-child contact, the ~~Court~~ court may order that ~~Court~~ court records in a juvenile proceeding

involving the same child or children be released to the parties in the divorce proceeding.

(2) Upon the court's own motion in a probate proceeding involving adoption, guardianship, or termination of parental rights, the court may order that court records in a juvenile proceeding involving the same child or children be released to the Probate Division. When the court orders release of records pursuant to this subdivision, the court shall notify the parties that it intends to consider confidential juvenile case information and shall provide the parties with access to the information in a manner that preserves its confidentiality.

(3) Files inspected under this subsection shall be marked: UNLAWFUL DISSEMINATION OF THIS INFORMATION IS A CRIME PUNISHABLE BY A FINE OF UP TO \$2,000.00. The public shall not have access to records from a juvenile proceeding that are filed with the ~~Court~~ court or admitted into evidence in the divorce or parentage proceeding or in the probate proceeding.

* * *

Sec. 5. 33 V.S.A. § 5119 is amended to read:

§ 5119. SEALING OF RECORDS

* * *

(h)(1) In matters relating to a person who was charged with a criminal offense or was the subject of a delinquency petition on or after July 1, 2006, and prior to the person attaining the age of majority, the files and records of the ~~Court~~ court applicable to the proceeding shall be sealed immediately if the case is dismissed.

* * *

Sec. 6. 15 V.S.A. § 752 is amended to read:

§ 752. MAINTENANCE

(a) In an action under this chapter, the court may order either spouse to make maintenance payments, either rehabilitative or ~~permanent~~ long term in nature, to the other spouse if it finds that the spouse seeking maintenance:

(1) lacks sufficient income or property, or both, including property apportioned in accordance with section 751 of this title, to provide for his or her reasonable needs; and

(2) is unable to support himself or herself through appropriate employment at the standard of living established during the civil marriage or is the custodian of a child of the parties.

(b) The maintenance order shall be in such amounts and for such periods of time as the court deems just, after considering all relevant factors, including:

(1) the financial resources of the party seeking maintenance, the property apportioned to the party, the party's ability to meet his or her needs independently, and the extent to which a provision for support of a child living with the party contains a sum for that party as custodian;

(2) the time and expense necessary to acquire sufficient education or training to enable the party seeking maintenance to find appropriate employment;

(3) the standard of living established during the civil marriage;

(4) the duration of the civil marriage;

(5) the age and the physical and emotional condition of each spouse;

(6) the ability of the spouse from whom maintenance is sought to meet his or her reasonable needs while meeting those of the spouse seeking maintenance;

(7) inflation with relation to the cost of living; ~~and~~

(8) the impact of both parties reaching the age of eligibility to receive full retirement benefits under Title II of the federal Social Security Act or the parties' actual retirement, including any expected discrepancies in federal Social Security Retirement benefits; and

~~(8)~~(9) the following guidelines:

Length of marriage	% of the difference between parties' gross incomes	Duration of alimony award as % length of marriage
0 to <5 years	0-20 <u>16</u> %	No alimony or short-term alimony up to one year
5 to <10 years	15-35 <u>12-29</u> %	20-50% (1-5 yrs)
10 to <15 years	20-40 <u>16-33</u> %	40-60% (34 -9 yrs)
15 to <20 years	24-45 <u>20-37</u> %	40-70% (6-14 yrs)
20+ years	30-50 <u>24-41</u> %	45% (9-20+ yrs)

(c) In each order awarding maintenance, the court shall state whether and how maintenance payments will be impacted by either party reaching the age of eligibility to receive full retirement benefits under Title II of the federal Social Security Act or the parties' actual retirement will impact payments.

Sec. 7. Vermont Rule of Criminal Procedure 3(k) is amended to read:

(k) Temporary Release. ~~Either a~~ A law enforcement officer arresting a person ~~or the prosecuting attorney~~ shall contact a judicial officer for determination of temporary release pursuant to Rule 5(b) of these rules without unnecessary delay. The law enforcement officer ~~or prosecuting attorney~~ shall provide the judicial officer with an affidavit or sworn statement as required by Rule 4(a) of these rules, and information upon which the determination as to temporary release may be made. The affidavit or sworn statement must indicate the ~~charge(s) the prosecuting attorney intends to file~~ crimes to be charged by the arresting officer.

Sec. 8. 18 V.S.A. § 4472 is amended to read:

§ 4472. DEFINITIONS

As used in this subchapter:

* * *

(14) “Possession limit” means the amount of marijuana collectively possessed between the registered patient and the patient’s registered caregiver that is ~~no~~ not more than two mature marijuana plants, seven immature plants, and two ounces of usable marijuana. Any marijuana harvested from the plants shall not count toward the two-ounce possession limit, provided it is stored in an indoor facility on the property where the marijuana was cultivated and reasonable precautions are taken to prevent unauthorized access to the marijuana.

* * *

Sec. 9. 18 V.S.A. § 4474c is amended to read:

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

* * *

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

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

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

* * *

Sec. 10. 18 V.S.A. § 4474n is added to read:

§ 4474n. USE OF U.S. FOOD AND DRUG ADMINISTRATION-
APPROVED DRUGS CONTAINING ONE OR MORE
CANNABINOIDS

(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 FDA-approved 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. 11. REPEAL

2017 Act and Resolves No. 62, Sec. 8 (use of U.S. Food and Drug Administration-approved drugs containing cannabidiol) is repealed.

Sec. 12. 32 V.S.A. § 5894 is amended to read:

§ 5894. LIABILITY FOR FAILURE OR DELINQUENCY

* * *

(f) Violations from income derived from illegal activity. An individual, fiduciary, officer, or employee of any corporation or a partner or employee of any partnership who violates subsections (a)-(e) of this section based on income derived from illegal activity shall be imprisoned not more than three years or fined not more than \$10,000.00 or not more than \$100,000.00 if the violation was based on income derived from the unlawful sale of a regulated drug in violation of 18 VSA chapter 84, or both. The penalty provided in this subsection shall be in addition to any other civil or criminal penalties provided by law.

Sec. 13. TASK FORCE ON CAMPUS SEXUAL HARM; REPORT

(a) Creation. There is created the Task Force on Campus Sexual Harm to examine issues relating to responses to sexual harm, dating and intimate partner violence, and stalking on campuses of postsecondary educational institutions in Vermont.

(b) Membership. The Task Force shall be composed of the following 19 members:

(1) one current member of the House of Representatives, appointed by the Speaker of the House;

(2) one current member of the Senate, appointed by the Committee on Committees;

(3) two survivors of campus sexual assault, domestic violence, or stalking incidents, appointed by Vermont Center for Crime Victim Services;

(4) the Executive Director of the Vermont Network Against Domestic and Sexual Violence or designee;

(5) one representative of a community-based sexual violence advocacy organization, appointed by the Vermont Network Against Domestic and Sexual Violence;

(6) three Title IX Coordinators, one employed and appointed by the University of Vermont, one employed and appointed by the Vermont State Colleges, and one employed by a Vermont independent postsecondary

educational institution, appointed by the President of the Association of Vermont Independent Colleges;

(7) one campus health and wellness educator or sexual violence prevention educator working in a Vermont postsecondary educational institution, appointed by the Higher Education Subcommittee of the Prekindergarten–16 Council;

(8) one victim advocate working in a Vermont postsecondary educational institution, appointed by the Higher Education Subcommittee of the PreK–16 Council;

(9) two students who are members of campus groups representing traditionally marginalized communities, appointed by the Higher Education Subcommittee of the Prekindergarten–16 Council;

(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;

(13) one representative appointed by the Vermont Department of State’s Attorneys and Sheriffs;

(14) one representative appointed by the Vermont Bar Association, with expertise in working with postsecondary educational institutions on the investigation and adjudication of sexual harassment and sexual assault allegations; and

(15) the Executive Director of the Vermont Human Rights Commission, or designee.

(c) Powers and duties. The Task Force shall study the following:

(1) The pathways for survivors of sexual harm in postsecondary educational institutional settings to seek healing and justice and recommendations to increase or enhance those pathways.

(2) Issues with Vermont’s campus adjudication processes as identified by survivors of sexual harm, dating and intimate partner violence, or stalking in postsecondary educational institutional settings, including the interface between campus adjudication processes and law enforcement.

(3) Issues relating to transparency, safety, affordability, accountability of outcomes, and due process in campus conduct adjudication processes for sexual harm, dating and intimate partner violence, or stalking, including:

(A) current and best practices relating to outcomes conveyed through a student's transcript record;

(B) the effectiveness of acts passed in New York in 2015 to address campus sexual assault and in Virginia in 2015 to include a notation "on the transcript of each student who has been suspended for, has been permanently dismissed for, or withdraws from the institution while under investigation for an offense involving sexual violence under the institution's code, rules, or set of standards governing student conduct";

(C) the effectiveness of requiring that student transcript records note expulsions or suspensions in order to trigger follow-up conversations between the transferring and receiving schools; and

(D) consideration of concerns raised by the Association of Title IX Administrators with regard to transcript notation, in support of proposed federal legislation known as the Safe Transfer Act (H.R.6523, 114th Congress).

(4) How to improve survivor safety in campus adjudication processes.

(5) Any State policy changes that should be made in response to Title IX changes at the federal level.

(6) How to enhance ties between postsecondary educational institutions and community organizations that focus on domestic and sexual violence.

(d) Assistance. For purposes of scheduling meetings and preparing recommended legislation, the Task Force shall have the assistance of the Office of Legislative Council.

(e) Report. On or before March 15, 2020, the Task Force shall submit a written report to the House and Senate Committees on Education and Judiciary with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Executive Director of the Vermont Network Against Domestic and Sexual Violence or designee shall call the first meeting of the Task Force to occur on or before July 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 Task Force shall cease to exist on March 16, 2020.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Task Force serving in his or her capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than seven meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Task Force who are not otherwise compensated for their service on the Task Force shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than seven meetings. These payments shall be made from monies appropriated to the Agency of Education.

(h) Appropriation. The sum of \$11,102.00 is appropriated to the Agency of Education from the General Fund in fiscal year 2020 for per diem compensation and reimbursement of expenses for nonlegislative members of the Task Force. The sum of \$3,066.00 is appropriated to the General Assembly from the General Fund in fiscal year 2020 for per diem compensation and reimbursement of expenses for legislative members of the Task Force.

Sec. 14. PROTECTION OF PROBATION AND PAROLE OFFICERS;
AGENCY OF HUMAN SERVICES REPORT TO JOINT JUSTICE
OVERSIGHT COMMITTEE

On or before December 15, 2019, the Secretary of Human Services, in consultation with the Vermont State Employees Association, shall report to the Joint Legislative Justice Oversight Committee, the Senate and House Committees on Judiciary, and the House Committee on Corrections and Institutions on best practices and standards for protecting probation and parole officers in the performance of their job duties. The report shall consider:

(1) development of a training and certification program to be administered by the Department of Corrections to enable probation and parole officers to implement and use defensive techniques, equipment, and measures to protect themselves and the public from the risk of serious bodily injury or death;

(2) whether to impose one or more standard conditions of probation to protect the public; and

(3) best practices for the supervision of offenders by probation and parole officers without risk to the safety of themselves or the public.

Sec. 15. EFFECTIVE DATE; APPLICABILITY

(a) This act shall take effect on July 1, 2019.

(b) Notwithstanding 1 V.S.A. § 214, Sec. 6, 15 V.S.A. § 752(b)(9) (maintenance guidelines), shall apply to actions filed on or after January 1, 2019.

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

Senator Sears, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Judiciary.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Judiciary?, Senators Sears, Baruth, Benning, Nitka and White moved to amend the proposal of amendment of the Committee on Judiciary as follows:

First: In Sec. 13 (Task Force on Campus Sexual Harm), by striking subsections (g) and (h) in their entirety and inserting in lieu thereof a new subsections (g) and (h) to read as follows:

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Task Force serving in his or her capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than six meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Task Force who are not otherwise compensated for their service on the Task Force 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. These payments shall be made from monies appropriated to the General Assembly.

Second: By adding a new section to be numbered Sec. 14a to read as follows:

Sec. 14a. VERMONT SENTENCING COMMISSION; REPORT ON
JUVENILE JURISDICTION

On or before December 15, 2019, the Vermont Sentencing Commission shall report to the Joint Justice Oversight Committee proposed alternatives, in light of 33 V.S.A. § 5204a, for providing the court with jurisdiction over cases where a person under 18 years of age commits a criminal offense that is not a listed crime under 13 V.S.A. § 5301(7) and is not charged with the offense until after turning 18 years of age.

Which was agreed to.

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

House Proposal of Amendment Concurred In

S. 41.

House proposal of amendment to Senate bill entitled:

An act relating to regulating entities that administer health reimbursement arrangements.

Was taken up.

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

Sec. 1. 18 V.S.A. § 9417 is added to read:

§ 9417. TAX-ADVANTAGED ACCOUNTS FOR HEALTH-RELATED 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 account-based 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, FSAs, or similar tax-advantaged accounts for health-related expenses, or a combination of these, in this State 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, FSAs, or similar tax-advantaged accounts for health-related expenses, or a combination of these, in this State. The rules shall include:

(1) annual licensure or registration filing requirements; and

(2) such requirements and qualifications for such entities as the Commissioner determines necessary to protect Vermont consumers and employers and to help ensure that funds are disbursed appropriately.

(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, FSAs, or similar tax-advantaged accounts for health-related expenses, 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.

(e) This section shall not apply to an employer that self-administers one or more tax-advantaged accounts on behalf of its own employees.

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, FSAs, or similar tax-advantaged accounts for health-related expenses, or a combination of these.

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

An act relating to regulating entities that administer tax-advantaged accounts for health-related expenses.

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

Rules Suspended; Bills Messaged

On motion of Senator Mazza, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 41, S. 131, H. 133, H. 287, H. 524, H. 525, H. 530.

Adjournment

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

Afternoon

The Senate was called to order by the President.

Bills Referred

Pursuant to Temporary Rule 44A the following bills having failed to meet cross-over and being referred to the Committee on Rules were severally referred to their respective committees of jurisdictions:

H. 508.

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

To the Committee on Government Operations.

H. 547.

An act relating to approval of an amendment to the charter of the City of Montpelier.

To the Committee on Government Operations.

Senate Resolution Adopted

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

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

S.R. 6. Senate resolution relating to congratulating Dick Mazza's General Store on its 65th anniversary.

Whereas, Vermonters far beyond the confines of Mallets Bay know of the friendly service, great variety of products, and delicious homemade offerings for sale at Dick Mazza's General Store, and

Whereas, this unique Vermont-family enterprise was established under the auspices of Senator Dick Mazza's father, Joseph Mazza, who was honored to represent the town of Colchester in the General Assembly from 1961 to 1972, and

Whereas, even though Dick Mazza was only 15 years of age when the store opened in May, 1954, he played a major role in its construction and debut, and

Whereas, Joseph Mazza's careful management, keen sense of consumer preferences, and dedication to his business all contributed to the store's success, and

Whereas, in 1981, Dick Mazza incorporated the store as Dick Mazza's General Store, and it has continued to flourish under his expert proprietorship, and

Whereas, be it because of a cup of coffee, groceries, or a slice of apple pie, Dick Mazza's General Store has numerous loyal and satisfied customers, and

Whereas, as the many photos and memorabilia on display attest, Dick Mazza's General Store has played host to many political discussions, and

Whereas, the success of Dick Mazza's General Store is attributable in large measure to the efforts of Senator Dick Mazza's wonderful wife, Dolly, and

Whereas, despite his legislative duties, Senator Dick Mazza remains directly involved in the store's daily operations, and

Whereas, 2019 marks the 65th anniversary of the award-winning Dick Mazza's General Store, a great milestone worthy of celebration, *now therefore be it*

Resolved by the Senate

That the Vermont Senate is delighted to congratulate Dick Mazza's General Store on its 65th anniversary and extends best future wishes to both Senator Dick Mazza and his wife, Dolly, for the store's continued success, *and be it further*

Resolved: That the Secretary of the Senate be directed to send a copy of this resolution to Senator Dick Mazza and his wife, Dolly.

Recess

On motion of Senator Ashe the Senate recessed until 3:30 P.M.

Called to Order

The Senate was called to order by the President.

Proposal of Amendment; Third Reading Ordered

H. 107.

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

An act relating to paid family and medical leave.

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. PURPOSE

It is the intent of the General Assembly that:

(1) the Family and Medical Leave Insurance Program established by this act shall provide employees with affordable Family and Medical Leave Insurance benefits;

(2) the Commissioner of Financial Regulation shall seek a private insurance carrier to provide the benefits required under the Program;

(3) if the Commissioner is able to identify an insurance carrier that can provide the required benefits in a more cost-effective manner than would be possible if benefits were provided by the State, the Commissioner shall enter into a contract with that insurance carrier to administer the Program and provide the benefits required by this act beginning in October of 2020; and

(4) if the Commissioner is unable to identify a suitable insurance carrier, the Program shall be administered by the Department of Labor in coordination with the Departments of Financial Regulation and of Taxes, and benefits shall become available beginning in July of 2021.

Sec. 2. 21 V.S.A. chapter 5, subchapter 13 is added to read:

Subchapter 13. Family and Medical Leave Insurance

§ 571. DEFINITIONS

As used in this subchapter:

(1) "Average weekly wage" means the employee's total wages from his or her two highest-earning quarters in the last four completed calendar quarters divided by 26.

(2) "Bonding leave" means a leave of absence from employment by an employee for:

(A) the employee's pregnancy;

(B) the birth of the employee's child; or

(C) the initial placement of a child 18 years of age or younger with the employee for the purpose of adoption or foster care.

(3) "Domestic partner" has the same meaning as in 17 V.S.A. § 2414.

(4) "Employee" means an individual who receives payments with respect to services performed for an employer from which the employer is

required to withhold Vermont income tax pursuant to 32 V.S.A. chapter 151, subchapter 4.

(5) “Employer” means an individual, organization, governmental body, partnership, association, corporation, legal representative, trustee, receiver, trustee in bankruptcy, and any common carrier by rail, motor, water, air, or express company doing business in or operating within this State.

(6) “Family care leave” means a leave of absence from employment by an employee for a serious illness of the employee’s family member.

(7) “Family member” means:

(A) the employee’s child or foster child;

(B) a step child or ward who lives with the employee;

(C) the employee’s spouse, domestic partner, or civil union partner;

(D) the employee’s parent or the parent of the employee’s spouse, domestic partner, or civil union partner;

(E) the employee’s sibling;

(F) the employee’s grandparent; or

(G) a child for whom the employee stands in loco parentis or an individual who stood in loco parentis for the employee when he or she was a child.

(8) “In loco parentis” means a child for whom the employee has day-to-day responsibilities to care for and financially support, or, in the case of the employee, an individual who had such responsibility for the employee when he or she was a child.

(9) “Qualified employee” means an employee who has:

(A) earned wages from which contributions were withheld pursuant to section 574 of this subchapter during at least two of the last four completed calendar quarters; and

(B) earned wages from which contributions were withheld pursuant to section 574 of this subchapter during the last four completed calendar quarters in an amount that is equal to or greater than 1,040 hours at the minimum wage established pursuant to section 384 of this chapter.

(10) “Serious illness” means an accident, disease, or physical or mental condition that:

(A) poses imminent danger of death;

(B) requires inpatient care in a hospital; or

(C) requires continuing in-home care under the direction of a physician.

(11) "Vermont average weekly wage" means the most recent average weekly wage for Vermont as calculated by the U.S. Bureau of Labor Statistics.

(12) "Wages" means payments that are included in the definition of wages set forth in 26 U.S.C. § 3401.

§ 572. FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM;
ADMINISTRATION

(a) The Family and Medical Leave Insurance Program is established in the Department of Labor for the provision of Family and Medical Leave Insurance benefits to eligible employees pursuant to this section.

(b)(1) The Commissioner of Financial Regulation shall endeavor to identify and contract with a suitable insurance company to provide paid family and medical leave insurance in accordance with this subchapter.

(2)(A) On or before July 1, 2019, the Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall develop and issue a request for information related to the provision of family and medical leave insurance by a private insurance carrier on behalf of the State that satisfies the requirements of this subchapter. The request for information shall also seek input regarding the cost and administrative feasibility of the insurance carrier administering the collection of contributions on behalf of the Department of Taxes pursuant to section 574 of this subchapter.

(B) Responses to the request for information shall be due on or before August 15, 2019.

(3) On or before September 1, 2019, the Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall develop and issue a request for proposals for an insurance carrier to provide family and medical leave insurance that satisfies the requirements of this subchapter. An insurance carrier shall not be selected unless it can demonstrate that it would be able to provide the required family and medical leave insurance benefits and comply with the provisions of this subchapter in a more cost-effective manner than if the Family and Medical Leave Insurance Program were administered by the State.

(4) The Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall evaluate the proposals received in response to the request for proposals and shall select, on or before November 15, 2019, the proposal that the Commissioner determines:

(A) best satisfies the requirements of this subchapter;

(B) will provide the required family and medical leave insurance benefits and comply with the provisions of this subchapter in a more cost-effective manner than if the Family and Medical Leave Insurance Program were administered by the State; and

(C) delivers the greatest value to the State and Vermont's employees and employers.

(5) An agreement with an insurance carrier to provide family and medical leave insurance pursuant to this subsection shall include a clause that permits the Commissioner of Financial Regulation to terminate the agreement for noncompliance with this chapter.

(6)(A) An agreement with an insurance carrier pursuant to this subsection shall be for a period of not more than four years.

(B) Not later than six months prior to the expiration on the agreement pursuant to this subsection, the Commissioner of Financial Regulation shall determine whether to renew the agreement for an additional period of not more than four years or to issue a new request for proposals for an insurance carrier to provide family and medical leave insurance that satisfies the requirements of this subchapter.

(7) The insurance carrier shall have its books and financial records related to the provision of family and medical leave insurance pursuant to this subsection audited annually and shall provide a copy of the annual audit to the Commissioner of Financial Regulation.

(c)(1) In the event that the Commissioner of Financial Regulation is unable to secure a suitable insurance carrier pursuant to subsection (b) of this section, the Paid Family and Medical Leave Insurance Program shall be administered by the Department of Labor pursuant to the provisions of this subchapter.

(2) In the event that the Paid Family and Medical leave Insurance Program is administered by the Department of Labor, the Commissioner of Labor may contract with a third-party administrator for actuarial support, fund administration, the processing of benefits claims and payments, and the initial determination of appeals.

§ 573. CONTRIBUTIONS

(a) An employer that does not elect to meet its obligations under this subchapter as provided pursuant to section 577 shall remit the contributions required by subsection (b) of this section to the Commissioner of Taxes on a quarterly basis as provided pursuant to 32 V.S.A. § 5842(a)(1) beginning with the calendar quarter that starts on April 1, 2020.

(b)(1) Contributions shall be equal to 0.20 percent of each employee's covered wages.

(2)(A) One-half of the contribution required pursuant subdivision (1) of this subsection shall be deducted and withheld by an employer from an employee's covered wages, and one-half shall be paid by the employee's employer.

(B) In lieu of deducting and withholding the full amount of the contributions due from the employee's covered wages pursuant to subdivision (A) of this subdivision (2), an employer may elect to pay all or a portion of the contributions due from the employee's covered wages.

(c) As used in this section, the term "covered wages" shall include all wages paid to an employee up to the amount of the maximum Social Security Taxable Wage.

(d)(1) The General Assembly shall annually review and, if necessary, adjust the rate of contribution established pursuant to subsection (b) of this section for the next fiscal year. The rate shall equal the amount necessary to provide Family and Medical Leave Insurance benefits pursuant to this subchapter, to administer the Family and Medical Leave Insurance Program during the next fiscal year, and, if a reserve is necessary, to ensure that it is adequately funded.

(2) On or before February 1 of each year, the Commissioner of Financial Regulation, in consultation with the insurance carrier that the State has contracted with, if any, and the Commissioners of Labor and of Taxes, shall report to the General Assembly the rate of contribution necessary to provide Family and Medical Leave Insurance benefits pursuant to this subchapter, to administer the Program during the next fiscal year, and, if a reserve is necessary, to ensure that it is adequately funded.

§ 574. COLLECTION OF CONTRIBUTIONS; REMITTANCE

(a) The Commissioner of Taxes shall collect all contributions required pursuant to section 573 of this subchapter and deposit them into the Family and Medical Leave Insurance Special Fund.

(b)(1) The Commissioner of Taxes shall require the withholding of the contributions required pursuant to section 573 of this subchapter from wages paid by any employer, as if the contributions were an additional Vermont income tax subject to the withholding requirements of 32 V.S.A. § 5841(a). The administrative and enforcement provisions of 32 V.S.A. chapter 151, subchapter 4 shall apply to the withholding requirement under this section as if the contributions withheld were a Vermont income tax.

(2) An employer that has received approval from the Commissioner of Financial Regulation for an alternative insurance or benefit plan pursuant to the provisions of section 577 shall not be required to withhold contributions pursuant to this section.

(c)(1) The Commissioner of Taxes may enter into a memorandum of understanding with the private insurance carrier contracted with by the Commissioner of Financial Regulation pursuant to section 572 of this subchapter, the Commissioner of Financial Regulation, or the Commissioner of Labor as the Commissioner of Taxes determines is necessary to carry out the provisions of this section.

(2) The Commissioner of Taxes may contract with the private insurance carrier contracted with by the Commissioner of Financial Regulation pursuant to section 572 of this subchapter to administer the collection of contributions pursuant to this section.

§ 575. BENEFITS

(a)(1) A qualified employee shall be permitted to receive a total of not more than 12 weeks of Family and Medical Leave Insurance benefits in a calendar year, which may include:

(A) up to 12 weeks of benefits for bonding leave taken by the employee, provided that if both parents are qualified employees they shall be permitted to receive a combined total of not more than 12 weeks of Parental and Family Leave Insurance benefits in a 12-month period for bonding leave; and

(B) up to six weeks of benefits for family care leave taken by the employee.

(2) Notwithstanding subdivision (1)(B) of this subsection, with respect to a serious illness of an individual who is a sibling or grandparent of one or more qualified employees, the qualified employees who are a sibling or grandchild of that individual shall be permitted to receive a combined total of not more than six weeks of Parental and Family Leave Insurance benefits in a 12-month period for family care leave related to that individual.

(b)(1) The weekly benefit amount for a qualified employee awarded Family and Medical Leave Insurance benefits under this section shall be determined as follows:

(A) the portion of the qualified employee's average weekly wage that is less than or equal to 55 percent of the Vermont average weekly wage shall be replaced at a rate of 90 percent; and

(B) the portion of the qualified employee's average weekly wage that is greater than 55 percent of the Vermont average weekly wage shall be replaced at a rate of 55 percent.

(2) Notwithstanding subdivision (1) of this subsection, no qualified employee may receive Parental and Family Leave Insurance benefits that exceed the Vermont average weekly wage.

(c)(1) After the occurrence of a family care leave event, a qualified employee shall wait for a period of one week for which he or she shall not be eligible to receive Family and Medical Leave Insurance benefits.

(2) A qualified employee shall only have one waiting period in a calendar year.

(3) No waiting period shall be required before a qualified employee is eligible to receive Family and Medical Leave Insurance benefits in relation to a bonding leave.

(d) A qualified employee may receive Family and Medical Leave Insurance benefits for an intermittent leave or leave for a portion of a week. The benefit amount for an intermittent leave or leave for a portion of a week shall be calculated in increments of one full day or one fifth of the qualified employee's weekly benefit amount.

(e) A bonding leave or family care leave for which benefits are paid pursuant to this subchapter shall run concurrently with a leave taken pursuant to section 472 of this title or the federal Family and Medical Leave Act, 29 U.S.C. §§ 2611–2654.

(f)(1) A qualified employee shall not be permitted to receive Family and Medical Leave Insurance benefits for any day for which he or she is receiving:

(A) wages;

(B) payment for the use of vacation leave, sick leave, or other accrued paid leave;

(C) payment pursuant to a disability insurance plan;

(D) unemployment insurance benefits pursuant to 21 V.S.A. chapter 17 or the law of any other state; or

(E) compensation for temporary partial disability or temporary total disability pursuant to 21 V.S.A. chapter 9, the workers' compensation law of any state, or any similar law of the United States.

(2) Notwithstanding subdivision (1) of this subsection, an employer may provide its employees with additional income to supplement the amount of the

benefits provided pursuant to this section provided that the sum of the additional income and the benefits provided pursuant to this section does not exceed the employee's average weekly wage.

§ 576. APPLICATION FOR BENEFITS; PAYMENT; TAX WITHHOLDING

(a) A qualified employee, or his or her agent, shall file an application for Family and Medical Leave Insurance benefits under this subchapter on a form approved by the Commissioner of Labor. The determination of whether the qualified employee is eligible to receive Family and Medical Leave Insurance benefits shall be based on the following criteria:

(1) The claim is for a bonding leave or a family care leave and the need for the leave is adequately documented.

(2) The claimant satisfies the requirements to be a qualified employee as defined pursuant to subdivision 571(9) of this subchapter.

(3) The claimant has specified the anticipated start date and duration of the leave.

(b)(1) A determination shall be made in relation to each claim within not more than five business days after the date the claim is filed. The time to make a determination on a claim may be extended by not more than 15 business days if necessary to obtain documents or information that are needed to make the determination.

(2) An application for Family and Medical Leave Insurance benefits may be filed:

(A) up to 60 days before an anticipated leave; or

(B) in the event of a premature birth or an unanticipated serious illness, within 60 days after the leave begins.

(3)(A) Benefits shall be paid to a qualified employee for the time period beginning on the day his or her leave began.

(B) The first benefit payment shall be sent to the qualified employee within 14 days after the leave begins or the claim is approved, whichever is later, and subsequent payments shall be sent biweekly.

(4) The provisions of section 1367 of this title shall apply to Family and Medical Leave Insurance benefits.

(c)(1) An individual filing a claim for Family and Medical Leave Insurance benefits shall, at the time of filing, be advised that Family and Medical Leave Insurance benefits may be subject to income tax and that the individual's benefits may be subject to withholding.

(2) All procedures specified by 26 U.S.C. chapter 24 and 32 V.S.A. chapter 151, subchapter 4 pertaining to the withholding of income tax shall be followed in relation to the payment of Family and Medical Leave Insurance benefits.

(d) As used in this section, “agent” means an individual who holds a valid power of attorney for the employee or other legal authorization to act on the employee’s behalf that is acceptable to the Commissioner of Labor.

§ 577. EMPLOYER OPTION; ALTERNATIVE INSURANCE OR BENEFITS

(a) As an alternative to and in lieu of participating in the Family and Medical Leave Insurance Program, an employer may, upon approval by the Commissioner of Financial Regulation, comply with the requirements of this subchapter through the use of an alternative insurance plan or benefit plan that provides to all of its employees benefits for bonding and family care leave that are equivalent to or more generous than the benefits provided pursuant to this subchapter. An employer may elect to provide such benefits by:

(1) establishing and maintaining to the satisfaction of the Commissioner of Financial Regulation self-insurance necessary to provide equivalent or greater benefits;

(2) purchasing insurance coverage for the payment of equivalent or greater benefits from any insurance carrier authorized to provide family and medical leave insurance in this State;

(3) establishing an employee benefits plan that provides equivalent or greater benefits; or

(4) any combination of subdivisions (1) through (3) of this subsection.

(b)(1) The Commissioner of Financial Regulation may approve an alternative insurance or benefit plan under this section upon making a determination that it provides benefits that are equivalent to or more generous than the benefits provided pursuant to this subchapter.

(2)(A) Nothing in this section shall be construed to required that the benefits provided by an alternative insurance or benefit plan be identical to the benefits provided pursuant to this subchapter.

(B) The Commissioner shall determine whether the benefits provided by a proposed alternative insurance or benefit plan are equivalent to or more generous than the benefits provided pursuant to this subchapter by weighing the relative value of the alternative plan’s length of leave, wage replacement, and cost to employees against the provisions of this subchapter.

(c)(1) Except as otherwise provided pursuant to subdivision (4) of this subsection, an alternative insurance or benefit plan shall only be permitted to become effective on January 1 following its approval and shall remain in effect until it is discontinued pursuant to subdivision (3) of this subsection.

(2)(A) An employer shall submit an application to the Commissioner of Financial Regulation for approval of a new or modified alternative insurance or benefit plan on or before October 15 of the calendar year prior to when it shall take effect.

(B) The Commissioner shall make a determination and notify the employer of whether its application has been approved on or before December 1. If the application is approved, the Commissioner shall also provide a copy of the notice to the Commissioners of Labor and of Taxes on or before December 1.

(3) An employer may discontinue its alternative insurance or benefit plan on January 1 of any year by filing notice of its intent to discontinue the plan with the Commissioners of Financial Regulation, of Labor, and of Taxes on or before November 1 of the prior year.

(4)(A) Notwithstanding any provisions of subdivisions (1) and (2) of this subsection to the contrary, for calendar year 2020, an employer shall submit an application for a new alternative insurance or benefit plan on or before February 1.

(B) The Commissioner shall make a determination and notify the employer of whether its application has been approved on or before March 15. If the application is approved, the Commissioner shall also provide a copy of the notice to the Commissioners of Labor and of Taxes on or before March 15.

(C) Beginning on April 1, 2020, an employer that receives approval for an alternative insurance or benefit plan pursuant to this subdivision (4) shall be exempt from withholding contributions as provided pursuant to subdivision 574(b)(2) of this subchapter.

(d) Nothing in this subchapter shall be construed to diminish an employer's obligation to comply with any collective bargaining agreement or paid time off policy that provides more generous benefits than the benefits provided pursuant to this subchapter.

§ 578. DISQUALIFICATIONS

A qualified employee shall be disqualified for benefits for any week in which he or she has received:

(1) compensation for temporary partial disability or temporary total disability under the workers' compensation law of any state or under a similar law of the United States; or

(2) unemployment insurance benefits under the law of any state.

§ 579. APPEALS

(a) An employer or employee aggrieved by a decision under section 576 or 578 of this subchapter may file an initial appeal of the decision with the insurance carrier that the State has contracted with.

(b) Within 20 days after receiving notice of the insurance carrier's decision on the initial appeal, the employer or employee may appeal the decision to an administrative law judge as provided pursuant to sections 1348 and 1351-1357 of this title.

(c) Within 30 days after receiving notice of the administrative law judge's decision, either party may appeal that decision to the Supreme Court.

§ 580. FALSE STATEMENT OR REPRESENTATION; PENALTY

A person who willfully makes a false statement or representation for the purpose of obtaining any benefit or payment or to avoid payment of any required contributions under the provisions of this subchapter, either for himself or herself or for any other person, after notice and opportunity for hearing, may be assessed an administrative penalty of not more than \$20,000.00 and shall forfeit all or a portion of any right to benefits under the provisions of this subchapter, as determined to be appropriate by the Commissioner of Labor or Commissioner of Financial Regulation, as appropriate.

§ 581. REINSTATEMENT; SENIORITY AND BENEFITS PROTECTED

(a) The employer of an employee who receives Family and Medical Leave Insurance benefits under this subchapter shall reinstate the employee at the conclusion of his or her bonding leave or family care leave, provided the employee does not take bonding leave or family care leave for a combined total of more than 12 weeks in a calendar year. The employee shall be reinstated in the first available suitable position given the position he or she held at the time his or her leave began.

(b) Upon reinstatement, the employee shall regain seniority and any unused accrued paid leave he or she was entitled to prior to the leave, less any accrued paid leave used during the leave.

(c)(1) Nothing in this section shall be construed to diminish an employee's rights pursuant to subsection 472(f) of this chapter.

(2) The provisions of this section shall not apply if:

(A) the employee had been given notice, or had given notice, prior to the employee providing his or her employer with notice of the leave;

(B) the employer can demonstrate by clear and convincing evidence that during the leave, or prior to the employee's reinstatement, the employee's position would have been terminated or the employee laid off for reasons unrelated to the leave or the reason for which the employee took the leave;

(C) the employee fails to inform the employer of:

(i) his or her interest in being reinstated at the conclusion of the leave; and

(ii) the date on which his or her leave is anticipated to conclude;

or

(D) more than two years have elapsed since the conclusion of the employee's leave.

(d)(1) An employee aggrieved by an employer's failure to comply with the provisions of this section may bring an action in the Civil Division of the Superior Court in the county where the employment is located for compensatory and punitive damages or equitable relief, including restraint of prohibited acts, restitution of wages or other benefits, reinstatement, costs, and other appropriate relief.

(2) A copy of the complaint shall be filed with the Commissioner of Labor.

(3) The court shall award reasonable attorney's fees to the employee if he or she prevails.

§ 582. PROTECTION FROM RETALIATION OR INTERFERENCE

(a) An employer shall not discharge or in any other manner retaliate against an employee who exercises or attempts to exercise his or her rights under this subchapter. The provisions against retaliation in subdivision 495(a)(8) of this title shall apply to this subchapter.

(b) An employer shall not interfere with, restrain, or otherwise prevent an employee from exercising or attempting to exercise his or her rights pursuant to this subchapter.

(c) An employee aggrieved by a violation of the provisions of this subchapter may bring an action in Superior Court seeking compensatory and punitive damages or equitable relief, including restraint of prohibited acts, restitution of wages or other benefits, reinstatement, costs, reasonable attorney's fees, and other appropriate relief.

§ 583. CONFIDENTIALITY OF INFORMATION

(a) Information obtained from an employer or individual in the administration of this subchapter and determinations of an individual's right to

receive benefits that reveal an employer's or individual's identity in any manner shall be kept confidential and, to the extent that such information is obtained by the State, shall be exempt from public inspection and copying under the Public Records Act. Such information shall not be admissible as evidence in any action or proceeding other than one brought pursuant to the provisions of this subchapter.

(b) Notwithstanding subsection (a) of this section:

(1) an individual or his or her duly authorized agent may be provided with information to the extent necessary for the proper presentation of his or her claim for benefits or to inform him or her of his or her existing or prospective rights to benefits; and

(2) an employer may be provided with information that the Commissioner of Financial Regulation, of Labor, or of Taxes determines is necessary to enable the employer to discharge fully its obligations and protect its rights under this subchapter.

§ 584. RULEMAKING

(a) The Commissioner of Taxes shall adopt rules as necessary to implement the provisions of section 574 of this subchapter. The rules adopted by the Commissioner of Taxes shall include:

(1) procedures for the collection of contributions; and

(2) reporting and record-keeping requirements for employers.

(b) The Commissioner of Financial Regulation shall adopt rules as necessary to implement the provisions of section 577 of this subchapter. The rules adopted by the Commissioner of Financial Regulation shall include requirements and criteria for the approval of an employer's alternative insurance or benefit plan pursuant to section 577 of this subchapter and for determining whether a proposed plan provides benefits that are equivalent to or more generous than the benefits provided pursuant to this subchapter.

(c)(1) The Commissioner of Labor shall adopt rules as necessary to implement all other provisions of this subchapter. The rules adopted by the Commissioner of Labor shall include:

(A) acceptable documentation for demonstrating eligibility for benefits;

(B) requirements for providing certification from a health care provider of the need for family leave that are modeled on the federal rules governing certification of a serious health condition under the Family and Medical Leave Act;

(C) requirements for obtaining authorization for an individual's health care provider to disclose information necessary to make a determination of the individual's eligibility for benefits;

(D) procedures for appeals pursuant to subsection 579(b) of this subchapter; and

(E) rules to permit an employee to authorize the Department, in compliance with all applicable provisions of federal law, to disclose unemployment insurance information to the insurance carrier as necessary to determine if the employee meets the requirements to be a qualified employee as defined pursuant to subdivision 571(9) of this chapter.

(2) The Commissioner of Labor shall create a form that will permit an employee to provide informed consent for the Department to disclose unemployment insurance information to the insurance carrier as necessary to determine if the employee meets the requirements to be a qualified employee as defined pursuant to subdivision 571(9) of this chapter. The form shall satisfy all applicable requirements under federal law.

§ 585. FAMILY AND MEDICAL LEAVE INSURANCE SPECIAL FUND

The Family and Medical Leave Insurance Special Fund is created pursuant to 32 V.S.A. chapter 7, subchapter 5. The Fund shall consist of contributions collected from employers pursuant to section 574 of this subchapter. The Fund may be expended by the Commissioners of Financial Regulation, of Labor, and of Taxes for the payment of premiums for and the administration of the Family and Medical Leave Insurance Program. All interest earned on Fund balances shall be credited to the Fund.

Sec. 3. 21 V.S.A. § 586 is added to read:

§ 586. OVERPAYMENT OF BENEFITS; COLLECTION

(a)(1) Any individual who by nondisclosure or misrepresentation of a material fact, by him or her, or by another person, has received Family and Medical Leave Insurance benefits when he or she failed to fulfill a requirement for the receipt of benefits pursuant to this chapter or while he or she was disqualified from receiving benefits pursuant to section 580 of this chapter shall be liable to repay to the Commissioner of Labor the amount received.

(2) Upon determining that an individual has received benefits under this chapter that he or she was not entitled to, the Commissioner of Labor shall provide the individual with notice of the determination. The notice shall include a statement that the individual is liable to repay to the Commissioner the amount of overpaid benefits and shall identify the basis of the overpayment and the time period in which the benefits were paid.

(3) The determination shall be made within not more than three years after the date of the overpayment.

(b)(1) An individual liable under this section shall repay the overpaid amount to the Commissioner for deposit into the Fund.

(2) If the Commissioner finds that the individual intentionally misrepresented or failed to disclose a material fact with respect to his or her claim for benefits, in addition to the repayment under subdivision (1) of this subsection, the person shall pay an additional penalty of 15 percent of the amount of the overpaid benefits, which shall also be deposited into the Fund.

(3) The Commissioner may collect the amounts due under this section in civil action in the Superior Court.

(c) If an individual is liable to repay any amount pursuant to this section, the Commissioner may withhold, in whole or in part, any future benefits payable to the individual pursuant to this chapter and credit the withheld benefits against the amount due from the individual until it is repaid in full, less any penalties assessed under subdivision (b)(2) of this section.

(d) In addition to the remedy provided pursuant to this section, an individual who intentionally misrepresented or failed to disclose a material fact with respect to his or her claim for benefits may be subject to the penalties provided pursuant to section 580 of this title.

Sec. 4. ADOPTION OF RULES

(a) On or before January 1, 2020, the Commissioner of Taxes shall adopt rules necessary to implement the provisions of 21 V.S.A. § 574, which shall include:

(1) procedures for the collection of contributions; and

(2) reporting and record-keeping requirements for employers.

(b) On or before January 1, 2020, the Commissioner of Financial Regulation shall adopt rules as necessary to implement the provisions of section 577 of this subchapter. The rules adopted by the Commissioner of Financial Regulation shall include requirements and criteria for the approval of an employer's alternative insurance or benefit plan pursuant to 21 V.S.A. § 577 and for determining whether a proposed plan provides benefits that are equivalent to or more generous than the benefits provided pursuant to 21 V.S.A. chapter 5, subchapter 13.

(c) On or before June 1, 2020, the Commissioner of Labor shall adopt rules necessary to implement all other provisions of 21 V.S.A. chapter 5, subchapter 13, which shall include:

- (1) acceptable documentation for demonstrating eligibility for benefits;
- (2) requirements for providing certification from a health care provider of the need for family leave that are modeled on the federal rules governing certification of a serious health condition under the Family and Medical Leave Act;
- (3) requirements for obtaining authorization for an individual's health care provider to disclose information necessary to make a determination of the individual's eligibility for benefits;
- (4) procedures for appealing a decision pursuant to 21 V.S.A. § 579(b)(2);
- (5) the establishment of the existence of an in loco parentis relationship between an employee and another individual; and
- (6) rules to permit an employee to authorize the Department, in compliance with all applicable provisions of federal law, to disclose unemployment insurance information to the insurance carrier as necessary to determine if the employee meets the requirements to be a qualified employee as defined pursuant to subdivision 571(9) of this chapter.

Sec. 5. EDUCATION AND OUTREACH

On or before June 1, 2020, the Commissioner of Labor shall develop and make available on the Department of Labor's website information and materials to educate and inform employers and employees about the Family and Medical Leave Insurance Program established pursuant to 21 V.S.A. chapter 5, subchapter 13.

Sec. 6. ESTABLISHMENT OF FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM; EXPENDITURES FROM SPECIAL FUND

The Commissioner of Finance and Management may, pursuant to 32 V.S.A. § 588(4)(C), issue warrants for expenditures from the Family and Medical Leave Insurance Special Fund necessary to establish the Family and Medical Leave Insurance Program in anticipation of the receipt on or after April 1, 2020 of contributions submitted pursuant to 21 V.S.A. §§ 573 and 574.

Sec. 7. ADEQUACY OF RESERVES; REPORT

Annually, on or before January 15, 2021, 2022, and 2023, the Commissioner of Labor, in consultation with the Commissioners of Finance and Management, of Financial Regulation, and of Taxes, shall submit a written report to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on

Appropriations, on Economic Development, Housing and General Affairs, and on Finance regarding the amount and adequacy of the reserves in the Family and Medical Leave Insurance Special Fund and any recommendations for legislative action necessary to ensure that an adequate reserve is maintained in the Fund.

Sec. 8. 21 V.S.A. § 471 is amended to read:

§ 471. DEFINITIONS

As used in this subchapter:

(1) “Employer” means an individual, organization ~~or~~, governmental body, partnership, association, corporation, legal representative, trustee, receiver, trustee in bankruptcy, and any common carrier by rail, motor, water, air or express company doing business in or operating within this State ~~which for the purposes of parental leave that employs 10 or more individuals who are employed for an average of at least 30 hours per week during a year and for the purposes of family leave employs 15 or more individuals for an average of at least 30 hours per week during a year.~~

* * *

(3) “Family leave” means a leave of absence from employment by an employee who works for an employer ~~which~~ that employs ~~15~~ 10 or more individuals who are employed for an average of at least 30 hours per week during the year for one of the following reasons:

(A) the serious illness of the employee; ~~or~~

(B) the serious illness of the employee’s ~~child, stepchild or ward who lives with the employee, foster child, parent, spouse or parent of the employee’s spouse~~ family member;

(4) ~~“Parental leave” means a leave of absence from employment by an employee who works for an employer which employs 10 or more individuals who are employed for an average of at least 30 hours per week during the year for one of the following reasons:~~

(C) the employee’s pregnancy;

~~(A)~~(D) the birth of the employee’s child; or

~~(B)~~(E) the initial placement of a child ~~16~~ 18 years of age or younger with the employee for the purpose of adoption or foster care.

(4) “Family member” means:

(A) the employee’s child or foster child;

(B) a step child or ward who lives with the employee;

- (C) the employee's spouse, domestic partner, or civil union partner;
(D) the employee's parent or the parent of the employee's spouse, domestic partner, or civil union partner;
(E) the employee's sibling;
(F) the employee's grandparent; or
(G) a child for whom the employee stands in loco parentis or an individual who stood in loco parentis for the employee when he or she was a child.

* * *

(6) "Commissioner" means the Commissioner of Labor.

(7) "Domestic partner" has the same meaning as in 17 V.S.A. § 2414.

(8) "In loco parentis" means a child for whom the employee has day-to-day responsibilities to care for and financially support, or, in the case of the employee, an individual who had such responsibility for the employee when he or she was a child.

Sec. 9. 21 V.S.A. § 472 is amended to read:

§ 472. FAMILY LEAVE

(a) During any 12-month period, an employee shall be entitled to take unpaid leave for a period not to exceed 12 weeks for the following reasons:

- (1) for parental leave, during the employee's pregnancy and;
(2) following the birth of an the employee's child or;
(3) within a year following the initial placement of a child ~~16~~ 18 years of age or younger with the employee for the purpose of adoption- or foster care;
(2)(4) for family leave, for the serious illness of the employee; or
(5) the serious illness of the employee's child, stepchild or ward of the employee who lives with the employee, foster child, parent, spouse, or parent of the employee's spouse family member.

(b) During the leave, at the employee's option, the employee may use accrued sick leave or, vacation leave or, any other accrued paid leave, ~~not to exceed six weeks~~ Family and Medical Leave Insurance benefits pursuant to subchapter 13 of this chapter, or short-term disability insurance or other insurance benefits. Utilization Use of accrued paid leave, Family and Medical Leave Insurance benefits, or other insurance benefits shall not extend the leave provided herein by this section.

* * *

(d) The employer shall post and maintain in a conspicuous place in and about each of ~~his or her~~ its places of business printed notices of the provisions of this subchapter on forms provided by the Commissioner of Labor.

(e)(1) An employee shall give his or her employer reasonable written notice of intent to take family leave under this subchapter. Notice shall include the date the leave is expected to commence and the estimated duration of the leave.

(2) In the case of the adoption or birth of a child, an employer shall not require that notice be given more than six weeks prior to the anticipated commencement of the leave.

(3) In the case of an unanticipated serious illness or premature birth, the employee shall give the employer notice of the commencement of the leave as soon as practicable.

(4) In the case of serious illness of the employee or a member of the employee's family, an employer may require certification from a physician to verify the condition and the amount and necessity for the leave requested.

(5) An employee may return from leave earlier than estimated upon approval of the employer.

(6) An employee shall provide reasonable notice to the employer of his or her need to extend the leave to the extent provided by this chapter.

* * *

(h) Except for serious illness of the employee, an employee who does not return to employment with the employer who provided the family leave shall return to the employer the value of any compensation paid to or on behalf of the employee during the leave, except payments of Family and Medical Leave Insurance benefits and payments for accrued sick leave or vacation leave. An employer may elect to waive the rights provided pursuant to this subsection.

Sec. 10. 21 V.S.A. § 1344 is amended to read:

§ 1344. DISQUALIFICATIONS

(a) An individual shall be disqualified for benefits:

* * *

(5) For any week with respect to which the individual is receiving or has received remuneration in the form of:

* * *

(F) Family and Medical Leave Insurance benefits pursuant to chapter 5, subchapter 13 of this title.

* * *

Sec. 11. 21 V.S.A. § 1325 is amended to read:

§ 1325. EMPLOYERS' EXPERIENCE-RATING RECORDS;
DISCLOSURE TO SUCCESSOR ENTITY

(a)(1) The Commissioner shall maintain an experience-rating record for each employer. Benefits paid shall be charged against the experience-rating record of each subject employer who provided base-period wages to the eligible individual. Each subject employer's experience-rating charge shall bear the same ratio to total benefits paid as the total base-period wages paid by that employer bear to the total base-period wages paid to the individual by all base-period employers. The experience-rating record of an individual subject base-period employer shall not be charged for benefits paid to an individual under any of the following conditions:

* * *

(G) The individual was employed by that employer as a result of another employee taking leave under chapter 5, subchapter 13 of this title, and the individual's employment was terminated as a result of the reinstatement of the other employee following his or her leave under chapter 5, subchapter 13 of this title.

* * *

Sec. 12. SELF-EMPLOYED INDIVIDUAL; OPT-IN; REPORT

On or before January 15, 2021, the Commissioner of Labor, in consultation with the insurance carrier that the State has contracted with, if any, and the Commissioners of Financial Regulation and of Taxes, shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs regarding the potential for permitting self-employed individuals to elect to obtain coverage through the Family and Medical Leave Insurance Program. In particular, the report shall examine the experience of other states that allow self-employed individuals to obtain coverage under their family and medical leave insurance programs, and the potential impact of permitting self-employed individuals to elect to obtain coverage through the Family and Medical Leave Insurance Program on the Program, contribution rates, and administrative costs. The report shall also include a recommendation for legislative action necessary to permit self-employed individuals to elect to obtain coverage through the Family and Medical Leave Insurance Program.

Sec. 13. POTENTIAL TRANSITION TO STATE-OPERATED FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM; REPORT

On or before January 15, 2023, the Commissioner of Labor, in consultation with the Commissioners of Financial Regulation and of Taxes, shall report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs regarding the potential for transitioning the Family and Medical Leave Insurance Program to a program that is fully administered and operated by the State. The report shall identify the potential costs to the State of such a transition and the amount of time necessary to successfully accomplish the transition, as well as the expected impacts on contribution rates, administrative efficiency, and the experience of employers and employees. The report shall also examine and contrast the potential benefits and drawbacks of ensuring the solvency of a program that is fully administered and operated by the State by either maintaining a reserve or obtaining reinsurance. The report shall include a recommendation regarding whether the Family and Medical Leave Insurance Program should transition to a program that is fully administered and operated by the State.

Sec. 14. 3 V.S.A. § 638 is added to read:

§ 638. FAMILY AND MEDICAL LEAVE INSURANCE

(a) All State employees shall be provided with family and medical leave insurance that satisfies the requirements of 21 V.S.A. chapter 5, subchapter 13.

(b) The State shall bargain with the appropriate collective bargaining representative for each bargaining unit of State employees to determine:

(1) whether State employees will be covered by the Family and Medical Leave Insurance Program or an alternative insurance or benefit plan established pursuant to 21 V.S.A. § 577;

(2) if the State employees will be covered by the Family and Medical Leave Insurance Program, the portion of the contribution rate established pursuant to 21 V.S.A. § 573 that the State and the employees will be responsible for; and

(3) if the State employees will be covered by an alternative insurance or benefit plan established pursuant to 21 V.S.A. § 577, the cost of the program to the employees, and the length of leave and level of wage replacement that the employees will be eligible for.

(c)(1) The contribution rate determined pursuant to subdivision (b)(2) of this section or the cost of the plan to the employees determined pursuant to subdivision (b)(3) of this section shall be the same for all State employees,

regardless of whether the employees are permitted to collectively bargain pursuant to 3 V.S.A. chapter 27 or 28.

(2) The length of leave and level of wage replacement determined pursuant to subdivision (b)(3) of this section shall be the same for all State employees, regardless of whether the employees are permitted to collectively bargain pursuant to 3 V.S.A. chapter 27 or 28.

(3) Notwithstanding subdivisions (1) and (2) of this subsection, the sworn Vermont State Police Officers below the rank of Lieutenant shall not be required to have the same rate of contribution or the same cost of the plan, length of leave, and level of wage replacement as other State employees.

Sec. 15. REQUEST FOR INFORMATION; REQUEST FOR PROPOSALS;
REPORTS

(a) On or before July 15, 2019, the Commissioner of Financial Regulation shall submit a copy of the request for information to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

(b) On or before September 1, 2019, the Commissioner of Finance shall submit a brief summary of the responses to the request for information together with copies of all the responses to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance. The Commissioner of Financial Regulation may redact confidential business information from the copies of the responses to the request for information before submitting them.

(c) On or before September 15, 2019, the Commissioner of Financial Regulation shall submit a copy of the request for proposals to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

(d) On or before December 15, 2019, the Commissioner of Financial Regulation shall submit a written report summarizing the outcome of the request for proposal process to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

Sec. 16. PLAN FOR STATE OPERATION OF FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM; REPORT

In the event that the Commissioner of Financial Regulation is unable to secure a suitable insurance company to provide paid family and medical leave insurance pursuant to the provisions of 21 V.S.A. § 572(b), the Commissioner of Labor, in consultation with the Commissioners of Financial Regulation and of Taxes, shall, on or before January 15, 2020, submit a written report outlining a plan for the State to operate the Family and Medical Leave Insurance Program to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance. The report shall include a detailed explanation of how the State will implement Family and Medical Leave Insurance Program and carry out the requirements of 21 V.S.A. chapter 5, subchapter 13, including specific details and requirements related to staffing, information technology development, the development of rules and procedures, ensuring adequate reserves in the Family and Medical Leave Insurance Special Fund, and, if appropriate, the utilization of one or more third-party administrators. The report shall also include a recommendation for any legislative action necessary for the State to successfully implement the Family and Medical Leave Insurance Program.

Sec. 17. APPROPRIATIONS; POSITIONS

(a)(1) The sum of \$1,000,000.00 is appropriated from the Family and Medical Leave Insurance Special Fund to the Department of Taxes in fiscal year 2020 for temporary staffing needs related to the adoption of rules, the development of information technology systems necessary to implement the provisions of 21 V.S.A. § 574, and, if applicable, to contract with the private insurance carrier selected pursuant to 21 V.S.A. § 572 to administer the collection of Family and Medical Leave Insurance contributions.

(2) The sum of \$217,900.00 is appropriated from the Family and Medical Leave Insurance Special Fund to the Department of Labor for staffing needs related to the adoption of rules and for the development of forms, procedures, and outreach and education materials related to the Family and Medical Leave Insurance Program established pursuant to 21 V.S.A. chapter 5, subchapter 13.

(b) The establishment of one new administrator position in the Department of Labor is authorized in fiscal year 2020.

Sec. 18. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

* * *

(d) The Commissioner shall disclose a return or return information:

* * *

(7) to the Joint Fiscal Office pursuant to subsection 10503(e) of this title and subject to the conditions and limitations specified in that subsection; and

(8) to the Commissioner of Financial Regulation, the Commissioner of Labor, or the private insurance carrier contracted with by the Commissioner of Financial Regulation pursuant to 21 V.S.A. § 572, provided the information is related to the administration of the Family and Medical Leave Insurance Program created pursuant to 21 V.S.A. chapter 5, subchapter 13.

* * *

Sec. 19. 21 V.S.A. § 1314 is amended to read:

§ 1314. REPORTS AND RECORDS; SEPARATION INFORMATION;
DETERMINATION OF ELIGIBILITY; FAILURE TO REPORT
EMPLOYMENT INFORMATION; DISCLOSURE OF
INFORMATION TO OTHER STATE AGENCIES TO
INVESTIGATE MISCLASSIFICATION OR MISCODING

* * *

(e)(1) Subject to such restrictions as the Board may ~~by regulation~~ prescribe by rule, information from unemployment insurance records may be made available to any public officer or public agency of this or any other state or the federal government dealing with the administration or regulation of relief, public assistance, unemployment compensation, a system of public employment offices, wages and hours of employment, workers' compensation, misclassification or miscoding of workers, occupational safety and health, or a public works program for purposes appropriate to the necessary operation of those offices or agencies. The Commissioner may also make information available to colleges, universities, and public agencies of the State for use in connection with research projects of a public service nature, and to the Vermont Economic Progress Council with regard to the administration of 32 V.S.A. chapter 105, subchapter 2; but no person associated with those institutions or agencies may disclose that information in any manner that would reveal the identity of any individual or employing unit from or concerning whom the information was obtained by the Commissioner.

* * *

(8)(A) The Department of Labor shall disclose, upon request, to the insurance carrier that the Commissioner of Financial Regulation has contracted with to operate the Family and Medical Leave Insurance Program pursuant to section 572 of this title, any information in its records related to an identified individual that is necessary for the purpose of determining the individual's eligibility for Family and Medical Leave Insurance benefits pursuant to 21 V.S.A. chapter 5, subchapter 13.

(B) The Commissioner shall enter into an agreement with the insurance carrier that governs the use of the disclosed information and complies with all requirements of 20 C.F.R. § 603.10.

(C) The information requested shall not be released unless the individual to whom the requested information relates has signed a consent form, approved by the Commissioner, that permits the release of the requested information.

(D) The requested information shall not be released unless the insurance carrier agrees to reimburse the Department of Labor for the costs involved in furnishing the requested information.

* * *

Sec. 20. EFFECTIVE DATES

(a) This section and Secs. 1, 2, 4, 5, 6, 12, 13, 14, 15, 16, 17, 18, and 19 shall take effect on passage.

(b) Secs. 3 and 7 shall not take effect until December 1, 2019, and shall not take effect at all if the Commissioner of Financial Regulation secures a suitable insurance company to provide paid family and medical leave insurance pursuant to the provisions of 21 V.S.A. § 572(b).

(c) Secs. 8, 9, 10, and 11 shall take effect on October 1, 2020.

(d)(1)(A) If the Commissioner of Financial Regulation secures a private insurance carrier pursuant to 21 V.S.A. § 572, contributions shall begin being paid pursuant to 21 V.S.A. §§ 573 and 574 on April 1, 2020, and, beginning on October 1, 2020, employees may begin to receive benefits pursuant to 21 V.S.A. chapter 5, subchapter 13.

(B) If the Commissioner of Financial Regulation is unable to secure a private insurance carrier pursuant to 21 V.S.A. § 572, contributions shall begin being paid pursuant to 21 V.S.A. §§ 573 and 574 on July 1, 2020, and, beginning on July 1, 2021, employees may begin to receive benefits pursuant to 21 V.S.A. chapter 5, subchapter 13.

(2) An employer that is subject to a collective bargaining agreement shall not be required to pay contributions or be subject to the provisions of 21 V.S.A. chapter 5, subchapter 13 until either the effective date of the next collective bargaining agreement after April 1, 2020, or the effective date of a supplement to or provision of an existing collective bargaining agreement that specifically addresses the provisions of 21 V.S.A. chapter 5, subchapter 13, in order to permit the employer and the collective bargaining representative to negotiate regarding the employer and employee shares of the contribution rate or whether the employer will provide benefits through an alternative plan established pursuant to 21 V.S.A. § 577.

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

Senator Sirotkin, for the Committee on Finance, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs with the following amendment thereto:

In Sec. 2, 21 V.S.A. § 575, 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)(A) Each qualified employee shall complete a waiting period before he or she may receive benefits for a family care leave.

(B) The waiting period shall consist of the first five calendar days in a calendar year for which the qualified employee would otherwise be eligible to receive benefits for a family care leave.

(C) Family and Medical Leave Insurance benefits shall not be payable for any day in the waiting period.

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 the same without recommendation.

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 Economic Development, Housing and General Affairs was amended as recommended by the Committee on Finance.

Thereupon, the proposal of amendment recommended by the Committee on Economic Development, Housing and General Affairs, as amended, was agreed to and third reading of the bill was ordered on a roll call, Yeas 19, Nays 10.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Bray, Champion, Clarkson, Cummings, Hardy, Hooker, Ingram, Lyons, MacDonald, McCormack, Nitka, Pearson, Perchlik, Pollina, Sirotkin, White.

Those Senators who voted in the negative were: Benning, Brock, Collamore, Kitchel, Mazza, McNeil, Parent, Rodgers, Sears, Westman.

The Senator absent and not voting was: Starr.

House Proposal of Amendment Concurred In with Amendment

S. 107.

House proposal of amendment to Senate bill entitled:

An act relating to elections corrections.

Was taken up.

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

* * * 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

* * *

§ 1841. CONSTITUTIONAL REQUIREMENTS

(a) Amendments to the Constitution, having been proposed by the General Assembly, published, and concurred in by the succeeding General Assembly as required by § 72 of Chapter II of the Constitution, shall be submitted to the people of the ~~state~~ State for their ratification and adoption in the manner provided in this chapter.

(b) Following the concurrence by the succeeding General Assembly but prior to being submitted to the people of the State, the Governor shall issue a proclamation providing public notice of the proposed constitutional amendment.

§ 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 CONDUCT OF ELECTION

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

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~~ CHAPTER AND FORMS
TO CLERKS

(a) The Secretary of State shall send to the clerk of each city and town a copy of this ~~aet 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 and Senate 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 title chapter.

* * *

* * * Offenses Against the Purity of Elections * * *

Sec. 5. 17 V.S.A. § 2017 is amended to read:

§ 2017. UNDUE INFLUENCE

A person who attempts by bribery, threats, or any undue influence to dictate, control, or alter the vote of a ~~freeman or freewoman~~ voter about to be given at a local, primary, or general election shall be fined not more than \$200.00.

* * * Voter Registration * * *

Sec. 5a. 17 V.S.A. § 2145 is amended to read:

§ 2145. APPLICATION FORMS

* * *

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

* * *

Sec. 6. 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. 7. 17 V.S.A. § 2145b is amended to read:

§ 2145b. VOTER REGISTRATION AGENCIES

(a) Each voter registration agency shall:

(1) distribute voter registration application forms approved under section 2145 of this title;

(2) assist applicants in completing voter registration application forms, unless the applicant refuses such assistance; and

(3) accept completed voter registration applications and transmit completed applications to the Secretary of State not later than 10 days after the date of acceptance, or before the date of any primary or general election, whichever is sooner.

(b) The Secretary shall promptly transmit applications received under this section to the clerks of the appropriate municipalities.

(c)(1) A voter registration agency shall provide each applicant who does not decline to register to vote the same degree of assistance with regard to the completion of the voter registration application that the office provides with regard to the completion of its own forms, unless the applicant refuses such assistance.

(2) If an agency provides services to a person with a disability at the person's home, the agency shall provide the services described in subsection (a) of this section at the person's home.

(d) Except as provided in subsection (e) of this section, a voter registration agency that provides services or assistance in addition to conducting voter registration shall distribute a voter registration application with each application for the services or assistance provided by the agency, and with each recertification, renewal, or change of address form relating to those services or assistance. In addition to the voter registration application form, the agency shall distribute a separate form that includes the following:

(1) The question, "If you are not registered to vote where you live now, would you like to apply to register to vote here today?"

(2) In the case of an agency that provides public assistance, the statement, "Applying to register or declining to register to vote will not affect the amount of assistance that you will be provided by this agency."

(3) Boxes for the applicant to check to indicate whether the applicant would like to register or declines to register to vote, together with the statement, "IF YOU DO NOT CHECK EITHER BOX, YOU WILL BE CONSIDERED TO HAVE DECIDED NOT TO REGISTER TO VOTE AT THIS TIME."

(4) The statement, "If you would like help in filling out the voter registration application form, we will help you. The decision whether to seek or accept help is yours. You may fill out the application form in private."

(5) The statement, "If you believe that someone has interfered with your right to register or to decline to register to vote, you may file a complaint with the Secretary of State (Secretary of State's office address and telephone number)."

(e) The Secretary of State may designate voter registration agencies that shall provide qualified applicants for such agency's services, or qualified inmates within the custody of the Department of Corrections, with automatic voter registration as an integrated option on application forms for services provided by those agencies.

(1) Such designations shall be limited to a voter registration agency or a specific program administered by such an agency:

(A) that, in the regular course of the agency's or program's business, already collects and verifies documents necessary to provide proof of an individual's eligibility to vote under subchapter 1 of this chapter; and

(B) whose secretary, commissioner, or other applicable head of the agency has approved of such designation.

(2) On or before January 1 of each year, the Secretary shall, in accordance with the approval given by a voter registration agency's secretary, commissioner, or other head:

(A) publish on his or her official website a list of voter registration agencies designated under this subsection;

(B) specify which programs or services offered by each agency are included within the designation; and

(C) provide the date by which the agency's specified programs or services will comply with requirements of this subsection.

(3) Beginning on the date by which a voter registration agency's specified programs or services will comply with requirements of this subsection, an application for those services and any change of address form related to those services provided by the agency shall request the following information in a form approved by the Secretary of State:

(A) The applicant's citizenship.

(B) The applicant's date of birth.

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

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

(E) The voter's oath.

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

(4) An application for a designated automatic voter registration agency's services shall provide the following statements:

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

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

(5)(A) An application for a designated automatic voter registration agency's services shall provide the penalties provided by law for submission of a false voter registration application and shall require the signature of the applicant, under penalty of perjury.

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

(f)(1) The Secretary of State shall have the authority to audit any voter registration agency to determine compliance with the requirements of this section and to require any voter registration agency to implement any remedial measures necessary to ensure compliance with this section.

(2) The Secretary of Administration shall provide the Secretary of State any assistance that is necessary to ensure the cooperation of voter registration agencies in implementing any remedial measures the Secretary of State requires under this subsection.

Sec. 8. 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)(A)(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~~ obituaries (or other public ~~notice~~ notices 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)(A)(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.

(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)(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.

Sec. 8a. 17 V.S.A. § 2154 is amended to read:

§ 2154. STATEWIDE VOTER CHECKLIST

* * *

(b)(1) A registered voter's month and day of birth, driver's license or nondriver identification number, telephone number, e-mail address, and the last four digits of his or her Social Security number shall be kept confidential and are exempt from public inspection and copying under the Public Records Act.

(2) A public agency as defined in 1 V.S.A. § 317 and any officer, employee, agent, or independent contractor of a public agency shall not knowingly disclose a copy of all of the statewide voter checklist ~~or~~ a municipality's portion of the statewide voter checklist, or any other municipal voter checklist to any foreign government or to a federal agency or commission or to a person acting on behalf of a foreign government or of such a federal entity for the purpose of:

(A) registration of a voter based on his or her information maintained in the checklist;

(B) publicly disclosing a voter's information maintained in the checklist; or

(C) comparing a voter's information maintained in the checklist to personally identifying information contained in other federal or state databases.

* * *

* * * Political Parties * * *

Sec. 9. 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~~ A person acting on behalf of a major political party shall not 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~~ 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 or online forum 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 ~~mail~~ submit to the ~~Secretary of State and the~~ chairs of the

State and county committees 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 and members of the town committee and of the delegates to the county committee.

(b) A committee is not considered organized until a certificate of 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) Delegates 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)(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 committee within the county has organized 10 or fewer days before the date of the first meeting of the county committee, the chair ~~must~~ shall notify the newly elected members within 48 hours of receiving notice of the organized town committee.

(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 following their election 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~~ submit 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~~ 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 e-mails 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~~ A voter shall not vote in ~~the biennial~~ a town, county, or State caucus of more than one party in the same ~~year~~ 12-month period, 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. 10. 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.

§ 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.

* * *

Subchapter 3. Independent Candidates

* * *

§ 2403. NUMBER OF CANDIDATES; PARTY NAMES

(a)(1) 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.~~

(2) A single statement of nomination shall contain only one office for which a person seeks to be a candidate.

* * *

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. The forms shall remain posted on the Secretary's website until the date of the filing deadline for petition and consent forms for major party candidates for the statewide primary in the following election cycle.

* * *

* * * Election Complaint Procedure * * *

Sec. 11. 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~~ As used in this section, “complaint” ~~shall mean~~ means 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. 12. 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. 13. 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 that display the name of a candidate on the ballot or an organized political party or that demonstrate support or opposition to a question on the ballot 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. 14. 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) Deadline to file.

(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) Place of filing.

(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) Australian ballot. Voting by early voter absentee ballot shall be allowed only in elections using the Australian ballot system.

§ 2532. APPLICATIONS AUTHORIZED APPLICANTS; APPLICATION FORM; DUPLICATES

(a) Authorized applicants.

(1) An early or absentee voter, or an authorized family member or health care provider acting in the voter’s behalf, may apply for an early voter absentee ballot by telephone, in person, or in writing. “Family As used in this subsection, “family member” here means a person’s spouse, children, brothers, sisters, parents, spouse’s parents, grandparents, and spouse’s grandparents.

(2) 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~~ shall 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 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 voter registration application is approved and the voter's 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:

(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 clerk; ~~or the voter may~~

(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~~ Except for justices of the peace as provided in section 2538 of this subchapter, may a person shall not 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, injury, or ~~physical~~ disability, ballots shall be delivered in the following manner, unless the early or absentee voter has requested pursuant to section 2539 of this ~~title~~ subchapter that the early voter absentee ballots be mailed or 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~~ A 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~~ A candidate or spouse, parent, or child of a candidate shall not be eligible to perform the duties prescribed by this section unless the candidate involved is not disqualified by section 2456 of this ~~title~~ chapter 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 DELIVERY 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) ~~Voters who are ill, injured, or have a disability.~~ 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 procedures 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 identity of the early or absentee voter cannot be determined;

(2) the early or absentee voter is not legally qualified to vote;

~~(2)~~(3) the early or absentee voter has voted in person or previously 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. 15. 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.

* * * Recounts * * *

Sec. 16. 17 V.S.A. § 2601 is amended to read:

§ 2601. RECOUNT THRESHOLD

(a)(1) In an election for federal office, 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. 17. 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 a recount of a general election results in a tie, the provisions of 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. 18. 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~~ six 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 provided the ballots for the special election are able to be distributed by the deadline set forth in section 2479 of this title.

* * * Local Elections * * *

Sec. 19. 17 V.S.A. § 2647 is amended to read:

§ 2647. INCOMPATIBLE OFFICES

(a)(1) An auditor shall not be town clerk, town treasurer, selectboard member, first constable, collector of current or delinquent taxes, trustee of public funds, town manager, road commissioner, water commissioner, sewage system commissioner, sewage disposal commissioner, cemetery commissioner, or town district school director; nor shall a spouse of or any person assisting any of these officers in the discharge of official duties be eligible to hold office as auditor.

(2) A selectboard member or school director shall not be first constable, collector of taxes, town treasurer, assistant town treasurer, auditor, or town agent. A selectboard member shall not be lister or assessor.

(3) A cemetery commissioner or library trustee shall not be town treasurer, assistant town treasurer, or auditor.

(4) A town manager shall not hold any elective office in that town or town school district.

(5) Election officers at local elections shall be disqualified as provided in section 2456 of this title.

(b) Notwithstanding subsection (a) of this section, if a school district prepares and reports its budget independently from the budget of the town and the school district is audited by an independent public accountant, a person school director or spouse of a school director shall be eligible to hold office as auditor or town treasurer ~~even if that person's spouse holds office as a school director.~~

Sec. 20. 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. 21. 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~~ A town may vote at an 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. A vote on the question shall be printed upon the ballots below the list of candidates the following question in substantially the following form:

~~"Will Shall the [town name] 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. 22. 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 two-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 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~~ 1; and

(B) in the second year of the two-year general election cycle:

(i) on March 15;

(ii) on July ~~15~~ 1 and August ~~15~~ 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 four-year 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~~ 1; and

(B) in the fourth year of the four-year general election cycle:

(i) on March 15;

(ii) on July ~~15~~ 1 and August ~~15~~ 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.

* * *

* * * Effective Dates * * *

Sec. 23. EFFECTIVE DATES

This act shall take effect on July 1, 2019, except that:

(1) this section and Secs. 19, 17 V.S.A. § 2647 (incompatible offices) and 22, 17 V.S.A. § 2964 (campaign finance reports), shall take effect on passage; and

(2) in Sec. 14, 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 procedures described in subdivision (a)(2) of that section on or before January 1, 2020.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators White, Bray, Clarkson and Pollina moved that the Senate concur in the House proposal of amendment with amendments as follows:

First: In Sec. 5a, 17 V.S.A. § 2145 (application forms), in subsection (f), following "or the voter registration portion of an application for a motor vehicle driver's license or nondriver identification card" by inserting or of an application for the services of a designated automatic voter registration agency

Second: In Sec. 7, 17 V.S.A. § 2145b (voter registration agencies), in subsection (e), by adding a new subdivision (2) to read as follows:

(2) A voter registration agency shall not collect data necessary to establish an individual's eligibility to vote solely for the purpose of being designated an automatic voter registration agency under this subsection.

And by renumbering the remaining subdivisions within subsection (e) to be numerically correct.

Which was agreed to.

House Proposal of Amendment Not Concurred In; Committee of Conference Requested; Committee of Conference Appointed

S. 110.

House proposal of amendment to Senate bill entitled:

An act relating to data privacy and consumer protection.

Was taken up.

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

* * * Data Privacy; State Government * * *

Sec. 1. DATA PRIVACY INVENTORY

(a) On or before January 15, 2020, the following persons shall conduct a data privacy inventory and submit a report for their respective branches of State government 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:

(1) the State Court Administrator for the Judicial Branch;

(2) the Deputy Director for Information Technology within the Office of Legislative Council for the Legislative Branch; and

(3) the Chief Data Officer within the Agency of Digital Services and the Chief Records Officer within the Office of the Secretary of State for the Executive Branch.

(b) The inventory and report for each branch shall address the collection and management of personally identifiable information, as defined in 9 V.S.A. § 2430, and of 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 nonstate entities, including municipalities;

(2) arrangements or agreements, whether verbal or written, between branches of State government or between branches and nonstate 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, e-mail addresses, telephone numbers, and demographic information.

* * * Security Breach Notice Act * * *

Sec. 2. 9 V.S.A. § 2430 is amended to read:

§ 2430. DEFINITIONS

As used in this chapter:

* * *

(6) “Data collector” means a person who, for any purpose, whether by automated collection or otherwise, handles, collects, disseminates, or otherwise deals with personally identifiable information, and includes the State, State agencies, political subdivisions of the State, public and private universities, privately and publicly held corporations, limited liability companies, financial institutions, and retail operators.

(7) “Encryption” means use of an algorithmic process to transform data into a form in which the data is rendered unreadable or unusable without use of a confidential process or key.

(8) “License” means a grant of access to, or distribution of, data by one person to another in exchange for consideration. A use of data for the sole benefit of the data provider, where the data provider maintains control over the use of the data, is not a license.

(9) “Login credentials” means a consumer’s user name or e-mail address, in combination with a password or an answer to a security question, that together permit access to an online account.

~~(9)~~(10)(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 the data elements are not encrypted, ~~or~~ redacted, or protected by another method that renders them unreadable or unusable by unauthorized persons:

(i) a Social Security number;

(ii) ~~motor vehicle operator’s license number or nondriver identification card number~~ a driver license or nondriver State identification card number, individual taxpayer identification number, passport number, military identification card number, or other identification number that originates from a government identification document that is commonly used to verify identity for a commercial transaction;

(iii) ~~circumstances exist in which~~ a financial account number or credit or debit card number, if the number could be used without additional identifying information, access codes, or passwords;

(iv) ~~account passwords a password, or personal identification numbers number,~~ or other access codes code 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; and

(vii)(I) health records or records of a wellness program or similar program of health promotion or disease prevention;

(II) a health care professional's medical diagnosis or treatment of the consumer; or

(III) a health insurance policy 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.

~~(10)~~(11) "Record" means any material on which written, drawn, spoken, visual, or electromagnetic information is recorded or preserved, regardless of physical form or characteristics.

~~(11)~~(12) "Redaction" means the rendering of data so that the data are unreadable or are truncated so that no more than the last four digits of the identification number are accessible as part of the data.

~~(12)~~(13)(A) "Security breach" means unauthorized acquisition of, electronic data or a reasonable belief of an unauthorized acquisition of, electronic data that compromises the security, confidentiality, or integrity of a consumer's personally identifiable information or login credentials maintained by a data collector.

(B) "Security breach" does not include good faith but unauthorized acquisition of personally identifiable information or login credentials by an employee or agent of the data collector for a legitimate purpose of the data collector, provided that the personally identifiable information is or login credentials are not used for a purpose unrelated to the data collector's business or subject to further unauthorized disclosure.

(C) In determining whether personally identifiable information ~~has or login credentials have~~ been acquired or is reasonably believed to have been acquired by a person without valid authorization, a data collector may consider the following factors, among others:

(i) indications that the information is in the physical possession and control of a person without valid authorization, such as a lost or stolen computer or other device containing information;

(ii) indications that the information has been downloaded or copied;

(iii) indications that the information was used by an unauthorized person, such as fraudulent accounts opened or instances of identity theft reported; or

(iv) that the information has been made public.

Sec. 3. 9 V.S.A. § 2435 is amended to read:

§ 2435. NOTICE OF SECURITY BREACHES

(a) This section shall be known as the Security Breach Notice Act.

(b) Notice of breach.

(1) Except as ~~set forth~~ otherwise provided in subsection (d) of this section, any data collector that owns or licenses computerized personally identifiable information or login credentials ~~that includes personal information concerning a consumer~~ shall notify the consumer that there has been a security breach following discovery or notification to the data collector of the breach. Notice of the security breach shall be made in the most expedient time possible and without unreasonable delay, but not later than 45 days after the discovery or notification, consistent with the legitimate needs of the law enforcement agency, as provided in subdivisions (3) and (4) of this subsection (b), or with any measures necessary to determine the scope of the security breach and restore the reasonable integrity, security, and confidentiality of the data system.

(2) Any data collector that maintains or possesses computerized data containing personally identifiable information ~~of a consumer~~ or login credentials that the data collector does not own or license or any data collector that acts or conducts business in Vermont that maintains or possesses records or data containing personally identifiable information or login credentials that the data collector does not own or license shall notify the owner or licensee of the information of any security breach immediately following discovery of the breach, consistent with the legitimate needs of law enforcement as provided in subdivisions (3) and (4) of this subsection (b).

(3) A data collector or other entity subject to this subchapter shall provide notice of a breach to the Attorney General or to the Department of Financial Regulation, as applicable, as follows:

(A) A data collector or other entity regulated by the Department of Financial Regulation under Title 8 or this title shall provide notice of a breach to the Department. All other data collectors or other entities subject to this subchapter shall provide notice of a breach to the Attorney General.

(B)(i) The data collector shall notify the Attorney General or the Department, as applicable, of the date of the security breach and the date of discovery of the breach and shall provide a preliminary description of the breach within 14 business days, consistent with the legitimate needs of the law enforcement agency as provided in this subdivision (3) and subdivision (4) of this subsection (b), of the data collector's discovery of the security breach or when the data collector provides notice to consumers pursuant to this section, whichever is sooner.

(ii) Notwithstanding subdivision (B)(i) of this subdivision (b)(3), a data collector who, prior to the date of the breach, on a form and in a manner prescribed by the Attorney General, had sworn in writing to the Attorney General that it maintains written policies and procedures to maintain the security of personally identifiable information or login credentials and respond to a breach in a manner consistent with Vermont law shall notify the Attorney General of the date of the security breach and the date of discovery of the breach and shall provide a description of the breach prior to providing notice of the breach to consumers pursuant to subdivision (1) of this subsection (b).

(iii) If the date of the breach is unknown at the time notice is sent to the Attorney General or to the Department, the data collector shall send the Attorney General or the Department the date of the breach as soon as it is known.

(iv) Unless otherwise ordered by a court of this State for good cause shown, a notice provided under this subdivision (3)(B) shall not be disclosed to any person other than the Department, the authorized agent or representative of the Attorney General, a State's Attorney, or another law enforcement officer engaged in legitimate law enforcement activities without the consent of the data collector.

(C)(i) When the data collector provides notice of the breach pursuant to subdivision (1) of this subsection (b), the data collector shall notify the Attorney General or the Department, as applicable, of the number of Vermont consumers affected, if known to the data collector, and shall provide a copy of the notice provided to consumers under subdivision (1) of this subsection (b).

(ii) The data collector may send to the Attorney General or the Department, as applicable, a second copy of the consumer notice, from which is redacted the type of personally identifiable information or login credentials that was subject to the breach, and which the Attorney General or the Department shall use for any public disclosure of the breach.

(D) If a security breach is limited to an unauthorized acquisition of login credentials, a data collector is only required to provide notice of the security breach to the Attorney General or Department of Financial Regulation, as applicable, if the login credentials were acquired directly from the data collector or its agent.

(4)(A) The notice to a consumer required by this subsection shall be delayed upon request of a law enforcement agency. A law enforcement agency may request the delay if it believes that notification may impede a law enforcement investigation, or a national or Homeland Security investigation or jeopardize public safety or national or Homeland Security interests. In the event law enforcement makes the request for a delay in a manner other than in writing, the data collector shall document such request contemporaneously in writing, including the name of the law enforcement officer making the request and the officer's law enforcement agency engaged in the investigation. A law enforcement agency shall promptly notify the data collector in writing when the law enforcement agency no longer believes that notification may impede a law enforcement investigation, or a national or Homeland Security investigation or jeopardize public safety or national or Homeland Security interests. The data collector shall provide notice required by this section without unreasonable delay upon receipt of a written communication, which includes facsimile or electronic communication, from the law enforcement agency withdrawing its request for delay.

(B) A Vermont law enforcement agency with a reasonable belief that a security breach has or may have occurred at a specific business shall notify the business in writing of its belief. The agency shall also notify the business that additional information on the security breach may need to be furnished to the Office of the Attorney General or the Department of Financial Regulation and shall include the website and telephone number for the Office and the Department in the notice required by this subdivision. Nothing in this subdivision shall alter the responsibilities of a data collector under this section or provide a cause of action against a law enforcement agency that fails, without bad faith, to provide the notice required by this subdivision.

(5) The notice to a consumer required in subdivision (1) of this subsection (b) shall be clear and conspicuous. The A notice to a consumer of a security breach involving personally identifiable information shall include a description of each of the following, if known to the data collector:

-
- (A) the incident in general terms;
 - (B) the type of personally identifiable information that was subject to the security breach;
 - (C) the general acts of the data collector to protect the personally identifiable information from further security breach;
 - (D) a telephone number, toll-free if available, that the consumer may call for further information and assistance;
 - (E) advice that directs the consumer to remain vigilant by reviewing account statements and monitoring free credit reports; and
 - (F) the approximate date of the security breach.

(6) A data collector may provide notice of a security breach involving personally identifiable information 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 lowest cost of providing notice to affected consumers pursuant to subdivision (6)(A) of this subsection among 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.

(c) In the event a data collector provides notice to more than 1,000 consumers at one time pursuant to this section, the data collector shall notify, without unreasonable delay, all consumer reporting agencies that compile and maintain files on consumers on a nationwide basis, as defined in 15 U.S.C. § 1681a(p), of the timing, distribution, and content of the notice. This subsection shall not apply to a person who is licensed or registered under Title 8 by the Department of Financial Regulation.

(d)(1) Notice of a security breach pursuant to subsection (b) of this section is not required if the data collector establishes that misuse of ~~personal information~~ personally identifiable information or login credentials is not reasonably possible and the data collector provides notice of the determination that the misuse of the ~~personal information~~ personally identifiable information or login credentials is not reasonably possible pursuant to the requirements of this subsection (d). If the data collector establishes that misuse of the ~~personal information~~ personally identifiable information or login credentials is not reasonably possible, the data collector shall provide notice of its determination that misuse of the ~~personal information~~ personally identifiable information or login credentials is not reasonably possible and a detailed explanation for said determination to the Vermont Attorney General or to the Department of Financial Regulation in the event that the data collector is a person or entity licensed or registered with the Department under Title 8 or this title. The data collector may designate its notice and detailed explanation to the Vermont Attorney General or the Department of Financial Regulation as "trade secret" if the notice and detailed explanation meet the definition of trade secret contained in 1 V.S.A. § 317(c)(9).

(2) If a data collector established that misuse of ~~personal information~~ personally identifiable information or login credentials was not reasonably possible under subdivision (1) of this subsection (d), and subsequently obtains facts indicating that misuse of the ~~personal information~~ personally identifiable information or login credentials has occurred or is occurring, the data collector shall provide notice of the security breach pursuant to subsection (b) of this section.

(3) If a security breach is limited to an unauthorized acquisition of login credentials for an online account other than an e-mail account the data collector shall provide notice of the security breach to the consumer electronically or through one or more of the methods specified in subdivision

(b)(6) of this section and shall advise the consumer to take steps necessary to protect the online account, including to change his or her login credentials for the account and for any other account for which the consumer uses the same login credentials.

(4) If a security breach is limited to an unauthorized acquisition of login credentials for an email account:

(A) the data collector shall not provide notice of the security breach through the email account; and

(B) the data collector shall provide notice of the security breach through one or more of the methods specified in subdivision (b)(6) of this section or by clear and conspicuous notice delivered to the consumer online when the consumer is connected to the online account from an Internet protocol address or online location from which the data collector knows the consumer customarily accesses the account.

(e) A data collector that is subject to the privacy, security, and breach notification rules adopted in 45 C.F.R. Part 164 pursuant to the federal Health Insurance Portability and Accountability Act, P.L. 104-191 (1996) is deemed to be in compliance with this subchapter if:

(1) the data collector experiences a security breach that is limited to personally identifiable information specified in 2430(10)(A)(vii); and

(2) the data collector provides notice to affected consumers pursuant to the requirements of the breach notification rule in 45 C.F.R. Part 164, Subpart D.

(f) Any waiver of the provisions of this subchapter is contrary to public policy and is void and unenforceable.

(f)(g) Except as provided in subdivision (3) of this subsection (g), a financial institution that is subject to the following guidances, and any revisions, additions, or substitutions relating to an interagency guidance shall be exempt from this section:

(1) The Federal Interagency Guidance Response Programs for Unauthorized Access to Consumer Information and Customer Notice, issued on March 7, 2005, by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision.

(2) Final Guidance on Response Programs for Unauthorized Access to Member Information and Member Notice, issued on April 14, 2005, by the National Credit Union Administration.

(3) A financial institution regulated by the Department of Financial Regulation that is subject to subdivision (1) or (2) of this subsection ~~(f)~~(g) shall notify the Department as soon as possible after it becomes aware of an incident involving unauthorized access to or use of personally identifiable information.

~~(g)~~(h) Enforcement.

(1) With respect to all data collectors and other entities subject to this subchapter, other than a person or entity licensed or registered with the Department of Financial Regulation under Title 8 or this title, the Attorney General and State's Attorney shall have sole and full authority to investigate potential violations of this subchapter and to enforce, prosecute, obtain, and impose remedies for a violation of this subchapter or any rules or regulations made pursuant to this chapter as the Attorney General and State's Attorney have under chapter 63 of this title. The Attorney General may refer the matter to the State's Attorney in an appropriate case. The Superior Courts shall have jurisdiction over any enforcement matter brought by the Attorney General or a State's Attorney under this subsection.

(2) With respect to a data collector that is a person or entity licensed or registered with the Department of Financial Regulation under Title 8 or this title, the Department of Financial Regulation shall have the full authority to investigate potential violations of this subchapter and to prosecute, obtain, and impose remedies for a violation of this subchapter or any rules or regulations adopted pursuant to this subchapter, as the Department has under Title 8 or this title or any other applicable law or regulation.

* * * Student Data Privacy * * *

Sec. 4. 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:

(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 PreK–12 school purposes;

(ii) created by or provided to an operator by an employee or agent of a school or school district for PreK–12 school purposes; or

(iii) gathered by an operator through the operation of its site, service, or application for PreK–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) "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 PreK–12 school purposes and was designed and marketed for PreK–12 school purposes.

(3) "PreK–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.

(4) "School" means:

(A) a public or private preschool, 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 PreK–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 PreK–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 PreK–12 school 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

(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 PreK–12 school purposes; and

(3) disclosure to a State or local educational agency, including schools and school districts, for PreK–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

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

Sec. 5. STUDENT PRIVACY; REVIEW; RECOMMENDATIONS

The Attorney General, in consultation with the Agency of Education, shall examine the issue of student data privacy as it relates to the federal Family Educational Rights and Privacy Act and access to student data by data brokers or other entities, and shall confer with parties of interest to determine any necessary recommendations.

* * * Automatic Renewal Provisions * * *

Sec. 6. 9 V.S.A. § 2454a is amended to read:

§ 2454a. CONSUMER CONTRACTS; AUTOMATIC RENEWAL

(a) A contract between a consumer and a seller or a lessor with an initial term of one year or longer that renews for a subsequent term that is longer than one month shall not renew automatically unless:

(1) the contract states clearly and conspicuously the terms of the automatic renewal provision in plain, unambiguous language in bold-face type; and

~~(2) in addition to accepting the contract, the consumer takes an affirmative action to opt in to the automatic renewal provision; and~~

~~(3) if the consumer opts in to the automatic renewal provision, the seller or lessor provides a written or electronic notice to the consumer:~~

~~(A) not less than 30 days and not more than 60 days before the earliest of:~~

~~(i) the automatic renewal date;~~

~~(ii) the termination date; or~~

~~(iii) the date by which the consumer must provide notice to cancel the contract; and~~

~~(B) that includes:~~

~~(i) the date the contract will terminate and a clear statement that the contract will renew automatically unless the consumer cancels the contract on or before the termination date; and~~

~~(ii) the length and any additional terms of the renewal period;~~

~~(iii) one or more methods by which the consumer can cancel the contract; and~~

~~(iv) contact information for the seller or lessor.~~

(b) A seller or lessor under a contract subject to subsection (a) of this section shall:

(1) provide to the consumer a toll-free telephone number, electronic-mail address, a postal address if the seller or lessor directly bills the consumer, or another cost-effective, timely, and easy-to-use mechanism for canceling the contract; and

(2) if the consumer accepted the contract online, permit the consumer to terminate the contract exclusively online, which may include a termination e-mail formatted and provided by the seller or lessor that the consumer can send without additional information.

(c) A person who violates a provision of ~~subsection (a)~~ of this section commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

~~(e)~~(d) The provisions of this section do not apply to:

(1) a contract between a consumer and a financial institution, as defined in 8 V.S.A. § 11101, or between a consumer and a credit union, as defined in 8 V.S.A. § 30101; or

(2) a contract for insurance, as defined in 8 V.S.A. § 3301a.

* * * Effective Date * * *

Sec. 7. EFFECTIVE DATE

(a) This section and Secs. 1–5 of this act shall take effect on July 1, 2019.

(b) Sec. 6 of this act shall take effect on July 1, 2019 and supersedes contrary provisions of 2018 Acts and Resolves No. 179, Sec. 1.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Sirotkin, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

Thereupon, pursuant to the request of the Senate, the President announced the appointment of

Senator Hooker
Senator Baruth
Senator Sirotkin

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Rules Suspended; Bill Committed

H. 508.

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

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

Was taken up for immediate consideration.

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

Which was agreed to.

Committee of Conference Appointed

H. 536.

An act relating to education finance.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Cummings
Senator MacDonald
Senator Campion

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Rules Suspended; Bills Messaged

On motion of Senator Ashe, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 107, S. 110, H. 536.

Adjournment

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

THURSDAY, MAY 16, 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. 71

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

Mr. President:

I am directed to inform the Senate that:

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

H. 525. An act relating to miscellaneous agricultural subjects.

And has refused to concur therein and asks for a Committee of Conference upon the disagreeing votes of the two Houses;

The Speaker appointed as members of such Committee on the part of the House:

Rep. Partridge of Windham
Rep. Graham of Williamstown
Rep. Norris of Shoreham.

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

H. 530. An act relating to the qualifications and election of the Adjutant and Inspector General.

And has refused to concur therein and asks for a Committee of Conference upon the disagreeing votes of the two Houses;

The Speaker appointed as members of such Committee on the part of the House:

Rep. Troiano of Stannard
Rep. Stevens of Waterbury
Rep. Hango of Berkshire.

Pursuant to the request of the Senate for a Committee of Conference the Speaker appointed the following members on the part of the House:

S. 110. An act relating to data privacy and consumer protection.

Rep. Kimbell of Woodstock
Rep. Marcotte of Coventry
Rep. Jerome of Brandon.

Message from the House No. 72

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 the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 95. An act relating to municipal utility capital investment.

And has adopted the same on its part.

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

S. 31. An act relating to informed health care financial decision making.

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

Proposal of Amendment; Third Reading Ordered

H. 292.

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

An act relating to town banners over highway rights-of-way.

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

Sec. 1. 10 V.S.A. § 494 is amended to read:

§ 494. EXEMPT SIGNS

The following signs are exempt from the requirements of this chapter except as indicated in section 495 of this title:

* * *

(18)(A) A sign that is a banner erected over a highway right-of-way for not more than 21 days if the bottom of the banner is not less than 16 feet 6 inches above the surface of the highway and is securely fastened with breakaway fasteners.

(B) As used in this subdivision (18), "banner" means a sign that is constructed of soft cloth or fabric or flexible material such as vinyl or plastic cardboard.

Sec. 2. 10 V.S.A. § 495 is amended to read:

§ 495. OTHER REGULATIONS APPLYING TO PERMITTED SIGNS

* * *

(d) Notwithstanding any other provisions of this title, a person, firm, or corporation shall not erect or maintain any outdoor advertising structure, device, or display within the limits of the highway right-of-way; however, this limitation shall not apply to the signs and devices referred to in subdivisions 494(1), (2), (3), (6), (7), (10), (14), and (17) of this title.

* * *

(f) Except on limited access facilities, the limitation established by subsection (d) of this section shall not apply to the signs referred to in subdivision 494(18) of this title.

Sec. 3. 1 V.S.A. § 377 is amended to read:

§ 377. GREEN UP DAY; RIVER ~~GREEN UP~~ CLEANUP MONTH

(a) The first Saturday in the month of May is designated as Green Up Day.

(b) September of each year is designated as River ~~Green Up~~ Cleanup Month.

Sec. 4. 10 V.S.A. § 1446 is amended to read:

§ 1446. REGISTERED PROJECTS; EXEMPTIONS FROM PERMITTING

* * *

(b) Exemptions. The following activities in a protected shoreland area do not require a permit under section 1444 or 1445 of this title:

* * *

(18) Removal of constructed feature. Temporary cutting or removal of vegetation to remove an existing constructed feature, provided that the area of removal is revegetated according to the requirements for the management of vegetative cover under section 1447 of this title and all cutting and removal of vegetation complies with the Agency's low-risk site handbook for erosion prevention and sediment control.

* * *

Sec. 5. 10 V.S.A. § 4254 is amended to read:

§ 4254. FISHING AND HUNTING LICENSES; ELIGIBILITY, DESIGN, DISTRIBUTION, SALE, AND ISSUE

* * *

(i)(1) If the Board establishes a moose hunting season, ~~up to five moose permits shall be set aside to be auctioned~~ not more than 10 percent of the total number of annual moose permits authorized by the Board shall be set aside to be auctioned. The total number of annual moose permits set aside to be auctioned shall not exceed six. The moose permits, if any, set aside for auction shall be ~~in addition to the~~ included in the total number of annual moose permits authorized by the Board. The Board shall adopt rules necessary for the Department to establish, implement, and run the auction process. The Commissioner annually may establish a minimum dollar amount of not less than \$1,500.00 for any winning bid for a moose permit auctioned under this

subdivision. Proceeds from the auction shall be deposited in the Fish and Wildlife Fund and used for conservation education programs run by the Department. Successful bidders must have a Vermont hunting or combination license in order to purchase a moose permit.

(2) ~~If the Board establishes a moose hunting season, there shall be established a program to~~ the Commissioner shall set aside five moose permits not more than 10 percent of the total number of annual moose permits authorized by the Board for Vermont residents who have served on active duty in any branch of the U.S. Armed Forces provided that he or she has not received a dishonorable discharge. The total number of annual moose permits set aside for Vermont veterans shall not exceed six. Veterans awarded a moose permit under this subsection shall possess a valid Vermont hunting license or combination license in order to purchase a moose permit. The Department of Fish and Wildlife shall coordinate with the Office of Veterans Affairs to provide notice to eligible veterans of the moose permits set aside under this subsection.

(3) ~~The Department of Fish and Wildlife shall adopt a procedure to implement the set-aside program for auction and for veterans, including a method to award applicants preference bonus points and a method by which auction participants and veterans who applied for but failed to receive a permit in one hunting season are awarded priority in the subsequent moose hunting season. The procedure adopted under this subdivision shall be consistent with the preference system for the permit auction authorized under subdivision (1) of this subsection. Veterans awarded a moose permit under this subsection must possess a valid Vermont hunting or combination license in order to purchase a moose permit. The Department of Fish and Wildlife shall coordinate with the Office of Veterans Affairs to provide notice to eligible veterans of the moose permits set aside under this subsection~~ may include a provision for freezing bonus points in the event that the Board does not approve a moose hunting season or approves a small number of permits for the moose hunting season.

Sec. 6. 10 App. V.S.A. § 33 is amended to read:

§ 33. MOOSE MANAGEMENT RULE

* * *

3.6 “Bonus point” means: 1) ~~a point accrued for successfully applying for a permit, but not being drawn, or 2) a point accrued by indicating on the application that the person should not be entered into that year’s drawing, but wishes to accrue a point.~~ [Repealed.]

* * *

7.0 Lottery Points

~~7.1 A person may accumulate one additional chance, or “bonus point” to win the lottery for each consecutive year that person legally submits and provides the fee for an application but is not selected to receive a permit.~~

~~7.2 Two separate lotteries may be held, one for the archery season and one for the regular season. Applicants may accumulate up to one bonus point per year in each of the two separate lotteries, provided a complete application is submitted.~~

~~7.3 Applicants may elect to accrue a bonus point without entering the moose hunt lottery by submitting a completed application and fee and indicating at the appropriate place on the application form that they do not wish to be entered in the lottery for the current calendar year.~~

~~7.4 To accrue bonus points, a person must provide a complete application for the given year’s lottery for which the person wishes to receive a permit (archery or regular). All bonus points in both lotteries are lost upon receipt of a valid permit or failure to provide a complete application for each designated lottery - a person may continue to accrue bonus points in one lottery, even if he or she fails to provide a valid application for the other. [Repealed.]~~

* * *

Sec. 7. 10 V.S.A. § 4255 is amended to read:

§ 4255. LICENSE FEES

* * *

(j) If the Board determines that a moose season will be held in accordance with the rules adopted under sections 4082 and 4084 of this title, the Commissioner annually may issue three no-cost moose licenses to a person who has a life-threatening disease or illness and who is sponsored by a qualified charitable organization, provided that at least one of the no-cost annual moose licenses awarded each year shall be awarded to a child or young adult 21 years of age or under who has a life-threatening illness. The child or adult shall comply with all other requirements of this chapter and the rules of the Board. Under this subsection, a person may receive only one no-cost moose license in his or her lifetime. ~~The Commissioner shall adopt rules in accordance with 3 V.S.A. chapter 25 to implement this subsection. The rules shall define the child or adult qualified to receive the no-cost license, shall define a qualified sponsoring charitable organization, and shall provide the application process and criteria for issuing the no-cost moose license.~~

* * *

Sec. 8. REPEAL; SPECIAL OPPORTUNITY YOUTH MOOSE LICENSE
RULE

The Vermont Department of Fish and Wildlife Commissioner Rule entitled Special Opportunity Youth Moose License Rule, 12-010-072 Vt. Code R. § 1, effective September 13, 2005, and amended May 18, 2010, is hereby repealed.

Sec. 9. AMENDMENTS TO AIR POLLUTION CONTROL
RULES REGARDING WOOD HEATERS; COMMENCEMENT;
ADOPTION; INSTITUTIONAL, COMMERCIAL, AND
INDUSTRIAL WOOD HEATING APPLIANCES

(a)(1) The Secretary of Natural Resources, in consultation with interested parties and parties having expertise in wood heating and wood heating appliances, shall adopt amendments to the provisions of the Vermont Air Pollution Control Regulations governing the manufacture, sale, purchase, installation, and operation of wood heating appliances for use in institutional, commercial, or industrial applications in Vermont. These rules shall allow for alternative methods of demonstrating compliance with applicable air quality and efficiency standards as determined by the Air Pollution Control Officer.

(2) On or before July 1, 2019, the Secretary of Natural Resources shall submit to the Senate Committee on Natural Resources and Energy and the House Committees on Energy and Technology and on Natural Resources, Fish, and Wildlife a copy of the draft rule amendments to Vermont Air Pollution Control Regulations required in subsection (a) of this section.

(3) The Secretary of Natural Resources shall commence the rulemaking required under this subsection on or before October 1, 2019 and shall adopt the rules on or before May 1, 2020.

(b)(1) Until such time that a rule amendment as required in subsection (a) of this section is adopted, and notwithstanding VT ADC 12-031-001:5-204, manufacturers of wood heating appliances that are equipped with oxygen trim systems for use in institutional, commercial, or industrial applications shall be subject to a certification process conducted by the Agency of Natural Resources wherein each discrete model to be installed in Vermont shall be certified by the Air Pollution Control Officer before installation occurs, unless such appliance has been certified by the U.S. Environmental Protection Agency as meeting the requirements of 40 C.F.R. Part 60, Subparts AAA and QQQQ as published in the Federal Register on March 16, 2015. Units that do not meet the requirements for certification will remain subject to VT ADC 12-031-001:5-204.

(2) Certification process.

(A) The Secretary shall develop a certification process in accordance

with this section by July 10, 2019. As part of the certification process, the Secretary shall:

(i) accept test data pursuant to the European Standard EN 303-5 adjusted for higher heat value and condensable particulate matter fraction or other similar methods approved by the Air Pollution Control Officer; and

(ii) require emissions standards no more stringent than those levels established under 40 C.F.R. §§ 60.5474(b)(2) and 60.532(b) as published in the Federal Register on March 16, 2015.

(B) A fee of \$1,000.00 shall be due the Agency for each certification application that is submitted in accordance with the certification process.

(C) Certification of a particular unit model issued by the Air Pollution Control Officer is not subject to the procedures and requirements of 10 V.S.A. chapter 170.

(c) Notwithstanding subsection (b) of this section, prior to September 1, 2019, new wood heating appliances that are equipped with oxygen trim systems for use in institutional, commercial, or industrial applications may be installed in Vermont.

(d)(1) Notice to buyers. No persons shall sell or distribute any new wood heating appliance for installation in an institutional, commercial, or industrial application as allowed in subsections (b) or (c) of this section unless, prior to any retail sales or lease agreement, the seller or dealer provides the prospective buyer or lessee with written notice stating that:

(A) only allowed fuels, as specified in VT ADC 12-031-001:5-204(c)(3)(ii), may be burned in a new wood heating appliance; and

(B) all new wood heating appliances must be operated in conformance with the manufacturer's operating and maintenance instructions.

(2) The written notice shall be signed and dated by the prospective buyer or lessee to verify timely receipt of the notice prior to the sale or lease and shall contain the name, address, and telephone number of both the seller or dealer and the prospective buyer or lessee, the location where the new wood heating appliance will be installed, the wood fuel type to be used, and the make and model of the new wood heating appliance. Prior to delivery of a new wood heating appliance to any buyer or lessee, the seller or dealer shall mail or otherwise provide a copy of the signed notice to the Secretary.

(e)(1) Requirements for installers, owners, and operators. No person shall install any new wood heating appliance allowed pursuant to subsections (b) or (c) of this section that is also an outdoor hydronic heater that does not meet the setback requirements of VT ADC 12-031-001:5-204(c)(2)(iv).

(2) No person shall cause, allow, or permit the operation of a new wood heating appliance allowed pursuant to subsections (b) and (c) of this section that is not in accordance with the requirements of VT ADC 12-031-001:5-204(c)(3)(ii)-(iii).

Sec. 10. 10 V.S.A. § 4081 is amended to read:

§ 4081. POLICY.

* * *

(g) If the Board finds that an antlerless season is necessary to maintain the health and size of the herd, the Department shall administer an antlerless deer program. Annually, the Board shall determine how many antlerless permits to issue in each wildlife management unit. For a nonrefundable fee of ~~\$10.00~~ \$15.00 for residents and ~~\$25.00~~ \$30.00 for nonresidents a person may apply for a permit. Each person may submit only one application for a permit. The Department shall allocate the permits in the following manner:

(1) A Vermont landowner, as defined in section 4253 of this title, who owns 25 or more contiguous acres and who applies shall receive a permit for antlerless hunting in the management unit on which the land is located before any are given to people eligible under subdivision (2) of this subsection. If the land is owned by more than one individual, corporation, or other entity, only one permit shall be issued. Landowners applying for antlerless permits under this subdivision shall not, at the time of application or thereafter during the regular hunting season, post their lands except under the provisions of section 4710 of this title. As used in this section, "post" means any signage that would lead a reasonable person to believe that hunting is restricted on the land. If the number of landowners who apply exceeds the number of permits for that district, the Department shall award all permits in that district to landowners by lottery.

(2) Permits remaining after allocation pursuant to subdivision (1) of this subsection shall be issued by lottery.

(3) Any permits remaining after permits have been allocated pursuant to subdivisions (1) and (2) of this subsection shall be issued by the Department for a ~~\$10.00~~ \$15.00 fee for residents. Ten percent of the remaining permits may be issued to nonresident applicants for a ~~\$25.00~~ \$30.00 fee.

Sec. 11. 10 V.S.A. § 4252 is amended to read:

§ 4252. ACTIVITIES PERMITTED UNDER LICENSES.

(a) Subject to provisions of this part and rules of the Board:

(1) A fishing license shall entitle the holder to take fish.

(2) A hunting license shall entitle the holder to take wild animals, other than fish, except by trapping and for those species that require a separate big game license, and to shoot and spear pickerel.

(3) A trapping license shall entitle the holder to take animals other than fish with the use of traps.

(4) A combination fishing and hunting license shall entitle the holder to take fish and wild animals, except by trapping and for those species that require a separate big game license, and to shoot and spear pickerel.

(5) An archery license shall entitle the holder to take ~~one~~ wild deer by bow and arrow or crossbow.

(6) A muzzle loader license shall entitle the holder to take deer with a muzzle loading firearm.

(7) A turkey license shall entitle the holder to take wild turkey.

(8) A small game license shall entitle the holder to take small game by any lawful means other than a trap.

(9) ~~A second muzzle loader license, which may only be purchased by a holder of a muzzle loader license, shall entitle the holder to take one wild deer, in addition to the number allowed to a holder of a muzzle loader license, with a muzzle loading firearm. [Repealed.]~~

(10) ~~A second archery license, which may only be purchased by a holder of an archery license, shall entitle the holder to take one deer, in addition to the number allowed to a holder of an archery license, with a bow and arrow. [Repealed.]~~

* * *

Sec. 12. 10 V.S.A. § 4701 is amended to read:

§ 4701. USE OF GUN, BOW AND ARROW, AND CROSSBOW; LEGAL DAY; DOGS

(a) Unless otherwise provided by statute, a person shall not take game except with:

(1) a gun fired at arm's length;

(2) a bow and arrow; or

(3) a crossbow as ~~authorized under section 4711 of this title or as~~ authorized by the rules of the Board.

(b) A person shall not take game between one-half hour after sunset and one-half hour before sunrise unless otherwise provided by statute or by the rules of the Board.

(c) A person may take game and fur-bearing animals during the open season therefor, with the aid of a dog, unless otherwise prohibited by statute or by the rules of the Board.

Sec. 13. 10 V.S.A. § 4711 is amended to read:

§ 4711. ~~CROSSBOW HUNTING; PERMIT.~~

~~A person who is impaired to the degree that he or she cannot operate a standard bow may obtain a permit to take game with a crossbow. The permit fees shall be \$25.00 for a permanent permit and \$5.00 for a temporary permit. A person who has lost a crossbow permit may request a new permit from the agent of original issue. The fee shall be \$5.00. All fees shall be deposited in the Fish and Wildlife Fund. A person applying for this permit must personally appear before the Commissioner of Fish and Wildlife, or his or her designee, with certification from a licensed physician that he or she is so disabled. The Commissioner may obtain a second medical opinion to verify the disability. Upon satisfactory proof of the disability, the Commissioner may issue a permit under this section. The permit shall set forth whether it was issued because of an inability to use a standard bow, and be attached to the license. The holder of the permit shall carry it at all times while hunting, and produce it on demand for inspection by any game warden or other law enforcement officer authorized to make arrests. Unless it is uncocked, a person shall not possess or transport a crossbow in or on a motor vehicle, motorboat, airplane, snowmobile, or other motor-propelled craft or any vehicle drawn by a motor-propelled vehicle except as permitted under subsection 4705(e) of this title. [Repealed.]~~

Sec. 14. 10 V.S.A. § 4742a is amended to read:

§ 4742a. ~~YOUTH DEER HUNTING WEEKEND.~~

~~(a) The Saturday and Sunday Board shall designate by rule a youth deer hunting weekend prior to opening day of the regular deer season established by Board rule shall be youth deer hunting weekend.~~

~~(b) A person who is 15 years of age or under on the weekend of the hunt, and who has successfully completed a hunter safety course, may take one wild deer during youth deer hunting weekend in accordance with the rules of the Board. In order to hunt under this section, a young person shall also hold a valid hunting license under section 4255 of this title, hold a youth deer hunting tag, and be accompanied by an unarmed adult who holds a valid Vermont hunting license and who is over 18 years of age. An adult accompanying a youth under this section shall accompany no more than two young people at one time.~~

(c) Each year, the Board shall determine whether antlerless deer may be taken under this section in any deer management unit or units. A determination under this subsection shall be made by rule, shall be based on the game management study conducted pursuant to section 4081 of this title, and, notwithstanding subsection (g) of that section, may allow taking of antlerless deer.

(d) No person shall hunt under this section on privately owned land without first obtaining the written permission of the owner or occupant.

* * *

Sec. 15. EFFECTIVE DATES

(a) This section, Sec. 4 (lake shoreland; removal of constructed features), and Sec. 9 (air pollution rules; wood heating) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2019.

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

An act relating to miscellaneous natural resources and energy subjects.

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

Senator Campion, for the Committee on Finance, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Natural Resources and Energy with the following amendments thereto:

First: By striking out Sec. 10, 10 V.S.A. § 4081 in its entirety and by renumbering the remaining sections to be numerically correct.

Second: In the newly renumbered Sec. 13, 10 V.S.A. § 4742a in subsection (d), by striking out the word "written"

Third: By striking out the newly renumbered Sec. 14, effective dates, in its entirety and inserting in lieu thereof the following:

Sec. 14. EFFECTIVE DATES

(a) This section, Secs. 4 (lake shoreland; removal of constructed features), and 9 (air pollution rules; wood heating) shall take effect on passage.

(b) Secs. 5, 6, 7, and 8 shall take effect on January 1, 2020.

(c) All other sections shall take effect on July 1, 2019.

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

An act relating to miscellaneous natural resources and energy subjects.

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 Natural Resources and Energy was amended as recommended by the Committee on Finance.

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

Proposal of Amendment; Consideration Postponed

H. 63.

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

An act relating to the time frame for return of unclaimed beverage container deposits.

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:

* * * Weatherization; Building Energy Labeling and Benchmarking * * *

Sec. 1. FINDINGS

The General Assembly finds that for the purposes of Secs. 1–7 of this act:

(1) Pursuant to 10 V.S.A. § 578, it is the goal of Vermont to reduce greenhouse gas emissions from the 1990 baseline by 50 percent by January 1, 2028, and, if practicable, by 75 percent by January 1, 2050. Pursuant to 10 V.S.A. § 581, it is also the goal of Vermont to improve the energy fitness of at least 20 percent (approximately 60,000 units) of the State's housing stock by 2017, and 25 percent (approximately 80,000 units) by 2020, thereby reducing fossil fuel consumption and saving Vermont families a substantial amount of money.

(2) The State is failing to achieve these goals. For example, Vermont's greenhouse gas emissions have increased 16 percent compared to the 1990 baseline.

(3) Approximately 24 percent of the greenhouse gas emissions within Vermont stem from residential and commercial heating and cooling usage. Much of Vermont's housing stock is old, inadequately weatherized, and therefore not energy efficient.

(4) The Regulatory Assistance Project recently issued a report recommending two strategies to de-carbonize Vermont and address climate change. First, electrifying the transportation sector. Second, focusing on substantially increasing the rate of weatherization in Vermont homes and incentivizing the adoption of more efficient heating technologies such as cold climate heat pumps.

(5) Although the existing Home Weatherization Assistance Program assists Vermonters with low income to weatherize their homes and reduce energy use, the Program currently weatherizes approximately 850 homes a year. This rate is insufficient to meet the State's statutory greenhouse gas reduction and weatherization goals.

(6) Since 2009, proceeds from the Regional Greenhouse Gas Initiative (RGGI) and the Forward Capacity Market (FCM) have been used to fund thermal efficiency and weatherization initiatives by Efficiency Vermont, under the oversight of the Public Utility Commission (PUC). Approximately 800 Vermont homes and businesses are weatherized each year under a market-based approach that utilizes 50 participating contractors. Efficiency Vermont and the contractors it works with have the capacity to substantially increase the number of projects undertaken each year.

(7) A multipronged approach is necessary to address these issues. The first part will establish a statewide voluntary program for rating and labeling the energy performance of buildings to make energy use and costs visible for buyers, sellers, owners, lenders, appraisers, and real estate professionals. The second part will allow Efficiency Vermont to use unspent funds to weatherize more homes and buildings. The third part will ask the Public Utility Commission to undertake a proceeding to examine whether to recommend to the General Assembly the creation of an all-fuels energy efficiency program, the expansion of the services that efficiency utilities may provide, and related issues.

Sec. 2. 30 V.S.A. chapter 2, subchapter 2 is added to read:

Subchapter 2. Building Energy Labeling and Benchmarking

§ 61. DEFINITIONS

As used in this subchapter:

(1) "Benchmarking" means measuring the energy performance of a single building or portfolio of buildings over time in comparison to other similar buildings or to modeled simulations of a reference building built to a specific standard such as an energy code.

(2) “Commercial Working Group” means the Commercial and Multiunit Building Energy Labeling Working Group established by subsection 62(b) of this title.

(3) “Commission” means the Public Utility Commission.

(4) “Department” means the Department of Public Service.

(5) “Distribution company” means a company under the jurisdiction of the Commission that distributes electricity or natural gas for consumption by end users.

(6) “Energy efficiency utility” means an energy efficiency entity appointed under subdivision 209(d)(2) of this title.

(7) “Energy label” means the visual presentation in a consistent format of an energy rating for a building and any other supporting and comparative information. The label may be provided as a paper certificate or made available online, or both.

(8) “Energy rating” means a simplified mechanism to convey a building’s energy performance. The rating may be based on the operation of the building or modeled based on the building’s assets.

(9) “Home energy assessor” means an individual who assigns buildings a home energy performance score using a scoring system based on the energy rating.

(10) “Multiunit building” means a building that contains more than one independent dwelling unit or separate space for independent commercial use, or both.

(11) “Residential Working Group” means the Residential Building Energy Labeling Working Group established by subsection 62(a) of this title.

(12) “Unit holder” means the tenant or owner of an independent dwelling unit or separate space for independent commercial use within a multiunit building.

§ 62. BUILDING ENERGY WORKING GROUPS

(a) Residential Working Group. There is established the Residential Building Energy Labeling Working Group.

(1) The Residential Working Group shall consist of the following:

(A) the Commissioner of Public Service (Commissioner) or designee;

(B) an expert in the design, implementation, and evaluation of programs and policies to promote investments in energy efficiency who is not

a member of an organization described elsewhere in this subsection, appointed by the Commissioner;

(C) a representative of each energy efficiency utility, chosen by that efficiency utility;

(D) the Director of the State Office of Economic Opportunity or designee;

(E) a representative of Vermont's community action agencies appointed by the Vermont Community Action Partnership;

(F) a representative, with energy efficiency expertise, of the Vermont Housing and Conservation Board, appointed by that Board;

(G) a building performance professional, appointed by the Building Performance Professionals Association;

(H) a representative of the real estate industry, appointed by the Vermont Association of Realtors; and

(I) such other members with expertise in energy efficiency, building design, energy use, or the marketing and sale of real property as the Commissioner may appoint.

(2) The Residential Working Group shall advise the Commissioner in the development of informational materials pursuant to section 63 of this title.

(b) Commercial Working Group. There is established the Commercial and Multiunit Building Energy Labeling Working Group.

(1) The Commercial Working Group shall consist of the following:

(A) the Commissioner or designee;

(B) an expert in the design, implementation, and evaluation of programs and policies to promote investments in energy efficiency who is not a member of an organization described elsewhere in this subsection, appointed by the Commissioner;

(C) a representative of each energy efficiency utility, chosen by that efficiency utility;

(D) the Director of the State Office of Economic Opportunity or designee;

(E) a representative of Vermont's community action agencies, appointed by the Vermont Community Action Partnership;

(F) a representative, with energy efficiency expertise, of the Vermont Housing and Conservation Board, appointed by that Board; and

(G) such other members with expertise in energy efficiency, building design, energy use, or the marketing and sale of real property as the Commissioner may appoint.

(2) The Commercial Working Group shall advise the Commissioner in the development of forms pursuant to section 64 of this title.

(c) Co-chairs. Each working group shall elect two co-chairs from among its members.

(d) Meetings. Meetings of each working group shall be at the call of a co-chair or any three of its members. The meetings shall be subject to the Vermont Open Meeting Law and 1 V.S.A. § 172.

(e) Vacancy. When a vacancy arises in a working group created under this section, the appointing authority shall appoint a person to fill the vacancy.

(f) Responsibilities. The Working Groups shall advise the Commissioner on the following:

(1) requirements for home assessors, including any endorsements, licensure, and bonding required;

(2) programs to train home energy assessors;

(3) requirements for reporting building energy performance scores given by home energy assessors and the establishment of a system for maintaining such information;

(4) requirements to standardize the information on a home energy label; and

(5) other matters related to benchmarking, energy rating, or energy labels for residential, commercial, and multiunit buildings.

§ 63. DISCLOSURE OF INFORMATIONAL MATERIAL; SINGLE-FAMILY DWELLINGS

(a) Disclosure. For a contract for the conveyance of real property that is a single-family dwelling, executed on or after January 1, 2020, the seller shall, within 72 hours of the execution, provide the buyer with informational materials developed by the Department in consultation with the Residential Working Group. These materials shall include information on:

(1) resources for determining home energy use and costs for Vermont homes and opportunities for energy savings;

(2) available voluntary tools for energy rating and energy labels; and

(3) available programs and services in Vermont related to energy efficiency, building energy performance, and weatherization.

(b) Marketability of title. Noncompliance with the requirements of this section shall not affect the marketability of title of a property.

(c) Penalty; liability. Liability for failure to provide the informational materials required by this section shall be limited to a civil penalty, imposed by the Public Utility Commission under section 30 of this title, of not less than \$25.00 and not more than \$250.00 for each violation.

§ 64. MULTIUNIT BUILDINGS; ACCESS TO AGGREGATED DATA

(a) Obligation; aggregation and release of data. On request of the owner of a multiunit building or the owner's designated agent, each distribution company and energy efficiency utility shall aggregate monthly energy usage data in its possession for the unit holders in the building and release the aggregated data to the owner or agent. The aggregated data shall be anonymized.

(1) Under this section, the obligation to aggregate and release data shall accrue when the owner or agent:

(A) Certifies that the request is made for the purpose of benchmarking or preparing an energy label for the building.

(B) With respect to a multiunit building that has at least four unit holders, provides documentation certifying that, at least 14 days prior to submission of the request, each unit holder was notified that the energy usage data of the holder was to be requested and that this notice gave each unit holder an opportunity to opt out of the energy use aggregation. The owner or agent shall identify to the distribution company or energy efficiency utility requesting the data each unit holder that opted out.

(C) With respect to a multiunit building that has fewer than four unit holders, provides an energy usage data release authorization from each unit holder.

(2) A unit holder may authorize release of the holder's energy usage data by signature on a release authorization form or clause in a lease signed by the unit holder. The provisions of 9 V.S.A. § 276 (recognition of electronic records and signatures) shall apply to release authorization forms under this subsection.

(3) After consultation with the Commercial Working Group, the Commissioner of Public Service shall prescribe forms for requests and release authorizations under this subsection. The request form shall include the required certification.

(b) Response period. A distribution company or energy efficiency utility

shall release the aggregated energy use data to the building owner or designated agent within 30 days of its receipt of a request that meets the requirements of subsection (a) of this section.

(1) The aggregation shall exclude energy usage data for each unit holder who opted out or, in the case of a multiunit building with fewer than four unit holders, each unit holder for which a signed release authorization was not received.

(2) A distribution company may refer a complete request under subsection (a) of this section to an energy efficiency utility that possesses the requisite data, unless the data is to be used for a benchmarking program to be conducted by the company.

Sec. 3. 27 V.S.A. § 617 is added to read:

§ 617. DISCLOSURE OF ENERGY INFORMATIONAL MATERIAL;
SINGLE-FAMILY DWELLINGS

The provisions of 30 V.S.A. § 63 shall apply when a contract is executed for the conveyance of real property that is a single-family dwelling.

Sec. 4. WORKING GROUPS; CONTINUATION

(a) The Residential Energy Labeling Working Group and Commercial Energy Labeling Working Group convened by the Department of Public Service in response to 2013 Acts and Resolves No. 89, Sec. 12, as each group existed on February 1, 2019, shall continue in existence respectively as the Residential Building Energy Labeling Working Group and the Commercial and Multiunit Building Energy Labeling Working Group created under Sec. 2 of this act, 30 V.S.A. § 62. Those persons who were members of such a working group as of that date may continue as members and, in accordance with 30 V.S.A. § 62, the appointing authorities shall fill vacancies in the working group as they arise.

(b) Within 60 days of this section's effective date, the Commissioner of Public Service shall make appointments to each working group created under Sec. 2 of this act to fill each membership position newly created by Sec. 2, 30 V.S.A. § 62.

Sec. 5. REPORT; COMMERCIAL AND MULTIUNIT BUILDING
ENERGY

(a) On or before January 15, 2021, the Commissioner of Public Service (the Commissioner), in consultation with the Commercial and Multiunit Building Energy Labeling Working Group created under Sec. 2 of this act, shall file a report and recommendations on each of the following:

(1) each issue listed under “unresolved issues” on page 45 of the report to the General Assembly in response to 2013 Acts and Resolves No. 89, Sec. 12, entitled “Development of a Voluntary Commercial/Multifamily/Mixed-Use Building Energy Label” and dated December 15, 2014; and

(2) the appropriateness and viability of publicly disclosing the results of benchmarking as defined in 30 V.S.A. § 61.

(b) The Commissioner shall file the report and recommendations created under subsection (a) of this section with the House Committee on Energy and Technology and the Senate Committees on Finance and on Natural Resources and Energy.

* * * Efficiency Vermont; Public Utility Commission Proceeding * * *

Sec. 6. EFFICIENCY VERMONT; FUNDS FOR ADDITIONAL
THERMAL ENERGY EFFICIENCY SERVICES

(a) Notwithstanding any provision of law to the contrary, Efficiency Vermont may use the following funds in 2019 and 2020 for thermal energy and process fuel energy efficiency services in accordance with 30 V.S.A. § 209(e)(1), with priority to be given to weatherization services for residential customers, including those at income levels of 80–140 percent of the Area Median Income (AMI), and projects that may result in larger greenhouse gas (GHG) reductions:

(1) any balances in the Electric Efficiency Fund that are allocated to Efficiency Vermont and that are carried forward from prior calendar years pursuant to 30 V.S.A. § 209(d)(3)(A); and

(2) any funds that are allocated to Efficiency Vermont and that, as a result of operational efficiencies, are not spent on, or committed to, another project or purpose in calendar years 2019 and 2020.

(b) Funds used pursuant to subsection (a) of this section shall not be used to supplant existing programs and services and shall only be used to supplement existing programs and services.

(c) Efficiency Vermont shall report to the Public Utility Commission on:

(1) how funds were spent pursuant to subsection (a) of this section; and

(2) the costs and benefits of the programs and services delivered.

Sec. 7. PUBLIC UTILITY COMMISSION PROCEEDING

(a) The Public Utility Commission shall open a proceeding, or continue an existing proceeding, to consider the following:

(1) Creation of an all-fuels energy efficiency program. The Commission shall consider whether to recommend that one or more entities should be appointed to provide for the coordinated development, implementation, and monitoring of efficiency, conservation, and related programs and services as to all regulated fuels, unregulated fuels, and fossil fuels as defined in 30 V.S.A. § 209(e)(3). The Commission shall consider all information it deems appropriate and make recommendations as to:

(A) whether the appointment of an all-fuels efficiency entity or entities to deliver the comprehensive and integrated programs and services necessary to establish an all-fuels energy efficiency and conservation program would, while continuing to further the objectives set forth in 30 V.S.A. § 209(d)(3)(B):

(i) help achieve the State goals set forth in 10 V.S.A. §§ 578, 580, and 581;

(ii) further the recommendations contained in the State Comprehensive Energy Plan;

(iii) further the objectives set forth in 30 V.S.A. § 8005(a)(3);

(iv) develop and utilize a full cost-benefit, full life cycle accounting method for analyzing energy policy and programs; and

(v) employ metrics that assess positive and negative externalities, including health impacts on individuals and the public.

(B) the best model to accomplish the goals set forth in subdivision (1)(A) of this subsection (a), including whether to recommend:

(i) the appointment of one or more new entities; or

(ii) the appointment of one or more entities that are currently providing efficiency and conservation programs pursuant to 30 V.S.A. § 209(d)(2) and distribution utilities that are currently providing programs and services pursuant to 30 V.S.A. § 8005(a)(3).

(2) Expansion of the programs and services that efficiency utilities may provide. The Commission shall consider whether to recommend that efficiency programs and services, whether provided by entities currently providing efficiency and conservation programs pursuant to 30 V.S.A. § 209(d)(2), distribution utilities currently providing programs and services pursuant to 30 V.S.A. § 8005(a)(3), or a new entity or entities recommended pursuant to subdivision (1) of this subsection (a), should incorporate additional technologies, services, and strategies, including:

(A) demand response;

(B) flexible load management;

(C) energy storage;

(D) reduction of fossil fuel use through electrification and the use of renewable fuels and energy; and

(E) building shell improvement and weatherization.

(3) Funding.

(A) The Commission shall consider and recommend how best to provide consistent, adequate, and equitable funding for efficiency, conservation, and related programs and services, including:

(i) how to use existing or new funding sources to better support existing efficiency and conservation programs and services, including those described in Sec. 6 of this act, during the period the Commission is conducting the proceeding pursuant to this subsection;

(ii) how to use existing or new funding sources to provide sufficient funds to implement and support the Commission's recommendations made pursuant to subdivisions (1) and (2) of this subsection (a); and

(iii) whether Thermal Renewable Energy Certificates (T-RECs) can be used to provide for the proper valuation of thermal load reduction investments, to create a revenue stream to support thermal load reduction work, and to evaluate the role of such work within the overall suite of energy programs designed to reduce greenhouse gas (GHG) emissions and generate savings for Vermonters.

(B) In reaching its recommendations pursuant to subdivision (A) of this subdivision (3), the Commission shall consider how any recommendation may affect the financial and economic well-being of Vermonters.

(b) Process. The Commission shall schedule workshops and seek written filings from all interested stakeholders and ensure that all stakeholders have an opportunity to provide input. The Commission may use contested case procedures if it deems appropriate.

(c) Reports. On or before:

(1) January 15, 2020, the Commission shall submit a preliminary report to the House Committee on Energy and Technology and the Senate Committee on Natural Resources and Energy concerning its progress and any preliminary findings and recommendations as to subsection (a) of this section, including recommendations as to subdivision (a)(3)(A) of this section; and

(2) January 15, 2021, the Commission shall submit a final written report to the House Committee on Energy and Technology and the Senate Committee on Natural Resources and Energy with its findings and detailed recommendations as to subsection (a) of this section, including recommendations for legislative action.

* * * Beverage Containers; Escheats * * *

Sec. 8. 10 V.S.A. § 1530 is amended to read:

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

(a) As used in this section, “deposit initiator” means the first distributor or manufacturer to collect the deposit on a beverage container sold to any person within the State.

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

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

~~(d) Beginning on January 1, 2020, and quarterly thereafter, every deposit initiator shall report to the Secretary of Natural Resources and the Commissioner of Taxes concerning transactions affecting the deposit initiator’s deposit transaction account in the preceding quarter. The report shall be submitted on or before the 25th day of the calendar month succeeding the quarter ending on the last day of March, June, September, and December each year. The deposit initiator shall submit the report on a form provided by the Commissioner of Taxes. The report shall include:~~

~~(1) the balance of the deposit transaction account at the beginning of the preceding quarter;~~

~~(2) the number of beverage containers sold in the preceding quarter and the number of beverage containers returned in the preceding quarter;~~

~~(3)~~(2) the amount of beverage container deposits received by the deposit initiator and deposited into the deposit transaction account;

~~(4)~~(3) the amount of refund payments made from the deposit transaction account in the preceding quarter; and

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

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

~~(7)~~(4) any additional information required by the Commissioner of Taxes.

~~(e)~~(c)(1) On or before January 1, 2020, and quarterly thereafter, at the time a report is filed pursuant to subsection (d) of this section, each deposit initiator shall remit from its deposit transaction account to the Commissioner of Taxes any abandoned beverage container deposits from the preceding quarter. The amount of abandoned beverage container deposits for a quarter is the amount equal to the amount of deposits that ~~should be in the deposit transaction account less the sum of:~~

~~(A)~~ income earned on amounts on the deposit transaction account during that quarter; and

~~(B)~~ the total amount of refund value paid out by the deposit initiator for beverage containers during that quarter the deposit initiator collected in the quarter less the amount of the total refund value paid out by the deposit initiator for beverage containers during the quarter.

(2) In any calendar quarter, the deposit initiator may submit to the Commissioner of Taxes a request for reimbursement of refunds paid under this chapter that exceed the funds that are or should be in the deposit initiator's deposit transaction account amount of deposits collected in the quarter. The Commissioner of Taxes shall pay a request for reimbursement under this subdivision from the funds remitted to the Commissioner under subdivision (1) of this subsection, provided that:

(A) the Commissioner determines that the funds in the deposit initiator's deposit transaction account deposits collected by the deposit initiator are insufficient to pay the refunds on returned beverage containers; and

(B) a reimbursement paid by the Commissioner to the deposit initiator shall not exceed the amount paid by the deposit initiator under subdivision (1) of this subsection ~~(e) during the preceding 12 months (c)~~ less amounts paid to the initiator pursuant to this subdivision (2) during that same 12-month period in the previous four quarterly filings.

(3) Except as expressly provided otherwise in this chapter, all the administrative provisions of 32 V.S.A. chapter 151, including those relating to collection, enforcement, interest, and penalty charges, shall apply to the remittance of abandoned beverage container deposits.

(4) A deposit initiator may, within 60 days after the date of mailing of a notice of deficiency, the date of a full or partial denial of a request for reimbursement, or the date of an assessment, petition the Commissioner of Taxes in writing for a hearing and determination on the matter. The hearing shall be subject to and governed by 3 V.S.A. chapter 25. Within 30 days after a determination, an aggrieved deposit initiator may appeal a determination by the Commissioner of Taxes to the Washington Superior Court or the Superior Court of the county in which the deposit initiator resides or has a place of business.

(5) Notwithstanding any appeal, upon finding that a deposit initiator has failed to remit the full amount required by this chapter, the Commissioner of Taxes may treat any refund payment owed by the Commissioner to a deposit initiator as if it were a payment received and may apply the payment in accordance with 32 V.S.A. § 3112.

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

(e) Data reported to the Secretary of Natural Resources and the Commissioner of Taxes by a deposit initiator under this section shall be confidential business information exempt from public inspection and copying under 1 V.S.A. § 317(c)(9), provided that the Commissioner of Taxes may use and disclose such information in summary or aggregated form that does not directly or indirectly identify individual deposit initiators.

Sec. 9. 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:

* * *

(7) 10 V.S.A. chapter 53, relating to beverage containers, provided that the Secretary may not take action to enforce the provisions of section 1530 of this title that are enforceable by the Commissioner of Taxes;

* * *

Sec. 10. 10 V.S.A. § 8503(a)(1)(G) is amended to read:

(G) chapter 53 (beverage containers; deposit-redemption system), except for those acts or decisions of the Commissioner of Taxes under section 1530 of this title;

* * * Effective Dates * * *

Sec. 11. EFFECTIVE DATES

(a) This section and Secs. 8–10 (beverage container; escheats) shall take effect on passage.

(b) Secs. 1–7 (weatherization) shall take effect on July 1, 2019.

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

An act relating to weatherization, building labeling and benchmarking, a Public Utility Commission proceeding, and unclaimed beverage container deposits.

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

Senator Pearson, for the Committee on Finance, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Natural Resources and Energy with the following amendment thereto:

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

* * * Efficiency Vermont; Public Utility Commission Proceeding * * *

Sec. 1. EFFICIENCY VERMONT; FUNDS FOR ADDITIONAL
THERMAL ENERGY EFFICIENCY SERVICES

(a) Notwithstanding any provision of law to the contrary, Efficiency Vermont may use the following funds in 2019 and 2020 for thermal energy and process fuel energy efficiency services in accordance with 30 V.S.A. § 209(e)(1), with priority to be given to weatherization services for residential customers, including those at income levels of 80–140 percent of the Area Median Income (AMI), and projects that may result in larger greenhouse gas (GHG) reductions:

(1) up to \$2,250,000.00 of any balances in the Electric Efficiency Fund that are allocated to Efficiency Vermont and that are carried forward from prior calendar years pursuant to 30 V.S.A. § 209(d)(3)(A); and

(2) any funds that are allocated to Efficiency Vermont and that, as a result of operational efficiencies, are not spent on, or committed to, another project or purpose in calendar years 2019 and 2020.

(b) Funds used pursuant to subsection (a) of this section shall not be used to supplant existing programs and services and shall only be used to supplement existing programs and services.

(c) Efficiency Vermont shall report to the Public Utility Commission on:

(1) how funds were spent pursuant to subsection (a) of this section; and

(2) the costs and benefits of the programs and services delivered.

Sec. 2. PUBLIC UTILITY COMMISSION PROCEEDING

(a) The Public Utility Commission shall open a proceeding, or continue an existing proceeding, to consider the following:

(1) Creation of an all-fuels energy efficiency program. The Commission shall consider whether to recommend that one or more entities should be appointed to provide for the coordinated development, implementation, and monitoring of efficiency, conservation, and related programs and services as to all regulated fuels, unregulated fuels, and fossil fuels as defined in 30 V.S.A. § 209(e)(3). The Commission shall consider all information it deems appropriate and make recommendations as to:

(A) whether the appointment of an all-fuels efficiency entity or entities to deliver the comprehensive and integrated programs and services necessary to establish an all-fuels energy efficiency and conservation program would, while continuing to further the objectives set forth in 30 V.S.A. § 209(d)(3)(B):

(i) accelerate progress toward the State goals set forth in 10 V.S.A. §§ 578, 580, and 581;

(ii) accelerate progress toward the recommendations contained in the State Comprehensive Energy Plan;

(iii) further the objectives set forth in 30 V.S.A. § 8005(a)(3);

(iv) develop and utilize a full cost-benefit, full life cycle accounting method for analyzing energy policy and programs; and

(v) employ metrics that assess positive and negative externalities, including health impacts on individuals and the public.

(B) the best model to accomplish the goals set forth in subdivision (1)(A) of this subsection (a), including whether to recommend:

(i) the appointment of one or more new entities; or

(ii) the appointment of one or more entities that are currently providing efficiency and conservation programs pursuant to 30 V.S.A. § 209(d)(2) and distribution utilities that are currently providing programs and services pursuant to 30 V.S.A. § 8005(a)(3).

(2) Expansion of the programs and services that efficiency utilities may provide. The Commission shall consider whether to recommend that efficiency programs and services, whether provided by entities currently providing efficiency and conservation programs pursuant to 30 V.S.A. § 209(d)(2), distribution utilities currently providing programs and services pursuant to 30 V.S.A. § 8005(a)(3), or a new entity or entities recommended pursuant to subdivision (1) of this subsection (a), should incorporate additional technologies, services, and strategies, including:

(A) demand response;

(B) flexible load management;

(C) energy storage;

(D) reduction of fossil fuel use through electrification and the use of renewable fuels and energy; and

(E) building shell improvement and weatherization.

(3) Funding.

(A) The Commission shall consider and recommend how best to provide consistent, adequate, and equitable funding for efficiency, conservation, and related programs and services, including:

(i) how to use existing or new funding sources to better support existing efficiency and conservation programs and services, including those described in Sec. 6 of this act, during the period the Commission is conducting the proceeding pursuant to this subsection;

(ii) how to use existing or new funding sources to provide sufficient funds to implement and support the Commission's recommendations made pursuant to subdivisions (1) and (2) of this subsection (a); and

(iii) whether Thermal Renewable Energy Certificates (T-RECs) can be used to provide for the proper valuation of thermal load reduction investments, to create a revenue stream to support thermal load reduction work, and to evaluate the role of such work within the overall suite of energy programs designed to reduce greenhouse gas (GHG) emissions and generate savings for Vermonters.

(B) In reaching its recommendations pursuant to subdivision (A) of this subdivision (3), the Commission shall consider how any recommendation

may affect the financial and economic well-being of Vermonters.

(b) The existing Energy Efficiency Utility Orders of Appointment issued by the Public Utility Commission shall not be altered or revoked in the proceeding pursuant to subsection (a) of this section.

(c) Process. The Commission shall schedule workshops and seek written filings from all interested stakeholders and ensure that all stakeholders have an opportunity to provide input. The Commission may use contested case procedures if it deems appropriate.

(d) Reports. On or before:

(1) January 15, 2020, the Commission shall submit a preliminary report to the House Committee on Energy and Technology and the Senate Committee on Natural Resources and Energy concerning its progress and any preliminary findings and recommendations as to subsection (a) of this section, including recommendations as to subdivision (a)(3)(A) of this section, and any findings and recommendations that may influence the scope and focus of Efficiency Vermont's 2021-23 Demand Resources Plan Proceeding; and

(2) January 15, 2021, the Commission shall submit a final written report to the House Committee on Energy and Technology and the Senate Committee on Natural Resources and Energy with its findings and detailed recommendations as to subsection (a) of this section, including recommendations for legislative action.

* * * Carbon Emissions Reduction Committee * * *

Sec. 3. 2 V.S.A. chapter 17 is amended to read:

CHAPTER 17: JOINT ENERGY CARBON EMISSIONS REDUCTION COMMITTEE

§ 601. CREATION OF COMMITTEE

(a) There is created a Joint Energy Carbon Emissions Reduction Committee whose membership shall be appointed each biennial session of the General Assembly. The Committee shall consist of ~~four~~ five Representatives, at least one from ~~each major party~~ the Committees on Appropriations, on Commerce and Economic Development, on Energy and Technology, and on Transportation, to be appointed by the Speaker of the House, and ~~four~~ five members of the Senate, at least one from ~~each major party~~ the Committees on Appropriations, on Finance, on Natural Resources and Energy, and on Transportation, to be appointed by the Committee on Committees.

(b) The Committee shall elect a chair, and vice chair, ~~and clerk and shall adopt rules of procedure.~~ The Chair shall rotate biennially between the House and the Senate members. The Committee may meet during a session of the

~~General Assembly at the call of the Chair or a majority of the members of the Committee and with the approval of the Speaker of the House and the President Pro Tempore of the Senate. The Committee may meet up to five times during adjournment subject to approval of the Speaker of the House and the President Pro Tempore of the Senate. A majority of the membership shall constitute a quorum.~~

~~(c) The Office of Legislative Council shall provide legal, professional, and administrative assistance to the Committee.~~

~~(d) For attendance at a meeting when the General Assembly is not in session, members of the Committee shall be entitled to the same per diem compensation and expense reimbursement as provided members of standing committees pursuant to section 406 of this title.~~

§ 602. EMPLOYEES; RULES

~~(a) The Joint Energy Committee shall meet following the appointment of its membership to organize and begin the conduct of its business.~~

~~(b) The staff of the Office of Legislative Council shall provide professional and clerical assistance to the Joint Committee.~~

~~(c) For attendance at a meeting when the General Assembly is not in session, members of the Joint Energy Committee shall be entitled to the same per diem compensation and reimbursement for necessary expenses as provided members of standing committees under section 406 of this title.~~

~~(d) The Joint Energy Committee shall keep minutes of its meetings and maintain a file thereof. [Repealed.]~~

§ 603. FUNCTIONS DUTIES

The Joint Energy Carbon Emissions Reduction Committee shall:

~~(1) carry on a continuing review of all energy matters in the State and in the northeast region of the United States, including energy sources, energy distribution, energy costs, energy planning, energy conservation, and pertinent related subjects;~~

~~(2) work with, assist, and advise other committees of the General Assembly, the Executive, and the public in energy-related matters within their respective responsibilities provide oversight when the General Assembly is not in session of State policies and activities concerning and affecting carbon emissions from Vermont's electric, residential and commercial buildings, and transportation sectors.~~

* * * VLITE and the Home Weatherization Assistance Fund * * *

Sec. 4. 33 V.S.A. § 2501 is amended to read:

§ 2501. HOME WEATHERIZATION ASSISTANCE FUND

(a) There is created in the State Treasury a fund to be known as the Home Weatherization Assistance Fund to be expended by the Director of the State Office of Economic Opportunity in accordance with federal law and this chapter.

(b) The Fund shall be composed of the receipts from the gross receipts tax on retail sales of fuel imposed by section 2503 of this title, such funds as may be allocated from the Oil Overcharge Fund, such funds as may be allocated from the federal Low Income Energy Assistance Program, such funds as may be deposited or transferred into the Fund by the Vermont Low Income Trust for Electricity, and such other funds as may be appropriated by the General Assembly.

* * *

Sec. 5. HOME WEATHERIZATION ASSISTANCE PROGRAM;
VERMONT LOW INCOME TRUST FOR ELECTRICITY

(a) The General Assembly finds that:

(1) It is the energy policy of the State to substantially increase the number of homes weatherized each year in order to meet the goals set forth in 10 V.S.A. § 581 and in the State Comprehensive Energy Plan.

(2) In its January 2019 report prepared for the General Assembly, *An Analysis of Decarbonization Methods in Vermont*, Resources for the Future stated that Vermont's Greenhouse Gas emissions are concentrated in two areas, heating and transportation. The Regulatory Assistance Project (RAP), in its related report, *Economic Benefits and Energy Savings Through Low-Cost Carbon Management*, issued in February 2019, found that energy efficiency initiatives, including home insulation and weatherization, are key to meeting Vermont's climate goals. As a result, the RAP recommended expanding the Home Weatherization Assistance Program pursuant to 33 V.S.A. chapter 25.

(3) The mission of the Vermont Low Income Trust for Electricity (VLITE) is to fund projects that further the State's energy policy and that assist Vermonters with low-income. VLITE uses dividends from Vermont Electric Power Company (VELCO) stock that it owns to fund such projects.

(4) VLITE investing the dividends from its VELCO stock in the Home Weatherization Assistance Program will implement the RAP recommendation to expand this Program, help the State achieve its carbon reduction goals

pursuant to statute and the Comprehensive Energy Plan, and also assist Vermonters with low-income to reduce fossil fuel use and save money.

(b) The General Assembly finds that investing the dividends from VLITE's VELCO stock in the Home Weatherization Assistance Program is consistent with VLITE's mission and furthers the State's energy plan and Greenhouse Gas reduction goals. As a result, the General Assembly encourages VLITE to invest the dividends from its VELCO stock into the Home Weatherization Assistance Fund pursuant to 33 V.S.A. § 2501.

* * * Supplemental Weatherization Funding * * *

Sec. 6. SUPPLEMENTAL WEATHERIZATION FUNDING

In fiscal year 2020, \$350,000.00 is appropriated from the General Fund to Efficiency Vermont for weatherization programs and services pursuant to subsection (a) of Sec. 6 of this act.

* * * Beverage Containers; Escheats * * *

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

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

(a) As used in this section, "deposit initiator" means the first distributor or manufacturer to collect the deposit on a beverage container sold to any person within the State.

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

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

~~(d) Beginning on January 1, 2020, and quarterly thereafter, every deposit initiator shall report to the Secretary of Natural Resources and the Commissioner of Taxes concerning transactions affecting the deposit initiator's deposit transaction account in the preceding quarter. The report shall be~~

submitted on or before the 25th day of the calendar month succeeding the quarter ending on the last day of March, June, September, and December each year. The deposit initiator shall submit the report on a form provided by the Commissioner of Taxes. The report shall include:

~~(1) the balance of the deposit transaction account at the beginning of the preceding quarter;~~

~~(2) the number of beverage containers sold in the preceding quarter and the number of beverage containers returned in the preceding quarter;~~

~~(3)(2) the amount of beverage container deposits received by the deposit initiator and deposited into the deposit transaction account;~~

~~(4)(3) the amount of refund payments made from the deposit transaction account in the preceding quarter; and~~

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

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

~~(7)(4) any additional information required by the Commissioner of Taxes.~~

~~(e)(c)(1) On or before January 1, 2020, and quarterly thereafter, at the time a report is filed pursuant to subsection (d) of this section, each deposit initiator shall remit from its deposit transaction account to the Commissioner of Taxes any abandoned beverage container deposits from the preceding quarter. The amount of abandoned beverage container deposits for a quarter is the amount equal to the amount of deposits that should be in the deposit transaction account less the sum of:~~

~~(A) income earned on amounts on the deposit transaction account during that quarter; and~~

~~(B) the total amount of refund value paid out by the deposit initiator for beverage containers during that quarter the deposit initiator collected in the quarter less the amount of the total refund value paid out by the deposit initiator for beverage containers during the quarter.~~

(2) In any calendar quarter, the deposit initiator may submit to the Commissioner of Taxes a request for reimbursement of refunds paid under this chapter that exceed the ~~funds that are or should be in the deposit initiator's deposit transaction account~~ amount of deposits collected in the quarter. The Commissioner of Taxes shall pay a request for reimbursement under this subdivision from the funds remitted to the Commissioner under subdivision (1) of this subsection, provided that:

(A) the Commissioner determines that the funds in the deposit initiator's deposit transaction account deposits collected by the deposit initiator are insufficient to pay the refunds on returned beverage containers; and

(B) a reimbursement paid by the Commissioner to the deposit initiator shall not exceed the amount paid by the deposit initiator under subdivision (1) of this subsection ~~(e) during the preceding 12 months~~ ~~(c) less amounts paid to the initiator pursuant to this subdivision (2) during that same 12-month period~~ in the previous four quarterly filings.

(3) Except as expressly provided otherwise in this chapter, all the administrative provisions of 32 V.S.A. chapter 151, including those relating to collection, enforcement, interest, and penalty charges, shall apply to the remittance of abandoned beverage container deposits.

(4) A deposit initiator may within 60 days after the date of mailing of a notice of deficiency, the date of a full or partial denial of a request for reimbursement, or the date of an assessment petition the Commissioner of Taxes in writing for a hearing and determination on the matter. The hearing shall be subject to and governed by 3 V.S.A. chapter 25. Within 30 days after a determination, an aggrieved deposit initiator may appeal a determination by the Commissioner of Taxes to the Washington Superior Court or the Superior Court of the county in which the deposit initiator resides or has a place of business.

(5) Notwithstanding any appeal, upon finding that a deposit initiator has failed to remit the full amount required by this chapter, the Commissioner of Taxes may treat any refund payment owed by the Commissioner to a deposit initiator as if it were a payment received and may apply the payment in accordance with 32 V.S.A. § 3112.

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

(e) Data reported to the Secretary of Natural Resources and the Commissioner of Taxes by a deposit initiator under this section shall be confidential business information exempt from public inspection and copying under 1 V.S.A. § 317(c)(9), provided that the Commissioner of Taxes may use and disclose such information in summary or aggregated form that does not directly or indirectly identify individual deposit initiators.

Sec. 8. 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:

* * *

(7) 10 V.S.A. chapter 53, relating to beverage containers, provided that the Secretary may not take action to enforce the provisions of section 1530 of this title that are enforceable by the Commissioner of Taxes;

* * *

Sec. 9. 10 V.S.A. § 8503(a)(1)(G) is amended to read:

(G) chapter 53 (beverage containers; deposit-redemption system), except for those acts or decisions of the Commissioner of Taxes under section 1530 of this title;

* * * Effective Dates * * *

Sec. 10. EFFECTIVE DATES

(a) This section and Secs. 7–9 (beverage container; escheats) shall take effect on passage.

(b) Secs. 1–6 (Efficiency Vermont, Public Utility Commission Proceeding, Carbon Emissions Reduction Committee, VLITE and Home Weatherization Assistance Fund, and supplemental weatherization funding) shall take effect on July 1, 2019.

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

An act relating to weatherization, a Public Utility Commission proceeding, and unclaimed beverage container deposits.

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

Senator Ashe, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Finance with the following amendments thereto:

First: By striking out Sec. 2 in its entirety and inserting in lieu thereof the following:

Sec. 2. PUBLIC UTILITY COMMISSION PROCEEDING

(a) The Public Utility Commission shall open a proceeding, or continue an existing proceeding, to consider the following:

(1) Creation of an all-fuels energy efficiency program. The Commission shall consider whether to recommend that one or more entities should be appointed to provide for the coordinated development, implementation, and monitoring of efficiency, conservation, and related programs and services as to all regulated fuels, unregulated fuels, and fossil fuels as defined in 30 V.S.A. § 209(e)(3). The Commission shall consider all information it deems appropriate and make recommendations as to:

(A) whether the appointment of an all-fuels efficiency entity or entities to deliver the comprehensive and integrated programs and services necessary to establish an all-fuels energy efficiency and conservation program would, while continuing to further the objectives set forth in 30 V.S.A. § 209(d)(3)(B):

(i) accelerate progress toward the State goals set forth in 10 V.S.A. §§ 578, 580, and 581;

(ii) accelerate progress toward the recommendations contained in the State Comprehensive Energy Plan; and

(iii) further the objectives set forth in 30 V.S.A. § 8005(a)(3).

(B) the best model to create an all-fuels energy efficiency program including whether to recommend:

(i) the appointment of one or more new entities; or

(ii) the appointment of one or more entities that are currently providing efficiency and conservation programs pursuant to 30 V.S.A. § 209(d)(2) and distribution utilities that are currently providing programs and services pursuant to 30 V.S.A. § 8005(a)(3).

(C) how to:

(i) develop and utilize a full cost-benefit, full life cycle accounting method for analyzing energy policy and programs; and

(ii) employ metrics that assess positive and negative externalities, including health impacts on individuals and the public.

(2) Expansion of the programs and services that efficiency utilities may provide. The Commission shall consider whether to recommend that efficiency programs and services, whether provided by entities currently providing efficiency and conservation programs pursuant to 30 V.S.A.

§ 209(d)(2), distribution utilities currently providing programs and services pursuant to 30 V.S.A. § 8005(a)(3), or a new entity or entities recommended pursuant to subdivision (1) of this subsection (a), should incorporate additional technologies, services, and strategies, including:

- (A) demand response;
- (B) flexible load management;
- (C) energy storage;
- (D) reduction of fossil fuel use through electrification and the use of renewable fuels and energy; and
- (E) building shell improvement and weatherization.

(3) Funding.

(A) The Commission shall consider and recommend how best to provide consistent, adequate, and equitable funding for efficiency, conservation, and related programs and services, including:

(i) how to use existing or new funding sources to better support existing efficiency and conservation programs and services, including those described in Sec. 1 of this act, during the period the Commission is conducting the proceeding pursuant to this subsection;

(ii) how to use existing or new funding sources to provide sufficient funds to implement and support the Commission's recommendations made pursuant to subdivisions (1) and (2) of this subsection (a); and

(iii) whether Thermal Renewable Energy Certificates (T-RECs) can be used to provide for the proper valuation of thermal load reduction investments, to create a revenue stream to support thermal load reduction work, and to evaluate the role of such work within the overall suite of energy programs designed to reduce greenhouse gas (GHG) emissions and generate savings for Vermonters.

(B) In reaching its recommendations pursuant to subdivision (A) of this subdivision (3), the Commission shall consider how any recommendation may affect the financial and economic well-being of Vermonters.

(b) The existing Energy Efficiency Utility Orders of Appointment issued by the Public Utility Commission shall not be altered or revoked in the proceeding pursuant to subsection (a) of this section.

(c) Process. The Commission shall schedule workshops and seek written filings from all interested stakeholders and ensure that all stakeholders have an opportunity to provide input. The Commission may use contested case procedures if it deems appropriate.

(d) Reports. On or before:

(1) January 15, 2020, the Commission shall submit a preliminary report to the House Committee on Energy and Technology and the Senate Committee on Natural Resources and Energy concerning its progress and any preliminary findings and recommendations as to subsection (a) of this section, including recommendations as to subdivision (a)(3)(A) of this section, and any findings and recommendations that may influence the scope and focus of Efficiency Vermont's 2021-23 Demand Resources Plan Proceeding; and

(2) January 15, 2021, the Commission shall submit a final written report to the House Committee on Energy and Technology and the Senate Committee on Natural Resources and Energy with its findings and detailed recommendations as to subsection (a) of this section, including recommendations for legislative action.

Second: In Sec. 6 (supplemental weatherization funding), after the following: "pursuant to subsection (a) of Sec." by striking the number "6" and inserting in lieu thereof the number 1

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

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

Thereupon, the recommendation of proposal of amendment of the Committee on Natural Resources and Energy, was amended as recommended by the Committee on Finance, as amended.

Thereupon, Senators Perchlik, Ashe, Balint and Bray moved to amend the proposal of amendment of the Committee on Natural Resources and Energy, as amended as follows:

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

Sec. 7. 2018 Acts and Resolves No. 188, Sec. 7 is amended to read:

Sec. 7. ACCELERATED WEATHERIZATION PROGRAM; HOUSING IMPROVEMENT PROGRAM; STATE TREASURER; FUNDING

(a) The General Assembly finds that, in addition to the weatherization efforts provided under the Home Weatherization Assistance Program established in 33 V.S.A. chapter 25, an increased pace of weatherization and housing improvements would result in both environmental and economic

benefits to the State. Accelerated weatherization efforts and housing improvements will:

- (1) decrease the emission of greenhouse gases;
- (2) increase job opportunities in the field of weatherization;
- (3) enable Vermonters to live in safer, healthier housing; and
- (4) reduce health care costs by reducing the incidence of respiratory illnesses, allergies, and other health problems.

(b) In fiscal years 2019, ~~and 2020, and 2021~~ the State Treasurer is authorized to invest up to \$5,000,000.00 of funds from the credit facility established in 10 V.S.A. § 10 for an accelerated weatherization and housing improvement program, provided that:

~~(1) for owner-occupied homes, the funds shall be used to support weatherization efforts and housing improvement efforts for homeowners with a family income that is not more than 120 percent of the area or statewide median family income, whichever is higher, as reported by the U.S. Department of Housing and Urban Development for the most recent year for which data are available~~ owner-occupied homes and multi-family homes; and

~~(2) for multi-family rental homes, the funds shall be used in conjunction with other State programs, and that not less than 50 percent of the tenant households residing in properties to be rehabilitated shall have an annual household income that is not more than 80 percent of the area or statewide median family income, whichever is higher, as reported by the U.S. Department of Housing and Urban Development for the most recent year for which data are available; and~~

~~(3) weatherization efforts are included in the improvements to any housing unit funded from the credit facility.~~

and by renumbering the remaining sections to be numerically correct.

Second: By striking out the newly renumbered Sec 11 in its entirety and inserting in lieu thereof the following:

Sec. 11. EFFECTIVE DATES

(a) This section and Secs. 8–10 (beverage container; escheats) shall take effect on passage.

(b) Secs. 1–7 (Efficiency Vermont, Public Utility Commission Proceeding, Carbon Emissions Reduction Committee, VLITE and Home Weatherization Assistance Fund, and supplemental weatherization funding) shall take effect on July 1, 2019.

Which was agreed to.

Thereupon, the proposal of amendment of the Committee on Natural Resources and Energy, as amended, was agreed to.

Thereupon, pending the question, Shall the bill be read the third time?, Senator Bray moved to amend the Senate proposal of amendment by inserting four new sections to be numbered Sec. 10, 11, 12 and 13 to read as follows:

* * * Weatherization; Building Energy Labeling and Benchmarking * * *

Sec. 10. FINDINGS

The General Assembly finds that for the purposes of Secs. 10-13 of this act:

(1) Pursuant to 10 V.S.A. § 578, it is the goal of Vermont to reduce greenhouse gas emissions from the 1990 baseline by 50 percent by January 1, 2028, and, if practicable, by 75 percent by January 1, 2050. Pursuant to 10 V.S.A. § 581, it is also the goal of Vermont to improve the energy fitness of at least 20 percent (approximately 60,000 units) of the State's housing stock by 2017, and 25 percent (approximately 80,000 units) by 2020, thereby reducing fossil fuel consumption and saving Vermont families a substantial amount of money.

(2) The State is failing to achieve these goals. For example, Vermont's greenhouse gas emissions have increased 16 percent compared to the 1990 baseline.

(3) Approximately 24 percent of the greenhouse gas emissions within Vermont stem from residential and commercial heating and cooling usage. Much of Vermont's housing stock is old, inadequately weatherized, and therefore not energy efficient.

(4) The Regulatory Assistance Project recently issued a report recommending two strategies to de-carbonize Vermont and address climate change. First, electrifying the transportation sector. Second, focusing on substantially increasing the rate of weatherization in Vermont homes and incentivizing the adoption of more efficient heating technologies such as cold climate heat pumps.

(5) Although the existing Home Weatherization Assistance Program assists Vermonters with low income to weatherize their homes and reduce energy use, the Program currently weatherizes approximately 850 homes a year. This rate is insufficient to meet the State's statutory greenhouse gas reduction and weatherization goals.

(6) Since 2009, proceeds from the Regional Greenhouse Gas Initiative (RGGI) and the Forward Capacity Market (FCM) have been used to fund

thermal efficiency and weatherization initiatives by Efficiency Vermont, under the oversight of the Public Utility Commission (PUC). Approximately 800 Vermont homes and businesses are weatherized each year under a market-based approach that utilizes 50 participating contractors. Efficiency Vermont and the contractors it works with have the capacity to substantially increase the number of projects undertaken each year.

(7) A multipronged approach is necessary to address these issues. The first part will establish a statewide voluntary program for rating and labeling the energy performance of buildings to make energy use and costs visible for buyers, sellers, owners, lenders, appraisers, and real estate professionals. The second part will allow Efficiency Vermont to use unspent funds to weatherize more homes and buildings. The third part will ask the Public Utility Commission to undertake a proceeding to examine whether to recommend to the General Assembly the creation of an all-fuels energy efficiency program, the expansion of the services that efficiency utilities may provide, and related issues.

Sec. 11. 30 V.S.A. chapter 2, subchapter 2 is added to read:

Subchapter 2. Building Energy Labeling and Benchmarking

§ 61. DEFINITIONS

As used in this subchapter:

(1) “Benchmarking” means measuring the energy performance of a single building or portfolio of buildings over time in comparison to other similar buildings or to modeled simulations of a reference building built to a specific standard such as an energy code.

(2) “Commercial Working Group” means the Commercial and Multiunit Building Energy Labeling Working Group established by subsection 62(b) of this title.

(3) “Commission” means the Public Utility Commission.

(4) “Department” means the Department of Public Service.

(5) “Distribution company” means a company under the jurisdiction of the Commission that distributes electricity or natural gas for consumption by end users.

(6) “Energy efficiency utility” means an energy efficiency entity appointed under subdivision 209(d)(2) of this title.

(7) “Energy label” means the visual presentation in a consistent format of an energy rating for a building and any other supporting and comparative

information. The label may be provided as a paper certificate or made available online, or both.

(8) “Energy rating” means a simplified mechanism to convey a building’s energy performance. The rating may be based on the operation of the building or modeled based on the building’s assets.

(9) “Home energy assessor” means an individual who assigns buildings a home energy performance score using a scoring system based on the energy rating.

(10) “Multiunit building” means a building that contains more than one independent dwelling unit or separate space for independent commercial use, or both.

(11) “Residential Working Group” means the Residential Building Energy Labeling Working Group established by subsection 62(a) of this title.

(12) “Unit holder” means the tenant or owner of an independent dwelling unit or separate space for independent commercial use within a multiunit building.

§ 62. BUILDING ENERGY WORKING GROUPS

(a) Residential Working Group. There is established the Residential Building Energy Labeling Working Group.

(1) The Residential Working Group shall consist of the following:

(A) the Commissioner of Public Service (Commissioner) or designee;

(B) an expert in the design, implementation, and evaluation of programs and policies to promote investments in energy efficiency who is not a member of an organization described elsewhere in this subsection, appointed by the Commissioner;

(C) a representative of each energy efficiency utility, chosen by that efficiency utility;

(D) the Director of the State Office of Economic Opportunity or designee;

(E) a representative of Vermont’s community action agencies appointed by the Vermont Community Action Partnership;

(F) a representative, with energy efficiency expertise, of the Vermont Housing and Conservation Board, appointed by that Board;

(G) a building performance professional, appointed by the Building Performance Professionals Association;

(H) a representative of the real estate industry, appointed by the Vermont Association of Realtors; and

(I) such other members with expertise in energy efficiency, building design, energy use, or the marketing and sale of real property as the Commissioner may appoint.

(2) The Residential Working Group shall advise the Commissioner in the development of informational materials pursuant to section 63 of this title.

(b) Commercial Working Group. There is established the Commercial and Multiunit Building Energy Labeling Working Group.

(1) The Commercial Working Group shall consist of the following:

(A) the Commissioner or designee;

(B) an expert in the design, implementation, and evaluation of programs and policies to promote investments in energy efficiency who is not a member of an organization described elsewhere in this subsection, appointed by the Commissioner;

(C) a representative of each energy efficiency utility, chosen by that efficiency utility;

(D) the Director of the State Office of Economic Opportunity or designee;

(E) a representative of Vermont's community action agencies, appointed by the Vermont Community Action Partnership;

(F) a representative, with energy efficiency expertise, of the Vermont Housing and Conservation Board, appointed by that Board; and

(G) such other members with expertise in energy efficiency, building design, energy use, or the marketing and sale of real property as the Commissioner may appoint.

(2) The Commercial Working Group shall advise the Commissioner in the development of forms pursuant to section 64 of this title.

(c) Co-chairs. Each working group shall elect two co-chairs from among its members.

(d) Meetings. Meetings of each working group shall be at the call of a Co-Chair or any three of its members. The meetings shall be subject to the Vermont Open Meeting Law and 1 V.S.A. § 172.

(e) Vacancy. When a vacancy arises in a working group created under this section, the appointing authority shall appoint a person to fill the vacancy.

(f) Responsibilities. The Working Groups shall advise the Commissioner on the following:

(1) requirements for home assessors, including any endorsements, licensure, and bonding required;

(2) programs to train home energy assessors;

(3) requirements for reporting building energy performance scores given by home energy assessors and the establishment of a system for maintaining such information;

(4) requirements to standardize the information on a home energy label; and

(5) other matters related to benchmarking, energy rating, or energy labels for residential, commercial, and multiunit buildings.

§ 63. MULTIUNIT BUILDINGS; ACCESS TO AGGREGATED DATA

(a) Obligation; aggregation and release of data. On request of the owner of a multiunit building or the owner's designated agent, each distribution company and energy efficiency utility shall aggregate monthly energy usage data in its possession for the unit holders in the building and release the aggregated data to the owner or agent. The aggregated data shall be anonymized.

(1) Under this section, the obligation to aggregate and release data shall accrue when the owner or agent:

(A) Certifies that the request is made for the purpose of benchmarking or preparing an energy label for the building.

(B) With respect to a multiunit building that has at least four unit holders, provides documentation certifying that, at least 14 days prior to submission of the request, each unit holder was notified that the energy usage data of the holder was to be requested and that this notice gave each unit holder an opportunity to opt out of the energy use aggregation. The owner or agent shall identify to the distribution company or energy efficiency utility requesting the data each unit holder that opted out.

(C) With respect to a multiunit building that has fewer than four unit holders, provides an energy usage data release authorization from each unit holder.

(2) A unit holder may authorize release of the holder's energy usage data by signature on a release authorization form or clause in a lease signed by the unit holder. The provisions of 9 V.S.A. § 276 (recognition of electronic

records and signatures) shall apply to release authorization forms under this subsection.

(3) After consultation with the Commercial Working Group, the Commissioner of Public Service shall prescribe forms for requests and release authorizations under this subsection. The request form shall include the required certification.

(b) Response period. A distribution company or energy efficiency utility shall release the aggregated energy use data to the building owner or designated agent within 30 days of its receipt of a request that meets the requirements of subsection (a) of this section.

(1) The aggregation shall exclude energy usage data for each unit holder who opted out or, in the case of a multiunit building with fewer than four unit holders, each unit holder for which a signed release authorization was not received.

(2) A distribution company may refer a complete request under subsection (a) of this section to an energy efficiency utility that possesses the requisite data, unless the data is to be used for a benchmarking program to be conducted by the company.

Sec. 12. WORKING GROUPS; CONTINUATION

(a) The Residential Energy Labeling Working Group and Commercial Energy Labeling Working Group convened by the Department of Public Service in response to 2013 Acts and Resolves No. 89, Sec. 12, as each group existed on February 1, 2019, shall continue in existence respectively as the Residential Building Energy Labeling Working Group and the Commercial and Multiunit Building Energy Labeling Working Group created under Sec. 2 of this act, 30 V.S.A. § 62. Those persons who were members of such a working group as of that date may continue as members and, in accordance with 30 V.S.A. § 62, the appointing authorities shall fill vacancies in the working group as they arise.

(b) Within 60 days of this section's effective date, the Commissioner of Public Service shall make appointments to each working group created under 30 V.S.A. § 62.

Sec. 13. REPORT; COMMERCIAL AND MULTIUNIT BUILDING ENERGY

(a) On or before January 15, 2021, the Commissioner of Public Service (the Commissioner), in consultation with the Commercial and Multiunit Building Energy Labeling Working Group created under Sec. 2 of this act, shall file a report and recommendations on each of the following:

(1) each issue listed under “unresolved issues” on page 45 of the report to the General Assembly in response to 2013 Acts and Resolves No. 89, Sec. 12, entitled “Development of a Voluntary Commercial/Multifamily/Mixed-Use Building Energy Label” and dated December 15, 2014; and

(2) the appropriateness and viability of publicly disclosing the results of benchmarking as defined in 30 V.S.A. § 61.

(b) The Commissioner shall file the report and recommendations created under subsection (a) of this section with the House Committee on Energy and Technology and the Senate Committees on Finance and on Natural Resources and Energy.

And by renumbering the remaining section to be numerically correct.

Thereupon, pending the question Shall the Senate proposal of amendment be amended as recommended by Senator Bray?, on motion of Senator Pearson consideration of the bill was postponed.

House Proposal of Amendment Not Concurred In; Committee of Conference Requested; Committee of Conference Appointed; Bill Messaged

S. 108.

House proposal of amendment to Senate bill entitled:

An act relating to employee misclassification.

Was taken up.

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

* * * Employee Misclassification * * *

Sec. 1. 21 V.S.A. § 712 is added to read:

§ 712. ENFORCEMENT BY ATTORNEY GENERAL

(a) Following the referral of a complaint by the Commissioner of Labor pursuant to the provisions of section 3 of this title, the Attorney General may investigate a complaint that an employer has committed a willful, substantial, or systemic 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 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 an employer that violates 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 is committing an unfair act 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.

(b)(1) The Attorney General shall share information and coordinate investigatory and enforcement resources with the Departments of Financial Regulation, of Labor, and of Taxes pursuant to the provisions of section 3 of this title.

(2) Upon receiving notice that the Attorney General has determined that an employer committed a violation of section 687 or 708 of this chapter by claiming that it was not an employer as defined pursuant to subdivision 601(3) of this chapter or that an individual was not a worker or employee as defined pursuant to subdivision 601(14) of this chapter, the Commissioners of Financial Regulation and of Taxes shall review whether the employer is in compliance with the insurance or tax laws 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) Following the referral of a complaint by the Commissioner of Labor pursuant to the provisions of section 3 of this title, the Attorney General may investigate a complaint that an employing unit or employer has committed a willful, substantial, or systemic violation of section 1314a of this chapter by failing to properly classify one or more employees 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 is an unfair act in commerce. Any employing unit or 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.

(b)(1) The Attorney General shall share information and coordinate investigatory and enforcement resources with the Departments of Financial Regulation, of Labor, and of Taxes pursuant to the provisions of section 3 of this title.

(2) Upon receiving notice that the Attorney General has determined that an employing unit or employer has committed a violation of section 1314a of this chapter by failing to properly classify one or more employees, the Commissioners of Financial Regulation and of Taxes shall review whether the employing unit or employer is in compliance with the insurance or tax laws that are under their jurisdiction.

Sec. 3. 21 V.S.A. § 1314 is amended to read:

§ 1314. REPORTS AND RECORDS; SEPARATION INFORMATION;
DETERMINATION OF ELIGIBILITY; FAILURE TO REPORT
EMPLOYMENT INFORMATION; DISCLOSURE OF
INFORMATION TO OTHER STATE AGENCIES TO
INVESTIGATE MISCLASSIFICATION OR MISCODING

* * *

(d)(1) Except as otherwise provided in this chapter, information obtained from any employing unit or individual in the administration of this chapter, and determinations as to the benefit rights of any individual shall be held confidential and shall not be disclosed or open to public inspection in any manner revealing the individual's or employing unit's identity, nor be admissible in evidence in any action or proceeding other than one arising out of this chapter, or to support or facilitate an investigation by a public agency identified in subdivision (e)(1) of this section.

* * *

(e)(1) Subject to such restrictions as the Board may by regulation prescribe, information from unemployment insurance records may be made available to any public officer or public agency of this or any other state or the federal government dealing with the administration or regulation of relief, public assistance, unemployment compensation, a system of public

employment offices, wages and hours of employment, workers' compensation, misclassification or miscoding of workers, occupational safety and health, or a public works program for purposes appropriate to the necessary operation of those offices or agencies. The Commissioner may also make information available to colleges, universities, and public agencies of the State for use in connection with research projects of a public service nature, and to the Vermont Economic Progress Council with regard to the administration of 32 V.S.A. chapter 105, subchapter 2; but no person associated with those institutions or agencies may disclose that information in any manner that would reveal the identity of any individual or employing unit from or concerning whom the information was obtained by Commissioner.

* * *

(8) The Department of Labor shall disclose, upon request, to the Attorney General and employees of the Office of the Attorney General information necessary for the Attorney General to investigate a complaint and enforce the provisions of this chapter as provided pursuant to section 1379 of this chapter.

* * *

Sec. 4. 21 V.S.A. § 346 is added to read:

§ 346. ENFORCEMENT BY ATTORNEY GENERAL; EMPLOYEE MISCLASSIFICATION

(a) Following the referral of a complaint by the Commissioner of Labor pursuant to the provisions of section 3 of this title, the Attorney General may investigate a complaint that an employer has committed a willful, substantial, or systemic violation of section 342, 343, 348, 482, or 483 of this chapter by misclassifying 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 is an unfair act 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.

(b)(1) The Attorney General shall share information and coordinate investigatory and enforcement resources with the Departments of Financial Regulation, of Labor, and of Taxes pursuant to the provisions of section 3 of this title.

(2) Upon receiving notice that the Attorney General has determined that an employing unit has committed a violation of section 342, 343, 348, 482, or 483 of this chapter by misclassifying an employee as an independent contractor, the Commissioners of Financial Regulation and of Taxes shall review whether the employer is in compliance with the insurance or tax laws that are under their jurisdiction.

Sec. 5. 21 V.S.A. § 342a is amended to read:

§ 342a. INVESTIGATION OF COMPLAINTS OF UNPAID WAGES

* * *

(h) Information obtained from any employer, employee, or witness in the course of investigating a complaint of unpaid wages shall be confidential and shall not be disclosed or open to public inspection in any manner that reveals the employee's or employer's identity or be admissible in evidence in any action or proceeding other than one arising under this subchapter. However, such information may be released to any public official for the purposes provided in subdivision 1314(e)(1) of this title or to the Attorney General in relation to investigations conducted pursuant to section 346 of this subchapter as provided pursuant to the terms of the memorandum of understanding between the Attorney General and the Commissioner of Labor executed pursuant to section 3 of this title.

Sec. 6. 21 V.S.A. § 387 is added to read:

§ 387. ENFORCEMENT BY ATTORNEY GENERAL; EMPLOYEE MISCLASSIFICATION

(a) Following the referral of a complaint by the Commissioner of Labor pursuant to the provisions of section 3 of this title, the Attorney General may investigate a complaint that an employer has committed a willful, substantial, or systemic violation of this subchapter by misclassifying 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 is an unfair act 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.

(b)(1) The Attorney General shall share information and coordinate investigatory and enforcement resources with the Departments of Financial Regulation, of Labor, and of Taxes pursuant to the provisions of section 3 of this title.

(2) Upon receiving notice that the Attorney General has determined that an employing unit has committed a violation of this subchapter by misclassifying an employee as an independent contractor, the Commissioners of Financial Regulation and of Taxes shall review whether the employer is in compliance with the insurance or tax laws that are under their jurisdiction.

Sec. 7. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

* * *

(d) The Commissioner shall disclose a return or return information:

* * *

(5) to the Attorney General, if such return or return information relates to chapter 205 of this title or 33 V.S.A. chapter 19, subchapters 1A and 1B, for purposes of investigating potential violations of and enforcing 7 V.S.A. chapter 40, 20 V.S.A. chapter 173, subchapter 2A, and 33 V.S.A. chapter 19, subchapters 1A and 1B, and 21 V.S.A. §§ 346, 387, 712, and 1379;

* * *

Sec. 8. 21 V.S.A. § 3 is added to read:

§ 3. COOPERATION WITH ATTORNEY GENERAL; MEMORANDUM OF UNDERSTANDING

(a) The Attorney General and the Commissioner of Labor shall enter into a memorandum of understanding to establish a process for the referral of complaints received by the Commissioner of Labor to the Attorney General, the sharing of information, and the coordination of investigatory and enforcement resources in relation to the provisions of sections 346, 387, 712, and 1379 of this title. Notwithstanding any provision of 9 V.S.A. § 2460(a) to the contrary, the memorandum shall, at a minimum, provide for:

(1) notice from the Attorney General to the Commissioner of Labor regarding complaints received by the Attorney General that relate to a possible violation of the laws under the jurisdiction of the Commissioner;

(2) a procedure for the Commissioner of Labor to refer a complaint to the Attorney General if the employer complained of appears to be engaging in willful, substantial, or systemic violations of the provisions of chapter 5, subchapter 2 or 3 of this title, or chapter 9 or 17 of this title through the misclassification of employees.

(3) a requirement that the Commissioner of Labor shall, upon receiving a complaint against an employer that has been determined to have engaged in employee misclassification on three separate occasions during the past 10 years or is alleged to have misclassified 10 or more employees, refer the complaint to the Attorney General and coordinate with the Attorney General to investigate the complaint and, depending on the outcome of the investigation, seek any appropriate penalties pursuant to the provisions of this title and 9 V.S.A. §§ 2458–2461;

(4) the exchange of information and coordination of investigatory and enforcement resources between the Commissioner of Labor and the Attorney General.

(b) Nothing in this section shall be construed to prevent the Commissioner of Labor from investigating complaints of violations of the laws under his or her jurisdiction or enforcing those laws pursuant to the applicable provisions of this title.

(c) The Attorney General shall enter into separate memoranda of understanding with the Commissioner of Financial Regulation and the Commissioner of Taxes to establish a process for sharing information related to an investigation by the Attorney General pursuant to sections 346, 387, 712, and 1379 of this title. Notwithstanding any provision of 9 V.S.A. § 2460(a) to the contrary, each memorandum shall, at a minimum, provide for the disclosure by the Attorney General of any instance in which he or she has determined that an employer has, through the misclassification of an employee, violated the provisions of chapter 5, subchapter 2 or 3 of this title or chapter 9 or 17 of this title and the basis for that determination.

(d) Information shared pursuant to this section shall be 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 section shall continue in effect and shall not be repealed through the operation of 1 V.S.A. § 317(e).

Sec. 9. EMPLOYEE MISCLASSIFICATION; ENFORCEMENT BY
ATTORNEY GENERAL; REPORTS

(a)(1) On or before January 15, 2021, the Attorney General and the Commissioner of Labor shall submit a written report to the House Committees on Commerce and Economic Development and on General, Housing, and Military Affairs and the Senate Committees on Economic Development, Housing and General Affairs and on Finance regarding the enforcement of employment laws related to employee misclassification pursuant to 21 V.S.A. §§ 346, 387, 712, and 1379 and by the Commissioner of Labor pursuant to 21 V.S.A. chapter 5, subchapters 2 and 3, and 21 V.S.A. chapters 9 and 17.

(2)(A) The report shall include for both the Office of the Attorney General and the Department of Labor in each calendar year:

(i) the number of complaints received in relation to violations of 21 V.S.A. chapter 5, subchapters 2 and 3, and 21 V.S.A. chapters 9 and 17 that involved employee misclassification;

(ii) the number and percentage of complaints received that were referred to the other entity;

(iii) the number of investigations initiated;

(iv) the average number of days between the receipt of a complaint, the start of an investigation, and the completion of an investigation;

(v) the number and percentage of investigations that resulted in, for the Office of the Attorney General, the imposition of a civil penalty, an assurance of discontinuance, or the imposition of injunctive relief, and, for the Department of Labor, the imposition of a penalty;

(vi) the number and percentage of investigations that resulted in a determination that the employer had engaged in employee misclassification;

(vii) the number and percentage of investigations that resulted in the imposition of debarment pursuant to 21 V.S.A. §§ 692, 708, or 1314a; and

(viii) the number of investigations related to employers who had previously violated the provisions of 21 V.S.A. chapter 5, subchapter 2 or 3, or 21 V.S.A. chapter 9 or 17; and

(B) any recommendations for legislative action to improve the effectiveness of the provisions of 21 V.S.A. §§ 346, 387, 712, and 1379.

(b)(1) On or before January 15, 2023, the Attorney General, in consultation with the Commissioners of Financial Regulation, of Labor, and of Taxes, shall submit a written report to the House Committees on Commerce and Economic Development and on General, Housing, and Military Affairs and the Senate

Committees on Economic Development, Housing and General Affairs and on Finance regarding the enforcement of employment laws related to employee misclassification by the Attorney General pursuant to 21 V.S.A. §§ 346, 387, 712, and 1379 and by the Commissioner of Labor pursuant to 21 V.S.A. chapter 5, subchapters 2 and 3, and 21 V.S.A. chapters 9 and 17.

(A) The report shall include for both the Office of the Attorney General and the Department of Labor in each calendar year:

(i) the number of complaints received in relation to violations of 21 V.S.A. chapter 5, subchapters 2 and 3, and 21 V.S.A. chapters 9 and 17 that involved employee misclassification;

(ii) the number and percentage of complaints received that were referred to the other entity;

(iii) the number of investigations initiated;

(iv) the average number of days between the receipt of a complaint, the start of an investigation, and the completion of an investigation;

(v) the number and percentage of investigations that resulted in, for the Office of the Attorney General, the imposition of a civil penalty, an assurance of discontinuance, or the imposition of injunctive relief, and, for the Department of Labor, the imposition of a penalty;

(vi) the number and percentage of investigations that resulted in a determination that the employer had engaged in employee misclassification;

(vii) the number and percentage of investigations that resulted in the imposition of debarment pursuant to 21 V.S.A. § 692, 708, or 1314a; and

(viii) the number of investigations related to employers who had previously violated the provisions of 21 V.S.A. chapter 5, subchapter 2 or 3, or 21 V.S.A. chapter 9 or 17; and

(B) a recommendation regarding whether to delay or eliminate the repeal of 21 V.S.A. §§ 346, 387, 712, and 1379, and if a delay or elimination of the repeal is proposed, any recommendations for legislative action related to those sections.

(c) As used in this section, “employee misclassification” means:

(1) the misclassification of an employee as an independent contractor;

or

(2) a violation of 21 V.S.A. § 687 or 708 that results from an employer claiming that it is not an employer as defined pursuant to 21 V.S.A. § 601(3)

or that an individual is not a worker or employee as defined pursuant to 21 V.S.A. § 601(14).

Sec. 10. REPEAL

21 V.S.A. §§ 346, 387, 712, and 1379 are repealed.

Sec. 11. 21 V.S.A. § 1314 is amended to read:

§ 1314. REPORTS AND RECORDS; SEPARATION INFORMATION;
DETERMINATION OF ELIGIBILITY; FAILURE TO REPORT
EMPLOYMENT INFORMATION; DISCLOSURE OF
INFORMATION TO OTHER STATE AGENCIES TO
INVESTIGATE MISCLASSIFICATION OR MISCODING

* * *

(e)(1) Subject to such restrictions as the Board may by regulation prescribe, information from unemployment insurance records may be made available to any public officer or public agency of this or any other state or the federal government dealing with the administration or regulation of relief, public assistance, unemployment compensation, a system of public employment offices, wages and hours of employment, workers' compensation, misclassification or miscoding of workers, occupational safety and health, or a public works program for purposes appropriate to the necessary operation of those offices or agencies. The Commissioner may also make information available to colleges, universities, and public agencies of the State for use in connection with research projects of a public service nature, and to the Vermont Economic Progress Council with regard to the administration of 32 V.S.A. chapter 105, subchapter 2; but no person associated with those institutions or agencies may disclose that information in any manner that would reveal the identity of any individual or employing unit from or concerning whom the information was obtained by Commissioner.

* * *

~~(8) The Department of Labor shall disclose, upon request, to the Attorney General and employees of the Office of the Attorney General information necessary for the Attorney General to investigate a complaint and enforce the provisions of this chapter as provided pursuant to section 1379 of this chapter. [Repealed.]~~

* * *

Sec. 12. 21 V.S.A. § 342a is amended to read:

§ 342a. INVESTIGATION OF COMPLAINTS OF UNPAID WAGES

* * *

(h) Information obtained from any employer, employee, or witness in the course of investigating a complaint of unpaid wages shall be confidential and shall not be disclosed or open to public inspection in any manner that reveals the employee's or employer's identity or be admissible in evidence in any action or proceeding other than one arising under this subchapter. However, such information may be released to any public official for the purposes provided in subdivision 1314(e)(1) of this title ~~or to the Attorney General pursuant to the terms of a memorandum of understanding between the Commissioner and the Attorney General that was agreed to in relation to investigations conducted pursuant to section 346 of this subchapter.~~

Sec. 13. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

* * *

(d) The Commissioner shall disclose a return or return information:

* * *

(5) to the Attorney General, if such return or return information relates to chapter 205 of this title or 33 V.S.A. chapter 19, subchapters 1A and 1B, for purposes of investigating potential violations of and enforcing 7 V.S.A. chapter 40, 20 V.S.A. chapter 173, subchapter 2A, and 33 V.S.A. chapter 19, subchapters 1A and 1B, and ~~21 V.S.A. §§ 346, 387, 712, and 1379;~~

* * *

Sec. 14. EDUCATION AND OUTREACH

(a) On or before September 15, 2019, the Commissioner of Labor and the Attorney General shall develop and disseminate informational materials for employers and employees that informs them:

(1) that the Attorney General has been granted investigation and enforcement authority in relation to complaints of employee misclassification pursuant to the provisions of 21 V.S.A. §§ 346, 387, 712, and 1379;

(2) of the requirements related to proper employee classification; and

(3) about how to file a complaint regarding employee misclassification.

(b) The methods of disseminating the informational materials shall include:

(1) posting the information on the Attorney General's and the Department of Labor's websites; and

(2) e-mailing or otherwise providing written notice to employer and employee organizations.

* * * Workers' Compensation * * *

Sec. 15. 21 V.S.A. § 711 is amended to read:

§ 711. WORKERS' COMPENSATION ADMINISTRATION FUND

(a) The Workers' Compensation Administration Fund is created pursuant to 32 V.S.A. chapter 7, subchapter 5 to be expended by the Commissioner for the administration of the workers' compensation and for costs of the occupational disease safety and health programs that are not funded by federal OSHA grants and matching State General Fund appropriations. The Fund shall consist of contributions from employers made at a rate of 1.4 percent of the direct calendar year premium for workers' compensation insurance, one percent of self-insured workers' compensation losses, and one percent of workers' compensation losses of corporations approved under this chapter. Disbursements from the Fund shall be on warrants drawn by the Commissioner of Finance and Management in anticipation of receipts authorized by this section.

* * *

Sec. 16. WORKERS' COMPENSATION EXEMPTION FOR EQUINE CARE AND MANAGEMENT; REPORT

(a) On or before January 15, 2020, the Commissioners of Agriculture and of Labor shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs regarding whether certain activities related to equine care and management should be excluded from the definition of "worker" and "employee" pursuant to 21 V.S.A. § 601(14).

(b) The report shall specifically address the following:

(1) an appropriate definition for the terms "agriculture" and "farm employment" as those terms are used in 21 V.S.A. § 601(14)(C);

(2) whether any activities related to equine care and management would fall within the definitions of "agriculture" and "farm employment" determined pursuant to subdivision (1) of this subsection;

(3) what activities related to equine care and management, if any, should be included in the exemptions from the definition of "worker" and "employee"; and

(4) what the potential impact of excluding the activities identified pursuant to subdivision (3) of this subsection from the definition of "worker" and "employee" would be with respect to workers' compensation premiums,

worker safety, and potential liability for employers that have equine care and management operations.

(c) The report may include a recommendation for legislative action.

Sec. 17. STATE EMPLOYEES; WORKERS' COMPENSATION; POST-TRAUMATIC STRESS DISORDER; MENTAL DISORDERS; STUDY; REPORT

On or before January 15, 2020, the Agency of Administration, Office of Risk Management, in consultation with the Agency of Human Services, the Department for Children and Families, and the Departments of Human Resources and of Labor, shall submit a written report on the workers' compensation claims submitted by State employees in relation to post-traumatic stress disorder and other mental conditions to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs. The report shall:

(1) examine the occurrence and frequency of workers' compensation claims submitted by State employees in relation to post-traumatic stress disorder and other mental conditions that are caused or aggravated by workplace stressors or workplace violence;

(2) identify professions and occupations in State government that have a heightened risk of exposure to traumatic situations or stress that could cause post-traumatic stress disorder or other mental conditions;

(3) include an inventory of currently existing prevention and education plans related to the occurrence of post-traumatic stress disorder and other mental conditions among State employees;

(4) identify various approaches for preventing the occurrence of post-traumatic stress disorder and other mental conditions among State employees, including specific actions and methods to reduce the likelihood of job-related stressors or workplace violence; and

(5) identify specific training and educational activities and materials that can be implemented to:

(A) enable State employees to better recognize situations, incidents, and other occurrences that may result in a stressful situation or violent interaction;

(B) enable State employees to better recognize the symptoms of post-traumatic stress disorder and other common mental conditions in themselves and their coworkers;

(C) identify the resources available to employees following a stressful or traumatic incident, including the Employee Assistance Program and counseling; and

(D) educate State employees regarding how to file and pursue a workers' compensation claim for work-related post-traumatic stress disorder or another work-related mental condition that requires treatment or has become disabling.

Sec. 18. WORKERS' COMPENSATION; COMPENSATION FOR
PRESCRIBED OVER-THE-COUNTER MEDICATIONS;
OUTREACH

On or before October 15, 2019, the Commissioner of Labor shall develop and disseminate informational materials to educate workers and employers regarding the ability of a worker to receive compensation for the cost of prescribed over-the-counter medications. The methods of disseminating the materials shall include:

(1) posting the information on the Department's website;

(2) e-mailing or otherwise providing written notice to insurance carriers that offer workers' compensation insurance in Vermont; and

(3) ensuring, in coordination with the Department of Health and the appropriate professional licensing boards and professional membership associations, that the information is made available to all licensed health care professionals who are authorized to prescribe medications and to all licensed pharmacists in Vermont.

Sec. 19. 21 V.S.A. § 650 is amended to read:

§ 650. PAYMENT; AVERAGE WAGE; COMPUTATION

* * *

(f) When benefits have been awarded or are not in dispute as provided in subsection (e) of this section, the employer shall establish a weekday on which payment shall be mailed or deposited and notify the claimant and the Department of that day. The employer shall ensure that each weekly payment is mailed or deposited on or before the day established. Payment shall be made by direct deposit to a claimant who elects that payment method. The employer shall notify the claimant of his or her right to payment by direct deposit. If the benefit payment is not mailed or deposited on the day established, the employer shall pay to the claimant a late fee of \$10.00 or five percent of the benefit amount, whichever is greater, for each weekly payment that is made after the established day. ~~For the purposes of~~ As used in this subsection, "paid" means the payment is mailed to the claimant's mailing

address or, in the case of direct deposit, transferred into the designated account. In the event of a dispute, proof of payment shall be established by affidavit.

* * * Required Notice for Unemployment Insurance * * *

Sec. 20. 21 V.S.A. § 1346 is amended to read:

§ 1346. CLAIMS FOR BENEFITS; ~~REGULATIONS~~ RULES; NOTICE

(a) Claims for benefits shall be made in accordance with ~~such regulations as rules adopted by the Board may prescribe.~~ Each employer shall post and maintain printed statements of such regulations in places readily accessible to individuals in his or her service and shall make available to each such individual, at the time he or she becomes unemployed, a printed statement of such regulations. ~~Such printed statements shall be supplied by the Commissioner to each employer without cost to him or her.~~

(b) Every person making a claim shall certify that he or she has not, during the week with respect to which waiting period credit or benefits are claimed, earned or received wages or other remuneration for any employment, whether subject to this chapter or not, otherwise than as specified in his or her claim. All benefits shall be paid in accordance with ~~such regulations as~~ the rules adopted by the Board may prescribe.

(c) An employer shall post notice of how an unemployed individual can seek unemployment benefits in a form provided by the Commissioner in a place conspicuous to individuals performing services for the employer. The notice shall also advise individuals of their rights under the Domestic and Sexual Violence Survivor's Transitional Employment Program, pursuant to chapter 16A of this title. The Commissioner shall provide a copy of the notice to an employer upon request without cost to the employer.

* * * Short-Time Compensation Program * * *

Sec. 21. FINDINGS

The General Assembly finds:

(1) The Short-Time Compensation Program was enacted in 1986 to assist employers in avoiding layoffs by temporarily reducing the hours worked by some of their employees.

(2) The Program provides partial unemployment insurance benefits to the employees who are working reduced hours.

(3) In 2014, the General Assembly amended 21 V.S.A. § 1338a to change the formula by which partially unemployed individuals who are not covered by a short-time compensation plan are paid partial unemployment

benefits. By changing a claimant's so-called "disregarded earnings" from 30 percent to 50 percent of the claimant's weekly wage, the amount of unemployment benefits available to a partially employed individual increased significantly.

(4) Because of the change in disregarded earnings, employers and employees both have less to gain from short-time compensation plans.

(5) The application and approval process for short-time compensation plans is an administrative burden for employers.

(6) Since 2014, only one employer in Vermont has established a Short-Time Compensation Program.

(7) Therefore, the General Assembly finds that 21 V.S.A. chapter 17, subchapter 3, which establishes the Short-Time Compensation Program, should be repealed.

Sec. 22. REPEAL

21 V.S.A. chapter 17, subchapter 3 is repealed.

* * * Self-Employment Assistance Program * * *

Sec. 23. 21 V.S.A. § 1340a is added to read:

§ 1340a. SELF-EMPLOYMENT ASSISTANCE PROGRAM

(a) As used in this section:

(1) "Full-time basis" means that the individual is devoting the necessary time as determined by the Commissioner to establish a business that will serve as a full-time occupation for that individual.

(2) "Regular benefits" shall have the same meaning as in subdivision 1421(5) of this title.

(3) "Self-employment assistance activities" means activities approved by the Commissioner in which an individual participates for the purpose of establishing a business and becoming self-employed, including entrepreneurial training, business counseling, and technical assistance.

(4) "Self-employment assistance allowance" means an allowance payable in lieu of regular benefits from the Unemployment Compensation Trust Fund to an individual who meets the requirements of this section.

(5) "Self-Employment Assistance Program" means the program under which an individual who meets the requirements of subsection (d) of this section is eligible to receive an allowance in lieu of regular benefits for the purpose of assisting that individual in establishing a business and becoming self-employed.

(b) The weekly amount of the self-employment assistance allowance payable to an individual shall be equal to the weekly benefit amount for regular benefits otherwise payable pursuant to this title.

(c) The maximum amount of the self-employment assistance allowance paid pursuant to this section shall not exceed the maximum amount of benefits established pursuant to section 1340 of this title with respect to any benefit year.

(d)(1) An individual may receive a self-employment assistance allowance if that individual:

(A) is eligible to receive regular benefits or would be eligible to receive regular benefits except for the requirements described in subdivisions (2)(A) and (B) of this subsection (d);

(B) is identified by a worker profiling system as an individual likely to exhaust regular benefits;

(C) has received the approval of the Commissioner to participate in a program providing self-employment assistance activities;

(D) is engaged actively on a full-time basis in activities that may include training related to establishing a business and becoming self-employed; and

(E) has filed a weekly claim for the self-employment assistance allowance and provided the information the Commissioner requires.

(2) A self-employment allowance shall be payable to an individual at the same interval, on the same terms, and subject to the same conditions as regular benefits pursuant to this chapter, except:

(A) the requirements of section 1343 of this title, relating to availability for work, efforts to secure work, and refusal to accept work, are not applicable to the individual; and

(B)(i) the individual is not considered to be self-employed pursuant to subdivision 1301(24) of this title;

(ii) an individual who meets the requirements of this section shall be considered to be unemployed pursuant to section 1338 of this title; and

(iii) an individual who fails to participate in self-employment assistance activities or who fails to engage actively on a full-time basis in activities, including training, relating to the establishment of a business and becoming self-employed shall be disqualified from receiving an allowance for the week in which the failure occurs.

(e) The self-employment assistance allowance may be paid to up to 35 qualified individuals at any time.

(f)(1) The self-employment assistance allowance shall be charged to the Unemployment Compensation Trust Fund.

(2) In the event that the self-employment assistance allowance cannot be charged to the Unemployment Compensation Trust Fund pursuant to subdivision (1) of this subsection, the allowance shall be charged in accordance with section 1325 of this title.

(g) The Commissioner may approve a program upon determining that it will provide self-employment assistance activities to qualified individuals.

(h)(1) The Commissioner shall adopt rules to implement this section.

(2) The rules adopted pursuant to this subsection shall include a detailed explanation of how an individual may apply for and establish eligibility for the Self-Employment Assistance Program and any criteria that the Commissioner will consider in determining whether to approve a program.

(i) The Commissioner may suspend the Self-Employment Assistance Program with approval of the Secretary of Administration and notice to the House Committee on Commerce and Economic Development and the Senate Committee on Finance in the event that the Program presents unintended adverse consequences to the Unemployment Compensation Trust Fund.

Sec. 24. USE OF SELF EMPLOYMENT ASSISTANCE PROGRAM;
REPORT

On or before January 15, 2021, the Commissioner of Labor shall submit a written report to the House Committee on Commerce and the Senate Committee on Economic Development, Housing and General Affairs regarding the utilization of the Self Employment Assistance Program during the previous 18 months, including the number of applications received, programs approved, and programs completed, and any recommendations for legislative action to improve the utilization of the Self Employment Assistance Program. The Commissioner shall also present the report in person to both Committees.

* * * Unemployment Insurance Experience Ratings * * *

Sec. 25. 21 V.S.A. § 1325 is amended to read:

§ 1325. EMPLOYERS' EXPERIENCE-RATING RECORDS;
DISCLOSURE TO SUCCESSOR ENTITY

(a)(1) The Commissioner shall maintain an experience-rating record for each employer. Benefits paid shall be charged against the experience-rating

record of each subject employer who provided base-period wages to the eligible individual. Each subject employer's experience-rating charge shall bear the same ratio to total benefits paid as the total base-period wages paid by that employer bear to the total base-period wages paid to the individual by all base-period employers. The experience-rating record of an individual subject base-period employer shall not be charged for benefits paid to an individual under any of the following conditions:

* * *

(E) The individual was paid wages of \$1,000.00 or less by the employer during the individual's base period.

* * *

Sec. 26. MITIGATING IMPACT OF EXPERIENCE RATING SYSTEM ON SMALL BUSINESSES; REPORT

On or before January 15, 2020, the Commissioner of Labor shall submit a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs regarding potential approaches to mitigate the impact of a single separation from employment on a small employer's unemployment insurance experience rating and contribution rate. The report shall specifically identify and describe provisions in other states' laws that reduce the impact of a single separation from employment on small employers' unemployment insurance experience ratings and contribution rates, and any resulting effect on the state's unemployment insurance trust fund. The report shall also identify any amendments to the Vermont Statutes Annotated that could reduce the impact of a single separation from employment on a small employer's unemployment insurance experience rating and contribution rate and, if possible, make a recommendation for legislative action to accomplish that goal.

* * * Effective Dates * * *

Sec. 27. EFFECTIVE DATES

(a) Sec. 8 of this act shall take effect on July 1, 2019, and the memoranda of understanding required pursuant to that section shall be executed on or before September 1, 2019.

(b) Secs. 10, 11, 12, and 13 of this act shall take effect on July 1, 2023.

(c) Sec. 19 of this act shall take effect on January 1, 2020, and shall apply to injuries incurred on or after that date.

(d) The remaining sections of 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 workers’ compensation, unemployment insurance, and employee misclassification”

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Sirotkin, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

Thereupon, pursuant to the request of the Senate, the President announced the appointment of

Senator Sirotkin
Senator Clarkson
Senator Hooker

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Committee of Conference Appointed

H. 525.

An act relating to miscellaneous agricultural subjects.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Collamore
Senator Pollina
Senator Starr

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Committee of Conference Appointed

H. 530.

An act relating to the qualifications and election of the Adjutant and Inspector General.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator White
Senator Collamore
Senator Pollina

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Rules Suspended; Bills Messaged

On motion of Senator Ashe, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 108, H. 525, H. 530.

Adjournment

On motion of Senator Ashe, the Senate adjourned until four o'clock in the afternoon.

Afternoon

The Senate was called to order by the President.

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the fifteenth day of May, 2019 he approved and signed a bill originating in the Senate of the following title:

S. 49. An act relating to the regulation of polyfluoroalkyl substances in drinking and surface waters.

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the sixteenth day of May, 2019 he approved and signed a bill originating in the Senate of the following title:

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.

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

H. 512.

House bill entitled:

An act relating to miscellaneous court and Judiciary related amendments.

Was taken up.

Thereupon, pending third reading of the bill, Senator Sears moved to amend the Senate proposal of amendment in Sec. 6, 15 V.S.A. § 752, by striking out subsection (c) in its entirety.

Which was agreed to.

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

Consideration Resumed; Bill Amended; Third Reading Ordered

H. 63.

Consideration was resumed on House bill entitled:

An act relating to the time frame for return of unclaimed beverage container deposits.

Thereupon, the pending question, Shall the Senate proposal of amendment be amended as recommended by Senator Bray?, was agreed to.

Thereupon, the recurring question, Shall the bill be read the third time?, was decided in the affirmative.

Proposal of Amendment; Third Reading Ordered

H. 513.

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

An act relating to broadband deployment throughout Vermont.

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:

* * * Legislative Findings * * *

Sec. 1. FINDINGS

The General Assembly finds that:

(1) Department of Public Service data indicates that seven percent of Vermont addresses do not have access to the most basic high-speed Internet access, which is 4 Mbps download and 1 Mbps upload. Nearly 20 percent of Vermont addresses lack access to modern Internet speeds of 10 Mbps download and 1 Mbps upload. The Federal Communications Commission (FCC) defines broadband as a minimum of 25 Mbps download and 3 Mbps upload. Approximately 27 percent of Vermont addresses lack access to this level of service.

(2) As Vermont is a rural state with many geographically remote locations, broadband is essential for supporting economic and educational activities, strengthening health and public safety networks, and reinforcing freedom of expression and democratic, social, and civic engagement.

(3) The accessibility and quality of communications networks in Vermont, specifically broadband, is critical to our State's future.

(4) The FCC anticipates that a "light-touch" regulatory approach under Title I of the Communications Act of 1934, rather than "utility-style" regulation under Title II, will further advance the Congressional goals of promoting broadband deployment and infrastructure investment.

(5) The FCC's regulatory approach is unlikely to achieve the intended results in Vermont. The policy does little, if anything, to overcome the financial challenges of bringing broadband service to hard-to-reach locations with low population density. However, it may result in degraded broadband quality of service. The State has a compelling interest in preserving and protecting consumer access to high quality broadband service.

(6) Reaching the last mile will require a grassroots approach that is founded on input from and support of local communities, whose residents are best situated to decide which broadband solution fits their needs. By developing a toolkit that encompasses numerous innovative approaches to achieving successful broadband buildout and by investing in programs and personnel that can provide local communities with much-needed resources and technical assistance, the State can facilitate and support community efforts to design and implement broadband solutions.

(7) Existing Internet service providers are not providing adequate service to many rural areas where fewer potential customers reduce the profitability necessary to justify system expansion.

(8) Multiple communities have attempted to implement their own unique solutions outside of traditional delivery methods but have been hampered by a lack of access to capital. Existing broadband grant programs do not offer the scale to solve this problem, and banks and investors typically shy away from start-up businesses with limited revenue history and little equity or collateral.

(9) Community broadband solutions may mean either partnering with a new business that must design and build a network or with an established Internet service provider, which is followed by a 12- to 24-month process of initial customer acquisition.

(10) A growing challenge is the isolation that may result from increased reliance on the Internet and online communities. In rural settings, the physical

and psychological draw into isolation is much greater simply as a result of limited chances for interaction with neighbors and community members. As we expand our access and reliance on the Internet, we need to be intentional in supporting our rural communities and town centers.

* * * VUSF; Rate Increase; Connectivity Fund; Specialist * * *

Sec. 2. 30 V.S.A. § 7523 is amended to read:

§ 7523. RATE OF CHARGE

(a) Beginning on July 1, 2014, the rate of charge shall be two percent of retail telecommunications service.

(b) Beginning on July 1, 2019, the rate of charge established under subsection (a) of this section shall be increased by three-tenths of one percent of retail telecommunications service, and the monies collected from this increase shall be transferred to the Connectivity Fund established under section 7516 of this title.

(c) Universal Service Charges imposed and collected by the fiscal agent under this subchapter shall not be transferred to any other fund or used to support the cost of any activity other than in the manner authorized by this section and section 7511 of this title.

Sec. 3. 30 V.S.A. § 7516 is amended to read:

§ 7516. CONNECTIVITY FUND

(a) There is created a Connectivity Fund for the purpose of providing support to the High-Cost Program established under section 7515 of this chapter and the Connectivity Initiative established under section 7515b of this chapter. The fiscal agent shall determine annually, on or before September 1, the amount of monies available to the Connectivity Fund. Such funds shall be apportioned as follows: 45 percent to the High-Cost Program and 55 percent to the Connectivity Initiative.

(b) Of the money transferred to the Connectivity Fund pursuant to subsection 7523(b) of this title, up to \$120,000.00 shall be appropriated annually to the Department of Public Service to fund a Rural Broadband Technical Assistance Specialist whose duties shall include providing outreach, technical assistance, and other support services to communications union districts established pursuant to chapter 82 of this title and other units of government, nonprofit organizations, cooperatives, and for-profit businesses for the purpose of expanding broadband service to unserved and underserved locations. Support services also may include providing business model templates for various approaches, including formation of or partnership with a cooperative, a communications union district, a rural economic development

infrastructure district, an electric utility, or a new or existing Internet service provider as operator of the network. Any remaining funds shall be used to support the Connectivity Initiative established under section 7515b of this title.

* * * High-Cost Program; Connectivity Initiative;
Speed Requirements * * *

Sec. 4. 30 V.S.A. § 7515 is amended to read:

§ 7515. HIGH-COST PROGRAM

(a) The Universal Service Charge shall be used as a means of keeping basic telecommunications service affordable in all parts of this State, thereby maintaining universal service, and as a means of supporting access to broadband service in all parts of the State.

* * *

(g) Except as provided in subsection (h) of this section, a VETC shall provide broadband Internet access at speeds no lower than ~~4 Mbps download and 1 Mbps upload~~ 25 Mbps download and 3 Mbps upload in each high-cost area it serves within five years of designation. A VETC need not provide broadband service to a location that has service available from another service provider, as determined by the Department of Public Service.

* * *

Sec. 5. 30 V.S.A. § 7515b is amended to read:

§ 7515b. CONNECTIVITY INITIATIVE

(a) The purpose of the Connectivity Initiative is to provide each service location in Vermont access to Internet service that is capable of speeds of at least ~~10 Mbps download and 1 Mbps upload~~ 25 Mbps download and 3 Mbps upload, or the FCC speed requirements established under Connect America Fund Phase II, whichever is higher, beginning with locations not served as of December 31, 2013 according to the minimum technical service characteristic objectives applicable at that time. Within this category of service locations, priority shall be given first to unserved and then to underserved locations. As used in this section, “unserved” means a location having access to only satellite or dial-up Internet service and “underserved” means a location having access to Internet service with speeds that exceed satellite and dial-up speeds but are less than 4 Mbps download and 1 Mbps upload. Any new services funded in whole or in part by monies from this Initiative shall be capable of being continuously upgraded to reflect the best available, most economically feasible service capabilities.

* * *

* * * VUSF; Prepaid Wireless; Point of Sale * * *

Sec. 6. 30 V.S.A. § 7521(d) is amended to read:

~~(d)(1) Notwithstanding any other provision of law to the contrary, beginning on September 1, 2014, in the case of prepaid wireless telecommunications service, the Universal Service Charge shall be imposed as follows:~~

~~(A) If the provider sells directly to a consumer in a retail transaction, the provider may collect the Charge from the customer at the rate specified in section 7523 of this title; or~~

~~(B) if the provider does not sell directly to the consumer, or if the provider sells directly to the customer in a retail transaction but elects not to collect the Charge from the customer, the Charge shall be imposed on the provider at the rate determined in subdivision (2) of this subsection (d).~~

~~(2) The Public Utility Commission shall establish a formula to ensure the Universal Service Charge rate imposed on prepaid wireless telecommunications service providers under subdivision (1)(B) of this subsection reflects two percent of retail prepaid wireless telecommunications service in Vermont.~~

~~(3) As used in this subsection, “prepaid wireless telecommunications service” means a telecommunications service as defined in subdivision 203(5) of this title that a consumer pays for in advance and that is sold in predetermined units or dollars that decline with use. [Repealed.]~~

Sec. 7. 30 V.S.A. § 7521(e) is added to read:

(e)(1) Notwithstanding any other provision of law to the contrary, beginning on January 1, 2020, the Universal Service Charge shall be imposed on all retail sales of prepaid wireless telecommunications service subject to the sales and use tax imposed under 32 V.S.A. chapter 233. The charges shall be collected by sellers and remitted to the Department of Taxes in the manner provided under 32 V.S.A. chapter 233. Upon receipt of the charges, the Department of Taxes shall have 30 days to remit the funds to the fiscal agent selected under section 7503 of this chapter. The Commissioner of Taxes shall establish registration and payment procedures applicable to the Universal Service Charge imposed under this subsection consistent with the registration and payment procedures that apply to the sales tax imposed on such services and also consistent with the administrative provisions of 32 V.S.A. chapter 151, including any enforcement or collection action available for taxes owed pursuant to that chapter.

(2) If a minimal amount of prepaid wireless telecommunications service is sold with a prepaid wireless device for a single, nonitemized price, then the seller may elect not to apply the Universal Service Charge to such transaction.

(3) As used in this subsection:

(A) "Minimal amount" means an amount of service denominated as not more than 10 minutes or not more than \$5.00.

(B) "Prepaid wireless telecommunications service" means a telecommunications service as defined in subdivision 203(5) of this title that a consumer pays for in advance and that is sold in predetermined units or dollars that decline with use.

(C) "Seller" means a person who sells prepaid wireless telecommunications service to a consumer.

* * * One-Time Transfer and Appropriation; Broadband Innovation Grant Program; Federal RUS Grants and Loans * * *

Sec. 8. FISCAL YEAR 2020 ONE-TIME GENERAL FUND TRANSFER

(a) From the General Fund to the Connectivity Fund established pursuant to 30 V.S.A. § 7516: \$955,000.00 to be allocated as follows:

(1) \$700,000.00 to fund grants through the Broadband Innovation Grant Program established in Sec. 10 of this act.

(2) \$205,000.00 to fund grants through the Connectivity Initiative as provided in 30 V.S.A. § 7515b(b).

(3) \$50,000.00 to the Department of Public Service to assess the feasibility of providing broadband service using electric utility infrastructure, pursuant to Sec. 11 of this act.

(b) These monies shall not be subject to the distribution requirements of 30 V.S.A. § 7511(a)(1)(A)–(D).

Sec. 9. FISCAL YEAR 2020 ONE-TIME GENERAL FUND APPROPRIATION

To the ThinkVermont Innovation Initiative established in 2018 Acts and Resolves No. 197, Sec. 2, \$45,000.00 is appropriated for the purpose of funding technical assistance grants to Vermont municipalities planning broadband projects.

Sec. 10. DEPARTMENT OF PUBLIC SERVICE; BROADBAND INNOVATION GRANT PROGRAM

(a) There is established the Broadband Innovation Grant Program to be administered by the Commissioner of Public Service. The purpose of the

Program is to fund feasibility studies related to the deployment of broadband in rural unserved and underserved areas of Vermont. The following conditions shall apply to the Program:

(1) Grants shall be used to support studies that contemplate the provision of broadband service that is capable of speeds of at least 100 Mbps symmetrical.

(2) Eligible grant applicants shall include communications union districts and other units of government, nonprofit organizations, cooperatives, and for-profit businesses.

(3) Grantees shall produce an actionable business plan for a potential broadband solution, which may include formation of or partnership with a cooperative, communications union district, rural economic development infrastructure district, municipal communications plant, or utility. The business plan required by this subdivision shall include engineering and design plans, financing models, estimated construction costs, and ideal operational models.

(4) A grant award may not exceed \$60,000.00.

(5) Not more than 2.5 percent of a grant may be used for grant management.

(6) Not more than two electric distribution utilities shall be awarded a grant under the Program for the purpose of determining the market feasibility of providing broadband service using electric company infrastructure. Awards to distribution utilities shall be made pursuant to a competitive bidding process initiated not sooner than January 1, 2020, or upon submission of the report required by Sec. 11 of this act, whichever is sooner, and shall be consistent with the recommendations contained in that report.

(7) Studies funded through the Program shall conclude within six months of receipt of the award; distribution utility studies shall conclude within 12 months of receipt of the award.

(8) The Commissioner shall retain 50 percent of the grant award until he or she determines that the study has been completed consistent with the terms of the grant.

(9) Grant recipients shall report their findings and recommendations to the Commissioner of Public Service within 30 days following the completion of a study funded under the Program.

(b) To the extent such information is available, the Commissioner of Public Service shall aggregate the information submitted under subdivision (a)(9) of this section and shall report his or her findings and recommendations to the

House Committee on Energy and Technology and the Senate Committee on Finance on or before January 15, 2020, and annually thereafter until all of the funds in the Program have been expended.

Sec. 11. STUDY; FEASIBILITY OF ELECTRIC COMPANIES OFFERING BROADBAND SERVICE IN VERMONT

(a) The Commissioner of Public Service shall study the feasibility of Vermont electric companies providing broadband service using electric distribution and transmission infrastructure. Among other things, a feasibility determination shall address potential advantages of serving utilities' internal data needs and expanding fiber for providing broadband service, the compatibility of broadband service with existing electric service, the financial investment necessary to undertake the provision of broadband service, identification of the unserved and underserved areas of the State where the provision of broadband service by an electric company appears feasible; the impact on electric rates, the financial risk to electric companies, and any differences that may exist between electric companies. The Commissioner also shall address any financial consequences and any technical or safety issues resulting from attaching communications facilities in the electric safety space as opposed to the communications space of distribution infrastructure.

(b) In performing the feasibility study required by this section, the Commissioner, in consultation with the Public Utility Commission, shall consider regulatory barriers to the provision of broadband service by electric companies, and shall develop legislative proposals to address those barriers. In addition, the Commissioner, in collaboration with representatives from each electric company, shall evaluate whether it is in the public interest and also in the interest of electric companies for electric companies to:

(1) make improvements to the distribution grid in furtherance of providing broadband service in conjunction with electric distribution grid transformation projects;

(2) operate a network using electric distribution and transmission infrastructure to provide broadband service at speeds of at least 25 Mbps download and 3 Mbps upload; and

(3) permit a communications union district or other unit of government, nonprofit organization, cooperative, or for-profit business to lease excess utility capacity to provide broadband service to unserved and underserved areas of the State.

(c) Any electric distribution or transmission company subject to the jurisdiction of the Public Utility Commission shall aid in the development of information and analysis as requested by the Commissioner to complete the

report required by this section.

(d) The Commissioner shall report the feasibility findings and recommendations required by this section to the Senate Committee on Finance and to the House Committee on Energy and Technology on or before January 1, 2020.

Sec. 12. 30 V.S.A. § 3047 is amended to read:

§ 3047. COST ALLOCATIONS; SUBSIDIZATION PROHIBITED

In carrying out the purposes of this chapter, the electric revenues received from regulated activities of a cooperative shall not subsidize any nonelectric activities of the cooperative. A cooperative shall adopt cost allocation procedures to ensure that the electrical distribution revenues received from regulated activities of a cooperative do not subsidize any of the nonelectric activities and that costs attributable to any nonelectric activities are not included in the cooperative's rates for electric service. A copy of the cost allocation procedures shall be available to the public upon request. ~~Nonelectric activities of the cooperative shall not be financed by loans or grants from the Rural Utilities Service of the U.S. Department of Agriculture or any successor federal agency.~~

* * * Municipalities; Communications Plants; Public-Private Partnership;
Study of General Obligation Bonding Authority * * *

Sec. 13. 24 V.S.A. § 1913 is amended to read:

§ 1913. COMMUNICATIONS PLANT; OPERATION AND REGULATION

(a) A municipality shall operate its communications plant in accordance with the applicable State and federal law and regulation, and chapter 53 of this title, relating to municipal indebtedness, with regard to the financing, improvements, expansion, and disposal of the municipal communications plant and its operations. However, the powers conferred by such provisions of law shall be supplemental to, construed in harmony with, and not in restriction of, the powers conferred in this chapter.

(b) A municipality's operation of any communications plant shall be supported solely by the revenues derived from the operation of such communications plant, except that portion which is used for its own municipal purposes.

(c) A municipality may finance any capital improvement related to its operation of such communications plant for the benefit of the people of the municipality in accordance with the provisions of chapter 53 of this title, provided that revenue-backed bonds shall be paid from net revenues derived from the operation of the communications plant.

(d) Any restriction regarding the maximum outstanding debt that may be issued in the form of general obligation bonds shall not restrict the issuance of any bonds issued by a municipality and payable out of the net revenues from the operation of a public utility project under chapter 53, subchapter 2 of ~~chapter 53~~ of this title.

(e) To the extent that a municipality constructs communication infrastructure with the intent of providing communications services, whether wholesale or retail, the municipality shall ensure that any and all losses from these businesses, or in the event these businesses are abandoned or curtailed, any and all costs associated with the investment in communications infrastructure, are not borne by the municipality's taxpayers.

(f) Notwithstanding any other provision of law to the contrary, a municipality may enter into a public-private partnership for the purpose of exercising its authority under this subchapter regarding the provision of communications services and may contract with a private entity to co-own, operate, or manage a communications plant financed in whole or in part pursuant to this chapter and chapter 53, subchapter 2 of this title, provided the municipality first issues a request for proposals seeking an Internet service provider to serve unserved and underserved locations targeted by the issuing municipality. The terms of such a partnership shall specify that the owner or owners of the communications plant, as applicable, shall be responsible for debt service.

Sec. 14. RECOMMENDATION; GENERAL OBLIGATION
BONDS FOR MUNICIPAL COMMUNICATIONS PLANTS

The Secretary of Administration or designee, in collaboration with the State Treasurer or designee and the Executive Director of the Vermont Municipal Bond Bank or designee, shall investigate the use of general obligation bonds by a municipality to finance capital improvements related to the operation of a communications plant. On or before December 1, 2019, the Secretary shall report his or her findings and recommendations to the House Committee on Energy and Technology and the Senate Committee on Finance.

* * * VEDA; Broadband Expansion Loan Program * * *

Sec. 15. 10 V.S.A. chapter 12, subchapter 14 is added to read:

Subchapter 14. Broadband Expansion Loan Program

§ 280ee. BROADBAND EXPANSION LOAN PROGRAM

(a) Creation. There is established within the Authority the Vermont Broadband Expansion Loan Program (the Program), the purpose of which is to enable the Authority to make loans that expand broadband service to unserved

and underserved Vermonters.

(b) Intent. It is understood that loans under the Program may be high-risk loans to likely start-up businesses and therefore losses in the Program may be higher than the Authority's historical loss rate. Loans shall be underwritten by the Authority utilizing underwriting parameters that acknowledge the higher risk nature of these loans. The Authority shall not make a loan unless the Authority has a reasonable expectation of the long-term viability of the business.

(c)(1) Requirements. The Authority shall make loans for start-up and expansion that enable the Internet service providers to expand broadband availability in unserved and underserved locations.

(2) The Authority shall establish policies and procedures for the Program necessary to ensure the expansion of broadband availability to the largest number of Vermont addresses as possible. The policies shall specify that:

(A) loans may be made in an amount of up to \$4,000,000.00;

(B) eligible borrowers include communications union districts and other units of government, nonprofit organizations, cooperatives, and for-profit businesses;

(C) a loan shall not exceed 90 percent of project costs;

(D) interest and principal may be deferred up to two years;

(E) a maximum of \$10,800,000.00 in Authority loans may be made under the Program commencing on the effective date of this act; and

(F) the provider shall offer to all customers broadband service that is capable of speeds of at least 100 Mbps symmetrical.

(3) To ensure the limited funding available through the Program supports the highest-quality broadband available to the most Vermonters and prioritizes delivering services to the unserved and underserved, the Authority shall consult with the Department of Public Service.

(d) On or before January 1, 2020, and annually thereafter, the Authority shall submit a report of its activities pursuant to this section to the Senate Committee on Finance and the House Committees on Commerce and Economic Development and on Energy and Technology. Each report shall include operating and financial statements for the two most recently concluded State fiscal years. In addition, each report shall include information on the Program portfolio, including the number of projects financed; the amount, terms, and repayment status of each loan; and a description of the broadband projects financed in whole or in part by the Program.

§ 280ff. FUNDING

(a) The State Treasurer, in consultation with the Secretary of Administration, shall negotiate an agreement with the Authority incorporating the provisions of this section and consistent with the requirements of this subchapter.

(b) Repayment from or appropriation to the Authority in years 2021 and until the Program terminates is based on the Authority's contributions to loan loss reserves for the Program in accordance with generally accepted accounting principles. Any difference between the actual loan losses incurred by the Authority in fiscal year 2020 through Program termination shall be adjusted in the following year's appropriation.

(1) The Program shall terminate when all borrowers enrolled in the Program have repaid in full or loans have been charged-off against the reserves of the Authority.

(2) Upon termination of the Program, any remaining funds held by the Authority and not used for the Program shall be repaid to the State.

(3) The accumulated total of the appropriation shall not exceed \$8,500,000.00 over the life of the Program.

(4) The Authority shall absorb its historical loan loss reserve rate before any State funds are expended.

(5) Additionally, the Authority shall absorb up to \$3,000,000.00 in Program losses shared with the State on a pro rata basis.

Sec. 16. FISCAL YEAR 2020 ONE-TIME GENERAL FUND
APPROPRIATION

To the Vermont Economic Development Authority, \$540,000.00 is appropriated to serve as loan reserves to administer the Broadband Expansion Loan Program established in Sec.15 of this act.

Sec. 17. 10 V.S.A. § 219(d) is amended to read:

(d) In order to ensure the maintenance of the debt service reserve requirement in each debt service reserve fund established by the Authority, there may be appropriated annually and paid to the Authority for deposit in each such fund, such sum as shall be certified by the Chair of the Authority, to the Governor, the President of the Senate, and the Speaker of the House, as is necessary to restore each such debt service reserve fund to an amount equal to the debt service reserve requirement for such fund. The Chair shall annually, on or about February 1, make, execute, and deliver to the Governor, the President of the Senate, and the Speaker of the House, a certificate stating the

sum required to restore each such debt service reserve fund to the amount aforesaid, and the sum so certified may be appropriated, and if appropriated, shall be paid to the Authority during the then current State fiscal year. The principal amount of bonds or notes outstanding at any one time and secured in whole or in part by a debt service reserve fund to which State funds may be appropriated pursuant to this subsection shall not exceed ~~\$175,000,000.00~~ \$181,000,000.00, provided that the foregoing shall not impair the obligation of any contract or contracts entered into by the Authority in contravention of the Constitution of the United States.

Sec. 18. 30 V.S.A. § 8064(a)(1) is amended to read:

(a)(1) The Authority may issue its negotiable notes and bonds in such principal amount as the Authority determines to be necessary to provide sufficient funds for achieving any of its corporate purposes, including the payment of interest on notes and bonds of the Authority, establishment of reserves to secure the notes and bonds including the reserve funds created under section 8065 of this title, and all other expenditures of the Authority incident to and necessary or convenient to carry out its corporate purposes and powers. However, the bonds or notes of the Authority outstanding at any one time shall not exceed ~~\$40,000,000.00~~ \$34,000,000.00. No bonds shall be issued under this section without the prior approval of the Governor and the State Treasurer or their respective designees. In addition, before the Authority may initially exercise its bonding authority granted by this section, it shall submit to the Emergency Board of the State a current business plan, including an explanation of the bond issue or issues initially proposed.

* * * Pole Attachments * * *

Sec. 19. POLE ATTACHMENTS; PUBLIC UTILITY COMMISSION
RULES

(a) The Public Utility Commission shall revise Rule 3.700 to implement the following:

(1) One-touch make-ready policies for pole attachments in the communications space. The Commission shall consider measures requiring pole-owning utilities to complete any needed pole replacements, and related electrical work, in sufficient time to make it reasonably possible for existing attaching entities in the communications space to comply with make-ready deadlines and shall also consider whether a pole-owning utility whose delays prevent timely make-ready completion by the attaching entities in the communications space should pay interest to the applicant.

(2) Measures designed to minimize delays and costs and promote fair and reasonable rates and the rapid resolution of disputes.

(3) Specifications for when a make-ready completion period commences and ends, including a process for extending the make-ready completion period in limited circumstances as defined by the Commission.

(4) Any other revisions deemed relevant by the Commission.

(b) The Commission shall file a final proposed rule with the Secretary of State and with the Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 841 on or before December 1, 2019.

(c) On July 15, 2016, the Commission opened a rulemaking proceeding to consider amending Commissioner Rule 3.706(D)(1) regarding the rental calculation for pole attachments. The Commission shall complete this proceeding and file a final proposed rule with the Secretary of State and with the Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 841 on or before June 1, 2020.

Sec. 20. 30 V.S.A. § 209(i) is amended to read:

(i)(1) Pole attachments; broadband. For the purposes of Commission rules on attachments to poles owned by companies subject to regulation under this title, broadband service providers shall be considered “attaching entities” with equivalent rights to attach facilities as those provided to “attaching entities” in the rules, regardless of whether such broadband providers offer a service subject to the jurisdiction of the Commission. The Commission shall adopt rules in accordance with 3 V.S.A. chapter 25 to further implement this section. The rules shall be aimed at furthering the State’s interest in ubiquitous deployment of mobile telecommunications and broadband services within the State.

(2) The rules adopted pursuant to this subsection shall specify that:

(A) The applicable make-ready completion period shall not be extended solely because a utility pole is jointly owned.

(B) At the time of an initial pole make-ready survey application, when a pole is jointly owned, the joint owners shall inform the applicant which owner is responsible for all subsequent stages and timely completion of the make-ready process.

(C) If the make-ready work is not completed within the applicable make-ready completion period, the pole owner shall refund the portion of the payment received for make-ready work that is not yet completed, and the attaching entity may hire a qualified contractor to complete the make-ready work. All pole owners and attaching entities shall submit to the Commission a list of contractors whom they allow to perform make-ready surveys, make-ready installation or maintenance, or other specified tasks upon their

equipment. The Commission shall provide the appropriate list to an attaching entity, upon request.

Sec. 20a. LEGISLATIVE INTENT; POLE ATTACHMENTS

Sections 19 and 20 of this act, concerning revisions to Vermont's pole attachment rules, shall not be construed to endorse a particular generation of communications technology, be it wired or wireless. The revisions are intended to clarify the terms and conditions of pole attachments, in general, and to promote greater transparency and certainty for attaching entities and for pole owners and to do so in a manner that furthers Vermont's interest in achieving ubiquitous deployment of mobile telecommunications and broadband services within the State.

* * * Department of Public Service; Rural Broadband

Technical Assistance Specialist * * *

Sec. 21. RURAL BROADBAND TECHNICAL ASSISTANCE SPECIALIST

One new classified position, Rural Broadband Technical Assistance Specialist, is authorized to be established within the Department of Public Service in fiscal year 2020. Beginning in fiscal year 2020, this position shall be funded as provided under 30 V.S.A. § 7516(b).

* * * State Telecommunications Plan * * *

Sec. 22. 30 V.S.A. § 202d is amended to read:

§ 202d. TELECOMMUNICATIONS PLAN

(a) The Department of Public Service shall constitute the responsible planning agency of the State for the purpose of obtaining for all consumers in the State stable and predictable rates and a technologically advanced telecommunications network serving all service areas in the State. The Department shall be responsible for the provision of plans for meeting emerging trends related to telecommunications technology, markets, financing, and competition.

(b) The Department shall prepare the Telecommunications Plan for the State. ~~The Department of Innovation and Information~~ Agency of Digital Services, the Agency of Commerce and Community Development, and the Agency of Transportation shall assist the Department in preparing the Plan. The Plan shall be for a 10-year period and shall serve as a basis for State telecommunications policy. Prior to preparing the Plan, the Department shall prepare:

(1) An overview, looking 10 years ahead, of ~~future requirements for telecommunications services, considering services needed for economic~~

development, technological advances, and other trends and factors which, as determined by the Department of Public Service, will significantly affect State telecommunications policy and programs statewide growth and development as they relate to future requirements for telecommunications services, including patterns of urban expansion, statewide and service area economic growth, shifts in transportation modes, economic development, technological advances, and other trends and factors that will significantly affect State telecommunications policy and programs. The overview shall include an economic and demographic forecast sufficient to determine infrastructure investment goals and objectives.

(2) One or more surveys of Vermont residents and businesses, conducted in cooperation with the Agency of Commerce and Community Development to determine what telecommunications services are needed now and in the succeeding 10 years, generally, and with respect to the following specific sectors in Vermont;

(A) the educational sector, with input from the Secretary of Education;

(B) the health care and human services sectors, with input from the Commissioner of Health and the Secretary of Human Services;

(C) the public safety sector, with input from the Commissioner of Public Safety and the Executive Director of the Enhanced 911 Board; and

(D) the workforce training and development sectors, with input from the Commissioner of Labor.

(3) An assessment of the current state of telecommunications infrastructure.

(4) An assessment, conducted in cooperation with the Department of Innovation and Information and the Agency of Transportation, of the current State telecommunications system and evaluation of alternative proposals for upgrading the system to provide the best available and affordable technology for use by government Agency of Digital Services and the Agency of Transportation, of State-owned and managed telecommunications systems and related infrastructure and an evaluation, with specific goals and objectives, of alternative proposals for upgrading the systems to provide the best available and affordable technology for use by State and local government, public safety, educational institutions, community media, nonprofit organizations performing governmental functions, and other community anchor institutions.

(5) An A geographically specific assessment of the state status, coverage, and capacity of telecommunications networks and services in available throughout Vermont, a comparison of available services relative to

other states, including price and broadband speed comparisons for key services and comparisons of the state status of technology deployment.

(6) An assessment of opportunities for shared infrastructure, open access, and neutral host wireless facilities that is sufficiently specific to guide the Public Utility Commission, the Department, State and local governments, and telecommunications service companies in the deployment of new technology.

(7) An analysis of available options to support the State's access media organizations.

(8) With respect to emergency communications, an analysis of all federal initiatives and requirements, including the Department of Commerce FirstNet initiative and the Department of Homeland Security Statewide Communication Interoperability Plan, and how these activities can best be integrated with strategies to advance the State's interest in achieving ubiquitous deployment of mobile telecommunications and broadband services within Vermont.

(9) An analysis of alternative strategies to leverage the State's ownership and management of the public rights-of-way to create opportunities for accelerating the buildout of fiber-optic broadband and for increasing network resiliency capacity.

(c) In developing the Plan, the Department shall ~~take into account~~ address each of the State telecommunications policies and goals of section 202c of this title, and shall assess initiatives designed to advance and make measurable progress with respect to each of those policies and goals. The assessment shall include identification of the resources required and potential sources of funding for Plan implementation.

(d) The Department shall establish a participatory planning process that includes effective provisions for increased public participation. In establishing plans, public hearings shall be held and the Department shall consult with members of the public, representatives of telecommunications utilities with a certificate of public good, other providers, including the Vermont Electric Power Co., Inc. (VELCO) and communications union districts, and other interested State agencies, particularly the Agency of Commerce and Community Development, the Agency of Transportation, and the ~~Department of Innovation and Information~~ Agency of Digital Services, whose views shall be considered in preparation of the Plan. To the extent necessary, the Department shall include in the Plan surveys to determine existing, needed, and desirable plant improvements and extensions, access and coordination between telecommunications providers, methods of operations, and any

change that will produce better service or reduce costs. To this end, the Department may require the submission of data by each company subject to supervision by the Public Utility Commission.

(e) Before adopting the Plan, the Department shall first prepare and publish a preliminary draft and solicit public comment. The Department's procedures for soliciting public comment shall include a method for submitting comments electronically. After review and consideration of the comments received, the Department shall prepare a final draft. This final draft shall either incorporate public comments received with respect to the preliminary draft or shall include a detailed explanation as to why specific individual comments were not incorporated. The Department shall conduct at least four public hearings across the State on a the final draft and shall consider the testimony presented at such hearings in when preparing the final Plan. The Department shall coordinate with Vermont's access media organizations when planning the public hearings required by this subsection. At least one public hearing shall be held jointly with committees of the General Assembly designated by the General Assembly for this purpose. The Plan shall be adopted by September 1, 2014, and then reviewed and updated as provided in subsection (f) of this section.

(f) ~~The Department, from time to time, but in no event less than every three years, shall institute proceedings to review the Plan and make revisions, where necessary. The three-year major review shall be made according to the procedures established in this section for initial adoption of the Plan shall adopt a new Plan every three years pursuant to the procedures established in subsection (e) of this section. The Plan shall outline significant deviations from the prior Plan. For good cause or upon request by a joint resolution passed by the General Assembly, an interim review and revision of any section of the Plan may be made after conducting public hearings on the interim revision. At least one hearing shall be held jointly with committees of the General Assembly designated by the General Assembly for this purpose.~~

~~(g) The Department shall review and update the minimum technical service characteristic objectives not less than every three years beginning in 2017. In the event such review is conducted separately from an update of the Plan, the Department shall issue revised minimum technical service characteristic objectives as an amendment to the Plan.~~

Sec. 23. TELECOMMUNICATIONS PLAN ADOPTION SCHEDULE; RESOURCES

(a) It is the intent of the General Assembly that, regardless of when the 2017 Telecommunications Plan is adopted, a new Plan shall be adopted on or before December 1, 2020 in accordance with the procedures established

in 30 V.S.A. § 202d(e). The next Plan after that shall be adopted on or before December 1, 2023, and so on.

(b) If at any time it becomes apparent to the Commissioner of Public Service that the Department lacks the time or the resources to comply with the requirements of 30 V.S.A. § 202d or of this section, the Commissioner shall submit a report to the General Assembly on what additional resources or time are necessary. The report shall be submitted prior to the adoption date and with sufficient time to allow for any needed legislative action prior to the adoption date. The report may include a proposal for contracting with an outside entity to prepare the Plan, or a portion thereof, and, if so, shall include a suggested funding amount and source.

* * * Radio Frequency Emissions; Report * * *

Sec. 24. WIRELESS TECHNOLOGIES; PUBLIC HEALTH REPORT

(a) On or before January 1, 2020, the Commissioner of Health shall submit to the Senate Committees on Health and Welfare and on Finance and the House Committees on Health Care and on Energy and Technology a report on the possible health consequences from exposure to the radio frequency fields produced by wireless technologies, including cellular telephones and FCC-regulated transmitters. The report shall include a summary of available scientific data as well as a comparison of various emissions standards and guidelines.

(b) The purpose of this report is to provide policymakers and the general public information deemed significant by many Vermonters. It is not intended that the information gathered in the report be used to form the basis of policies that are inconsistent with federal law.

* * * E-911 Service; Power Outages; Reporting * * *

Sec. 25. POWER OUTAGES AFFECTING E-911 SERVICE; REPORTING; RULE; E-911 BOARD

(a) The E-911 Board shall adopt a rule requiring every provider of facilities-based, fixed voice service that is not line-powered to report to the E-911 Board within two hours any outage in its system such that more than 10 subscribers lose the capacity to make an E-911 call. An outage for purposes of this section is any loss of E-911 calling capacity, whether caused by lack of function of the subscriber's backup power equipment, lack of function within the provider's system, or by any other factor external to the provider's system, including an outage in the electric power system. In addition, the rule shall require every electric company to report to the E-911 Board any network-wide power outage affecting more than one service location within two hours of notice of the outage or as soon as practicable. The E-911 Board shall file a

final proposed rule with the Secretary of State and with the Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 841 on or before February 1, 2020.

(b) On or before 30 days after the effective date of this section, the E-911 Board shall adopt temporary standards and procedures consistent with the requirements in subsection (a) of this section that shall remain in effect until the effective date of permanent rules adopted under subsection (a) of this section.

* * * Backup Power; E-911 Service; Report * * *

Sec. 26. E-911 SERVICE; BACKUP POWER REQUIREMENTS;
WORKSHOP; REPORT

(a) Findings. As many telecommunications networks transition away from copper-based, line-powered technology, many consumers remain unaware that they must take action to ensure the availability of a dial tone in the event of a commercial power outage. As a result, this transition has the potential to create a widespread public safety issue if Vermonters are unable to access E-911 services during a power outage. In recognition of this issue, the FCC adopted rules placing backup-power obligations on providers of “facilities-based fixed, residential voice services that are not line-powered” (covered services). See *Ensuring Continuity of 911 Communications*, Report and Order, 30 FCC Rcd 8677 (2015), 47 C.F.R. § 12.5. The FCC rules mandate performance requirements and disclosure obligations on providers of covered services. After receiving concerns by Vermonters regarding provider compliance with the FCC’s backup-power obligations, the Department of Public Service filed a request with the Public Utility Commission to initiate a workshop on the matter. The Commission authorized the workshop on March 21, 2019, Case No. 19-0705-PET.

(b) Report. Given the critical public safety issues at stake, on or before December 15, 2019, the Public Utility Commission shall report to the General Assembly its findings regarding provider compliance with backup-power obligations and shall recommend best practices for minimizing disruptions to E-911 services during power outages through:

- (1) consumer education and community outreach;
- (2) technical and financial assistance to consumers and communities;
- (3) cost-effective and technologically efficient ways in which providers or alternative entities can provide such information and assistance; and
- (4) ongoing monitoring of provider compliance with backup-power obligations.

* * * PEG Access; Joint Information Technology Oversight Committee * * *

Sec. 27. PEG ACCESS; JOINT INFORMATION TECHNOLOGY
OVERSIGHT COMMITTEE; REPORT

On or before December 15, 2019, the Joint Information Technology Oversight Committee established under 2 V.S.A. chapter 18 shall submit to the General Assembly a report that addresses public, educational, and government (PEG) access television in Vermont. The report shall include findings and recommendations regarding any changes in federal and State law and policy, market trends, and any other matters that have an affect on the availability of or funding for PEG access television. The Committee shall assess the value of PEG access to Vermont communities; the costs of such programming and related services; and options for sustainable funding for PEG access television. The Committee shall solicit input from regulators, communications providers, access management organizations, and any other organizations and individuals deemed appropriate by the Committee.

* * * Effective Dates * * *

Sec. 28. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 6 (repeal of prepaid wireless revenue surcharge) shall take effect on January 1, 2020.

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

Senator Ashe, 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 Finance.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Finance?, Senators Brock, Balint, Campion, Cummings, MacDonald, Pearson and Sirotkin moved to amend the proposal of amendment of the Committee on Finance as follows:

First: In Sec. 2, 30 V.S.A. § 7523, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) Beginning on July 1, 2019, the rate of charge established under subsection (a) of this section shall be increased by four-tenths of one percent of retail telecommunications service, and the monies collected from this increase shall be transferred to the Connectivity Fund established under section 7516 of this title.

Second: In Sec. 10 (concerning the Broadband Innovation Grant Program), subdivision (a)(1), by striking out subdivision (a)(1) in its entirety and inserting in lieu thereof a new subdivision (a)(1) to read as follows:

(1) In awarding grants under this section, the Commissioner shall give preference to feasibility studies that contemplate the provision of broadband service that is symmetrical.

Third: In Sec. 13 (concerning public-private partnerships and communications plants), 24 V.S.A. § 1913, by striking out subsection (f) in its entirety and inserting in lieu thereof a new subsection (f) to read as follows:

(f) Notwithstanding any other provision of law to the contrary, a municipality may enter into a public-private partnership for the purpose of exercising its authority under this subchapter regarding the provision of communications services. A municipality may contract with a private entity to operate and manage a communications plant owned by the municipality or may contract with a private entity to co-own, operate, or manage a communications plant. A communications plant that is the subject of a public-private partnership authorized by this subsection may be financed in whole or in part pursuant to this chapter and chapter 53, subchapter 2 of this title, provided the municipality first issues a request for proposals seeking an Internet service provider to serve or to assist with serving unserved and underserved locations targeted by the issuing municipality. The terms of such a partnership shall specify that the owner or owners of the communications plant, as applicable, shall be responsible for debt service.

Fourth: In Sec. 20 (concerning refunds for make-ready work not timely completed), 30 V.S.A. § 209, subdivision (i)(2)(C), in the first sentence, immediately after the words “pole owner” by adding the following: , within 30 days of the expiration of the make-ready completion period,

Fifth: By striking out Sec. 25 in its entirety and inserting in lieu thereof a new Sec. 25 to read as follows:

Sec. 25. OUTAGES AFFECTING E-911 SERVICE; REPORTING; RULE;
E-911 BOARD

The E-911 Board shall adopt a rule establishing protocols for the E-911 Board to obtain or be apprised of, in a timely manner, system outages applicable to providers of facilities-based, fixed voice service that is not line-powered and to electric companies for the purpose of enabling the E-911 Board to assess 911 service availability during such outages. An outage for purposes of this section includes any loss of E-911 calling capacity, whether caused by lack of function of the telecommunications subscriber’s backup-power equipment, lack of function within a telecommunications provider’s

system, or an outage in the electric power system. The E-911 Board shall file a final proposed rule with the Secretary of State and with the Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 841 on or before February 1, 2020.

Sixth: By striking out Sec. 27 in its entirety and inserting in lieu thereof a new Sec. 27 to read as follows:

Sec. 27. PEG ACCESS STUDY COMMITTEE

(a) Creation. There is created a PEG Access Study Committee. The Committee shall consider changes to the State's cable franchising authority and develop for legislative consideration alternative regulatory and funding mechanisms to support public, educational, and government (PEG) access channels and services to communities across Vermont.

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

(1) a member of the Senate Committee on Finance appointed by the Committee on Committees;

(2) a member of the House Committee on Energy and Technology appointed by the Speaker of the House;

(3) the Commissioner of Public Service or designee;

(4) a member of the Public Utility Commission or designee;

(5) a representative from the Vermont Access Network, selected by its Board of Directors;

(6) a representative from a Vermont cable company, selected by the Governor; and

(7) the Executive Director of the Vermont League of Cities and Towns or designee.

(c) Powers and Duties. The Committee shall consider changes in federal and State law and policy, market trends, and any other matters that have an affect on the availability of or funding for PEG access channels and services in Vermont. The Committee shall hold at least one public hearing on the value of PEG access television to Vermont communities; the costs of such programming and services; and funding options. The Committee shall solicit input from regulators, communications providers, access management organizations, and any other organizations or individuals it deems appropriate.

(d) Assistance. The Committee shall be entitled to staff services of the Department of Public Service, the Office of the Legislative Council, and the Joint Fiscal Office.

(e) Report. The Committee shall submit its findings and recommendations in the form of draft legislation to the Senate Committee on Finance and the House Committee on Energy and Technology on or before November 15, 2019.

(f) Meetings. The Commissioner of Public Service shall call the first meeting of the Committee to occur on or before July 1, 2019. The Committee shall select a chair and vice chair from among its members at the first meeting. A majority of the membership shall constitute a quorum. A member's physical presence is required in order to count toward a quorum and to vote. The Committee is authorized to meet up to six times and shall cease to exist on December 15, 2019.

(g) Compensation and reimbursement. Legislative members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406. Except for members employed by the State, other members of the Committee shall be entitled to per diem compensation as provided under 32 V.S.A. § 1010(a) and mileage reimbursement as provided under 32 V.S.A. § 1267.

Seventh: By adding Sec. 27a and an accompanying reader assistance heading to read as follows:

* * * State-owned 2G Microcells; Municipal Use * * *

Sec. 27a. 2G MICROCELLS; MUNICIPALITIES; EMERGENCY SERVICES

The Commissioner of Public Service is authorized to spend up to \$100,000.00 for contractual services to provide resources and technical assistance to municipalities seeking to acquire or use already-installed, State-owned, 2G microcells for the purpose of providing emergency communications in areas that otherwise would not have access to mobile wireless E-911 service, consistent with the objectives of prior State investments in microcell network infrastructure. Technical assistance shall include a cost-benefit analysis, which shall include consideration of rates and charges related to electric, backhaul, and geolocation services, pole rental fees, backup-power requirements, co-location requirements, the use of radio spectrum, and the negotiation of roaming agreements with national wireless providers.

Which was agreed to.

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

House Proposal of Amendment Concurred In with Amendment

S. 146.

House proposal of amendment to Senate bill entitled:

An act relating to substance misuse prevention.

Was taken up.

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

* * * Legislative Intent * * *

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly that:

(1) prevention efforts focus on social and environmental factors to ensure that all Vermonters have opportunities to be active, engaged, connected, and heard throughout their lifetimes;

(2) substance misuse prevention efforts are consolidated and coordinated across State government to improve the health of all Vermonters;

(3) a significant portion of any new revenue generated by taxation of substances at risk of misuse, including cannabis, tobacco, tobacco substitutes, alcohol, and opioids, be directed to fund substance misuse prevention initiatives throughout the State in accordance with the advice of the Substance Misuse Prevention Oversight and Advisory Council established in 18 V.S.A. § 4803; and

(4) funds designated for the Opioid Coordination Council be redirected to fund the Chief Prevention Officer pursuant to 3 V.S.A. § 2321 and the Manager of Substance Misuse Prevention pursuant to 18 V.S.A. § 4804.

* * * Chief Prevention Officer * * *

Sec. 2. 3 V.S.A. chapter 45, subchapter 6 is added to read:

Subchapter 6. Chief Prevention Officer

§ 2321. CHIEF PREVENTION OFFICER

(a) There is created the permanent position of Chief Prevention Officer within the Office of the Secretary in the Agency of Administration for the purpose of coordinating, across State government and in collaboration with community partners, policies, programs, and budgets to support and improve

the well-being of all Vermonters through prevention efforts. The Chief Prevention Officer shall:

(1) identify and coordinate initiatives across State government and among community stakeholder groups that improve well-being;

(2) examine promising prevention practices in other jurisdictions that may be replicated in Vermont; and

(3) improve the well-being of all Vermonters by considering population prevention measures in relation to all policy determinations.

(b) The Chief Prevention Officer shall have a master's-level degree or bachelor's-level degree in a human services field, public health, or public administration and professional-level experience in prevention, substance use disorders, public health, or a closely related field.

* * * Substance Misuse Prevention * * *

Sec. 3. 18 V.S.A. chapter 94 is amended to read:

CHAPTER 94. DIVISION OF ALCOHOL AND DRUG ABUSE
PROGRAMS SUBSTANCE USE DISORDERS

* * *

§ 4803. ALCOHOL AND DRUG ABUSE COUNCIL; CREATION; TERMS;
PER-DIEM SUBSTANCE MISUSE PREVENTION OVERSIGHT
AND ADVISORY COUNCIL

~~(a) The Alcohol and Drug Abuse Council is established within the Agency of Human Services to promote the dual purposes of reducing problems arising from alcohol and drug abuse and improving prevention, intervention, treatment, and recovery services by advising the Secretary on policy areas that can inform Agency programs.~~

~~(b) The Council shall consist of 12 members:~~

~~(1) the Secretary of Human Services or designee;~~

~~(2) the Commissioner of Public Safety or designee;~~

~~(3) the Commissioner of Mental Health or designee;~~

~~(4) the Deputy Commissioner of Health for the Division of Alcohol and Drug Abuse Programs;~~

~~(5) the Director of the Blueprint for Health or designee;~~

~~(6) a representative of an approved provider or preferred provider, appointed by the Governor;~~

~~(7) a licensed alcohol and drug abuse counselor, appointed by the Governor;~~

~~(8) a representative of hospitals, appointed by the Vermont Association of Hospitals and Health Systems;~~

~~(9) an educator involved in substance abuse prevention services, appointed by the Governor;~~

~~(10) a youth substance abuse prevention specialist, appointed by the Governor;~~

~~(11) a community prevention coalition member, appointed by the Governor; and~~

~~(12) a member of the peer community involved in recovery services, appointed by the Governor.~~

~~(c) The term of office of members appointed pursuant to subsection (b) of this section shall be three years.~~

~~(d) The Council membership shall annually elect a member to serve as chair.~~

~~(e) All members shall be voting members.~~

~~(f) At the expiration of the term of an appointed member or in the event of a vacancy during an unexpired term, the new member shall be appointed in the same manner as his or her predecessor. Members of the Council may be reappointed.~~

~~(g)(1) The Council may submit a written report to the House Committee on Human Services and to the Senate Committee on Health and Welfare with its findings and any recommendations for legislative action.~~

~~(2) The report shall include the following:~~

~~(A) measurable goals for the State's substance abuse system of care; and~~

~~(B) three to five performance measures that demonstrate the system's results.~~

~~(3) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report required to be made under this subsection.~~

~~(h) Each member of the Council not otherwise receiving compensation from the State of Vermont or any political subdivision thereof shall be entitled to receive per diem compensation as provided in 32 V.S.A. § 1010(b) for not more than six meetings annually. Each member shall be entitled to his or her actual and necessary expenses.~~

(a) Creation. There is created the Substance Misuse Prevention Oversight and Advisory Council within the Department of Health to improve the health outcomes of all Vermonters through a consolidated and holistic approach to substance misuse prevention that addresses all categories of substances. The Council shall provide advice to the Governor and General Assembly for improving prevention policies and programming throughout the State and to ensure that population prevention measures are at the forefront of all policy determinations. The Advisory Council's prevention initiatives shall encompass all substances at risk of misuse, including:

(1) alcohol;

(2) cannabis;

(3) controlled substances, such as opioids, cocaine, and methamphetamines; and

(4) tobacco products and tobacco substitutes as defined in 7 V.S.A. § 1001 and substances containing nicotine or that are otherwise intended for use with a tobacco substitute.

(b)(1) Membership. The agenda of the Council shall be determined by an executive committee composed of the following members:

(A) the Commissioner of Health or designee, who shall serve as co-chair;

(B) a community leader in the field of substance misuse prevention, appointed by the Governor, who shall serve as co-chair;

(C) the Secretary of Education or designee;

(D) the Commissioner of Public Safety or designee; and

(E) the Chief Prevention Officer established pursuant to 3 V.S.A. § 2321.

(2) The members of the executive committee jointly shall appoint members to the Council with demographic and regional diversity and who collectively offer expertise and experience in the following:

(A) at least two people with lived substance use disorder experience, including a person in recovery and a family member of a person in recovery;

(B) one or more youth less than 18 years of age;

(C) one or more young adults between 18 and 25 years of age; and

(D) the Director of Trauma Prevention and Resilience Development established pursuant to 33 V.S.A. § 3403; and

(E) persons with expertise in the following disciplines:

- (i) substance misuse prevention in a professional setting;
- (ii) pediatric care specific to substance misuse prevention or substance use disorder;
- (iii) academic research pertaining to substance misuse prevention or behavioral addiction treatment;
- (iv) education in a public school setting specific to substance misuse prevention;
- (v) law enforcement with expertise in drug enforcement, addressing impaired driving, and community policing;
- (vi) community outreach or collaboration in the field of substance misuse prevention;
- (vii) the criminal justice system;
- (viii) treatment of substance use disorder;
- (ix) recovery from substance use disorder in a community setting;
- (x) municipalities;
- (xi) substance use disorder or substance misuse prevention within the youth population;
- (xii) substance use disorder or substance misuse prevention within the older Vermonter population; and
- (xiii) comprehensive communications and media campaigns.

(c) Powers and duties. The Council shall strengthen the State's response to the substance use disorder crisis by advancing evidence-based and evidence-informed substance misuse prevention initiatives. The Council's duties shall include:

- (1) reviewing and making recommendations on best practices to assist communities and schools to significantly reduce the demand for substances through prevention and education;
- (2) reviewing substance misuse prevention program evaluations and making specific recommendations for modification based on the results, including recommendations to address gaps in both services and populations served;
- (3) reviewing existing State laws, rules, policies, and programs and proposing changes to eliminate redundancy and to eliminate barriers

experienced by communities and schools in coordinating preventative action with State government;

(4) reviewing existing community-based youth programming, including recreation, municipal programs, parent-child center programs, and afterschool and year-round programs, to determine a foundation of connection and support for all Vermont children and youth;

(5) reviewing community-based programs for older Vermonters for the purpose of identifying gaps in services, including geographic disparities, eliminating barriers, and coordinating prevention services;

(6) recommending strategies to integrate substance misuse prevention programming across the State, including between State agencies and in public-private partnerships;

(7) development of a statewide media campaign for substance misuse prevention; and

(8) holding a minimum of two public meetings to receive public input and advice for setting program priorities for substances at risk of misuse.

(d) Committees. The Council shall have the ability to create issue-specific committees for the purpose of carrying out its duties, such as a youth committee. Any committees created may draw on the expertise of any individual regardless of whether that individual is a member of the Council.

(e) Assistance. The Council shall have administrative, technical, and communications assistance from the Manager of Substance Misuse Prevention established pursuant to section 4804 of this title.

(f) Report. Annually on or before January 1, the Council shall submit a written report to the Governor, the House Committees on Appropriations and on Human Services, and the Senate Committees on Appropriations and on Health and Welfare with its findings and any recommendations for legislative action. The report shall also include the following:

(1) measurable goals for the effectiveness of prevention programming statewide;

(2) three to five performance measures for all substances at risk of misuse that demonstrate the system's results;

(3) the results of evaluations of State-funded programs; and

(4) an explanation of State-funded program budgets.

(g) Organization.

(1) Members of the Council shall serve two-year terms and may be reappointed. Any vacancy on the Council shall be filled in the same manner as the original appointment. The replacement member shall serve for the remainder of the unexpired term. Any individual interested in serving on the Council may submit a letter of interest or resume to the Manager of Substance Misuse Prevention.

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

(h) Compensation and reimbursement. Members of the Council who are not employed by the State or whose participation is not supported through their employment or association 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 per year, unless further authorized by the Commissioner of Health. Payments to members of the Council authorized under this subsection shall be made from monies appropriated to the Department of Health.

§ 4804. ADMINISTRATIVE SUPPORT MANAGER OF SUBSTANCE MISUSE PREVENTION

The Agency of Human Services shall provide the Council with such administrative support as is necessary for it to accomplish the purposes of this chapter. There is created the permanent position of the Manager of Substance Misuse Prevention within the Department of Health for the purpose of:

(1) coordinating the work of the Substance Misuse Prevention Oversight and Advisory Council established pursuant to section 4803 of this title; and

(2) coordinating regional planning.

§ 4805. DUTIES

The Council shall:

(1) advise the Governor as to the nature and extent of alcohol and drug abuse problems and the programs necessary to understand, prevent, and alleviate those problems;

(2) make recommendations to the Governor and General Assembly for developing:

(A) a comprehensive and coordinated system for delivering effective programs, including any appropriate reassignment of responsibility for such programs; and

(B) a substance abuse system of care that integrates substance abuse services with health care reform initiatives, such as pay-for-performance methodologies;

~~(3) provide for coordination and communication among the regional alcohol and drug abuse councils, State agencies and departments, providers, consumers, consumer advocates, and interested citizens;~~

~~(4) jointly, with the State Board of Education, develop educational and preventive programs;~~

~~(5) assess substance abuse services and service delivery in the State, including the following:~~

~~(A) the effectiveness of existing substance abuse services in Vermont and opportunities for improved treatment; and~~

~~(B) strategies for enhancing the coordination and integration of substance abuse services across the system of care; and~~

~~(6) provide recommendations to the General Assembly regarding State policy and programs for individuals experiencing public inebriation. [Repealed.]~~

* * *

* * * Repealing the Tobacco Evaluation and Review Board * * *

Sec. 4. 18 V.S.A. chapter 225 is amended to read:

Chapter 225. Tobacco Prevention, Cessation, and Control

§ 9501. DEFINITIONS

As used in this chapter:

~~(1) "Board" means the Vermont Tobacco Evaluation and Review Board established by this chapter. [Repealed.]~~

* * *

§ 9503. VERMONT TOBACCO PREVENTION AND TREATMENT

~~(a) Except as otherwise specifically provided, the tobacco prevention and treatment program shall be administered and coordinated statewide by the Department of Health and the Vermont Tobacco Evaluation and Review Board, pursuant to the provisions of this chapter. The program shall be comprehensive and research-based, and shall include the following components:~~

~~(1) community-based programs;~~

~~(2) school-based programs;~~

~~(3) tobacco cessation programs;~~

~~(4) countermarketing activities;~~

- ~~(5) enforcement activities;~~
- ~~(6) surveillance and evaluation activities;~~
- ~~(7) policy initiatives; and~~
- ~~(8) any other activities determined by the Commissioner or the Board to be necessary to implement the provisions of this section.~~

~~(b) By June 1, 2001, the Department and the Board shall jointly establish a plan that includes goals for each program component listed in subsection (a) of this section, for reducing adult and youth smoking rates by 50 percent in the following 10 years. By June 1 of each year, the The Department and the Board shall jointly establish goals for reducing adult and youth smoking rates in the following two years, including goals for each program component listed in subsection (a) of this section, including performance measures for each goal in conjunction with the Substance Misuse Prevention Oversight and Advisory Council established pursuant to section 4803 of this title. The services provided by a quitline approved by the Department of Health shall be offered and made available to any minor, upon his or her consent, who is a smoker or user of tobacco products as defined in 7 V.S.A. § 1001.~~

* * *

~~(f) The Board shall be represented on all tobacco program advisory committees, including the youth working group, Community Grants Advisory Board, and the Scientific Advisory Board. The Board's representative on any such advisory committee shall include at least one member other than the Commissioner of Health. [Repealed.]~~

§ 9504. CREATION OF THE VERMONT TOBACCO EVALUATION AND REVIEW BOARD

~~(a) There is created and established, within the Office of the Secretary, a body to be known as the Vermont Tobacco Evaluation and Review Board, an independent State board created to work in partnership with the Agency of Human Services and the Department of Health in establishing the annual budget, program criteria and policy development, and review and evaluation of the tobacco prevention and treatment program.~~

~~(b) The Board shall consist of 14 members, including ex officio the Commissioner of Health and the Secretary of Education or their designees; the Commissioner of Liquor Control or designee; the Attorney General or designee; a member of the House of Representatives appointed by the Speaker of the House; a member of the Senate appointed by the Committee on Committees; a member representing a nonprofit organization qualifying under Section 501(c)(3) of the Internal Revenue Code and dedicated to anti-tobacco~~

~~activities appointed by the Speaker of the House; a member representing the low-income community appointed by the Senate Committee on Committees; two persons under the age of 30, one appointed by the Speaker of the House and one appointed by the Committee on Committees; and four members appointed by the Governor with the advice and consent of the Senate, including: one K-12 educator involved in prevention education; one tobacco use researcher; one member representing the health care community; and one tobacco industry countermarketing expert. The public members shall serve for three-year terms, beginning on July 1 of the year in which the appointment is made, except that the first members appointed by the Governor to the Board shall be appointed, two for a term of two years, one for a term of three years, and one for a term of four years. Vacancies shall be filled in the same manner as the original appointment for the unexpired portion of the term vacated.~~

~~(c) The Governor shall appoint a chair from among the Board's public members. The Chair shall serve for a term of two years. The Chair may be removed for good cause by a two-thirds, voting majority of the Board. The Board may elect such other officers as it may determine. The Board may appoint committees or subcommittees for the purpose of providing advice on community-based programs, countermarketing activities, and independent program evaluations. Meetings shall be held at the call of the Chair or at the request of three members; however, the Board shall meet no fewer than four times a year. A majority of the sitting members shall constitute a quorum, and action taken by the Board under the provisions of this chapter may be authorized by a majority of the members present and voting at any regular or special meeting. Actions taken by the Board to approve, authorize, award, grant, or otherwise expend money appropriated to the Board or the Department shall require authorization from a majority of members of the entire Board.~~

~~(d) Public members other than ex officio members shall be entitled to per diem compensation authorized under 32 V.S.A. § 1010 for each day spent in the performance of their duties, and members shall be reimbursed from the Fund for reasonable expenses incurred in carrying out their duties under this chapter. Legislative members shall be entitled to per diem compensation and reimbursement for expenses in accordance with 2 V.S.A. § 406.~~

~~(e) The Board may employ staff, through the Agency of Human Services, to assist the Board in planning, administering, and executing its functions under this chapter, subject to the policies, control, and direction of its members and the powers and duties of the Board under this chapter. The Board may employ technical experts and contractors as necessary to effect the purposes of this chapter. The Board shall use the Office of the Attorney General for legal services. The Board shall receive additional staff assistance from the~~

~~Department of Health, the Office of Legislative Council, and the Joint Fiscal Office.~~

~~(f) The Agency of Human Services shall provide administrative support to the Board for the purposes of this chapter.~~

~~(g) No member of the Board shall have any direct or knowing affiliation or contractual relationship with any tobacco company, its affiliates, its subsidiaries, or its parent company. Each Board member shall file a conflict of interest statement, stating that he or she has no such affiliation or contractual relationship. [Repealed.]~~

§ 9505. GENERAL POWERS AND DUTIES

The ~~Board~~ Department shall have all the powers necessary and convenient to carry out and effectuate the purposes and provisions of this section, and shall:

~~(1) Establish jointly with the Department of Health the selection criteria for community grants and review and recommend the grants to be funded.~~

~~(2) Select, upon the advice of the Commissioner, a contractor responsible for countermarketing activities. The Department shall pay the fees and costs of any such contractor. The Board and Commissioner shall jointly approve any final countermarketing campaign.~~

~~(3) Review and advise the Department selection criteria for grantees and contracts funded by the Program in conformity with the goals established by the Department and Board.~~

~~(4) Establish jointly with the Department an application process, criteria, and components for an independent evaluation. The Board shall select an independent contractor to perform an independent evaluation, and oversee the independent contractor's evaluation of the tobacco prevention, treatment, and control program. Perform ongoing evaluations of tobacco cessation efforts and publish the evaluation measures on the Department's website.~~

~~(5)(4) Review and make recommendations regarding the overall plan and any Execute a memorandum of understanding developed jointly by the Department of Health and with the Agency of Education for school-based programs funded through the Tobacco Program Fund.~~

~~(6)(5) Review and make recommendations regarding Consult with the Department of Liquor and Lottery concerning enforcement activities administered by the Department of Liquor Control in accordance with the provisions of this chapter.~~

~~(7) Review and advise any State agency on applications for funds contributed from any outside sources that are designated for purposes of reducing tobacco use.~~

~~(8) In collaboration with the Agency and Department, organize a minimum of two public meetings, by September 15 of each year, to receive public input and advice for setting program priorities and establishing an annual program budget.~~

~~(9) Conduct jointly with the Secretary a review of the Department's proposed annual budget for the program, including funds contributed from any outside sources that are designated for purposes of reducing tobacco use, and submit independent recommendations to the Governor, Joint Fiscal Committee, and House and Senate Committees on Appropriations by October 1 of each year.~~

~~(10)(6) Propose to the Department strategies for program coordination and collaboration with other State agencies, health care providers and organizations, community and school groups, nonprofit organizations dedicated to anti-tobacco activities, and other nonprofit organizations.~~

~~(11) Adopt a conflict of interest policy within 30 days of the appointment of the full Board and include this policy in the annual report required under this chapter.~~

§ 9506. ALLOCATION SYSTEM

~~(a) In determining the allocation of funds available for the purposes of this chapter, the Department and the Board shall consider all relevant factors, including:~~

~~(1) the level of funding or other participation by private or public sources in the activity being considered for funding;~~

~~(2) what resources will be required in the future to sustain the program;~~

~~(3) geographic distribution of funds; and~~

~~(4) the extent to which the goals of the project can be measured by reductions in adult or youth smoking rates.~~

~~(b) The Department's and Board's allocation system shall include a method, developed jointly, that evaluates the need for and impact and quality of the activities proposed by eligible applicants, including, if appropriate, measuring the results of the project through reductions in adult and youth smoking rates.~~

§ 9507. ANNUAL REPORT

(a) ~~On or before January 15 of each year, the Board shall submit a report concerning its activities under this chapter to the Governor and the General Assembly. The report shall include, to the extent possible, the following:~~

~~(1) the results of the independent program evaluation, beginning with the report filed on January 15, 2003, and then each year thereafter;~~

~~(2) a full financial report of the activities of the Departments of Health and of Liquor Control, the Agency of Education, and the Board, including a special accounting of all activities from July 1 through December 31 of the year preceding the legislative session during which the report is submitted;~~

~~(3) a recommended budget for the program; and~~

~~(4) an explanation of the results of approved programs, measured through reductions in adult and youth smoking rates. [Repealed.]~~

(b) [Repealed.]

* * * Substance Misuse Prevention Inventory * * *

Sec. 5. INVENTORY; SUBSTANCE MISUSE PREVENTION SERVICES

(a) On or before January 1, 2021, the Manager of Substance Misuse Prevention established pursuant to 18 V.S.A. § 4804, in consultation with the Chief Prevention Officer established pursuant to 3 V.S.A. § 2321, shall develop and submit to the House Committee on Human Services and to the Senate Committee on Health and Welfare an inventory of substance misuse prevention programs in the State. The Manager shall include in the inventory:

(1) the estimated cost and funding source of each program;

(2) the geographic reach of each program;

(3) the effectiveness of each program; and

(4) any identified gaps in services.

(b) On or before January 1, 2020, the Manager shall submit an interim report to the House Committee on Human Services and to the Senate Committee on Health and Welfare regarding its progress and findings related to subsection (a) of this section.

* * * Vermont Prescription Drug Advisory Council * * *

Sec. 6. 18 V.S.A. § 4255 is amended to read:

§ 4255. CONTROLLED SUBSTANCES AND PAIN MANAGEMENT
VERMONT PRESCRIPTION DRUG ADVISORY COUNCIL

(a) There is hereby created the ~~Controlled Substances and Pain Management~~ Vermont Prescription Drug Advisory Council for the purpose of advising the Commissioner of Health on matters related to the Vermont Prescription Monitoring System and to the appropriate use of controlled substances in treating acute and chronic pain and in preventing prescription drug abuse, misuse, and diversion.

(b)(1) The ~~Controlled Substances and Pain Management~~ Advisory Council shall consist of the following members:

* * *

Sec. 7. 18 V.S.A. § 4284 is amended to read:

§ 4284. PROTECTION AND DISCLOSURE OF INFORMATION

* * *

(g) Following consultation with the ~~Controlled Substances and Pain Management~~ Vermont Prescription Drug Advisory Council and an opportunity for input from stakeholders, the Department shall develop a policy that will enable it to use information from VPMS to determine if individual prescribers and dispensers are using VPMS appropriately.

(h) Following consultation with the ~~Controlled Substances and Pain Management~~ Vermont Prescription Drug Advisory Council and an opportunity for input from stakeholders, the Department shall develop a policy that will enable it to evaluate the prescription of regulated drugs by prescribers.

* * *

Sec. 8. 18 V.S.A. § 4289 is amended to read:

§ 4289. STANDARDS AND GUIDELINES FOR HEALTH CARE PROVIDERS AND DISPENSERS

* * *

(e) The Commissioner of Health shall, after consultation with the ~~Controlled Substances and Pain Management~~ Vermont Prescription Drug Advisory Council, adopt rules necessary to effect the purposes of this section. The Commissioner and the Council shall consider additional circumstances under which health care providers should be required to query the VPMS, including whether health care providers should be required to query the VPMS prior to writing a prescription for any opioid Schedule II, III, or IV controlled substance or when a patient requests renewal of a prescription for an opioid Schedule II, III, or IV controlled substance written to treat acute pain, and the Commissioner may adopt rules accordingly.

* * *

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Lyons moved that the Senate concur in the House proposal of amendment with an amendment as follows:

In Sec. 3, 18 V.S.A. § 4803, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b)(1) Membership. The agenda of the Council shall be determined by an executive committee composed of the following members:

(A) the Commissioner of Health or designee, who shall serve as chair;

(B) a community leader in the field of substance misuse prevention, appointed by the Governor, who shall serve as vice chair;

(C) the Secretary of Education or designee;

(D) the Commissioner of Public Safety or designee; and

(E) the Chief Prevention Officer established pursuant to 3 V.S.A. § 2321.

(2) The members of the executive committee jointly shall appoint members to the Council with demographic and regional diversity. Members of the Council shall collectively offer expertise and experience in the categories listed below with the understanding that a single member may offer expertise and experience in multiple categories:

(A) at least two people with lived substance use disorder experience, including a person in recovery and a family member of a person in recovery;

(B) one or more youth less than 18 years of age;

(C) one or more young adults between 18 and 25 years of age;

(D) the Director of Trauma Prevention and Resilience Development established pursuant to 33 V.S.A. § 3403; and

(E) persons with expertise in the following disciplines:

(i) substance misuse prevention in a professional setting;

(ii) pediatric care specific to substance misuse prevention or substance use disorder;

(iii) academic research pertaining to substance misuse prevention or behavioral addiction treatment;

(iv) education in a public school setting specific to substance misuse prevention;

(v) law enforcement with expertise in drug enforcement, addressing impaired driving, and community policing;

(vi) community outreach or collaboration in the field of substance misuse prevention;

(vii) the criminal justice system;

(viii) treatment of substance use disorder;

(ix) recovery from substance use disorder in a community setting;

(x) municipalities;

(xi) community-based, nonprofit youth services;

(xii) substance use disorder or substance misuse prevention within the older Vermonter population; and

(xiii) comprehensive communications and media campaigns.

Which was agreed to.

Rules Suspended; Bills Messaged

On motion of Senator Ashe, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 146, H. 512.

Message from the House No. 73

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 bills originating in the Senate of the following titles:

S. 30. An act relating to the regulation of hydrofluorocarbons.

S. 105. An act relating to miscellaneous judiciary procedures.

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

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

S. 73. An act relating to licensure of ambulatory surgical centers.

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

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

S. 131. An act relating to insurance and securities.

And has concurred therein.

Message from the House No. 74

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on May 16, 2019, he approved and signed bills originating in the House 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. 275. An act relating to the Farm-to-Plate Investment Program.

H. 278. An act relating to acknowledgment or denial of parentage.

H. 523. An act relating to miscellaneous changes to the State's retirement systems.

H. 528. An act relating to the Rural Health Services Task Force.

Adjournment

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

FRIDAY, MAY 17, 2019

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

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

H. 63.

House bill entitled:

An act relating to the time frame for return of unclaimed beverage container deposits.

Was taken up.

Thereupon, pending third reading of the bill, Senator Perchlik moved to amend the Senate proposal of amendment as follows:

First: In Sec. 11, 30 V.S.A. chapter 2, subchapter 2, in section 62, subsection (d), after the word “Co-Chair” by striking out the words “or any three of its members” and inserting in lieu thereof the words in consultation with the Department of Public Service

Second: In Sec. 14, effective dates, by adding a subsection (c) to read as follows:

(c) 30 V.S.A. § 62, building energy working groups, is repealed on June 30, 2021.

Which was agreed to.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment, on a roll call, Yeas 28, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Benning, Bray, Brock, Campion, Clarkson, Collamore, 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: None.

Those Senators absent and not voting were: McNeil, Parent.

Bill Passed in Concurrence with Proposal of Amendment**H. 292.**

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

An act relating to town banners over highway rights-of-way.

Third Reading Ordered**H. 547.**

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

An act relating to approval of an amendment to the charter of the City of Montpelier.

Reported that the bill ought to pass in concurrence.

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

Report of Committee of Conference Accepted and Adopted on the Part of the Senate**H. 511.**

Senator Benning, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

An act relating to criminal statutes of limitations.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. § 4501 is amended to read:

§ 4501. LIMITATION OF PROSECUTIONS FOR CERTAIN CRIMES

(a) Prosecutions for aggravated sexual assault, aggravated sexual assault of a child, sexual assault, sexual exploitation of a minor as defined in subsection 3258(c) of this title, human trafficking, aggravated human trafficking, murder, manslaughter, arson causing death, and kidnapping may be commenced at any time after the commission of the offense.

(b) Prosecutions for ~~manslaughter~~, lewd and lascivious conduct, sexual abuse of a vulnerable adult under subsection 1379(a) of this title, grand larceny, robbery, burglary, embezzlement, forgery, bribery offenses, false claims, fraud under 33 V.S.A. § 141(d), and felony tax offenses shall be commenced within six years after the commission of the offense, and not after.

(c) Prosecutions for any of the following offenses shall be commenced within 40 years after the commission of the offense, and not after:

(1) lewd and lascivious conduct alleged to have been committed against a child under 18 years of age;

(2) ~~sexual exploitation of a minor as defined in subsection 3258(c) of this title~~ maiming;

(3) lewd or lascivious conduct with a child;

(4) sexual exploitation of children under chapter 64 of this title; and

(5) ~~manslaughter alleged to have been committed against a child under 18 years of age~~ sexual abuse of a vulnerable adult under subsection 1379(b) of this title.

(d) Prosecutions for arson and first degree aggravated domestic assault shall be commenced within 11 years after the commission of the offense, and not after.

(e) Prosecutions for other felonies and for misdemeanors shall be commenced within three years after the commission of the offense, and not after.

Sec. 2 EFFECTIVE DATE

This act shall take effect on passage.

JOSEPH C. BENNING

ALICE W. NITKA

RICHARD W. SEARS

Committee on the part of the Senate

MARTIN J. LALONDE

MAXINE JO GRAD

THOMAS B. BURDITT

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Adjournment

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

Afternoon

The Senate was called to order by the President.

Message from the House No. 75

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

Mr. President:

I am directed to inform the Senate that:

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

H. 543. An act relating to capital construction and State bonding.

And has severally concurred therein with further 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. 160. An act relating to agricultural development.

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

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

S. 162. An act relating to promoting economic development.

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

Pages Honored

In appreciation of their many services to the members of the General Assembly, the President recognized the following-named pages who are completing their services today and presented them with letters of appreciation.

Cassidy Berry of Waterbury
Lindsey Bigelow of Warren
Cyd Edge-Gerrol of Wallingford
Skylar Foster of Jericho
Gavin Gray of Northfield

Anna Isselhardt of Elmore
Zane Mawhinney of Lyndonville
Hayden Ross of Barre City
Oliver Szott of Barnard
Grace Waryas of Bellows Falls
Anja Wellspeak of Pownal

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

H. 513.

House bill entitled:

An act relating to broadband deployment throughout Vermont.

Was taken up.

Thereupon, pending third reading of the bill, Senators Hooker and Collamore moved to amend the Senate proposal of amendment by striking out Sec. 27a in its entirety and inserting in lieu thereof two new sections to be numbered sections Sec. 27a and Sec. 27b to read as follows:

Sec. 27a. 2G MICROCELLS; MUNICIPALITIES; EMERGENCY
SERVICES

(a) The Commissioner of Public Service is authorized to spend up to \$100,000.00 for contractual services to provide resources and technical assistance to municipalities seeking to acquire or use State-owned 2G microcells for the purpose of providing emergency communications in areas that otherwise would not have access to mobile wireless E-911 service, consistent with the objectives of prior State investments in microcell network infrastructure. Technical assistance shall include a cost-benefit analysis, which shall include consideration of rates and charges related to electric, backhaul, and geolocation services, pole rental fees, backup-power requirements, co-location requirements, the use of radio spectrum, and the negotiation of roaming agreements with national wireless providers.

(b) The Commissioner of Public Service is authorized to provide financial assistance to municipalities for capital costs associated with the acquisition or installation of 2G microcells pursuant to this section. The Commissioner shall establish uniform standards and procedures applicable to the financial assistance provided pursuant to this subsection and those standards and procedures shall be consistent with the objectives of prior State investments in microcell network infrastructure. The standards shall specify that the municipality is responsible for operational costs of any microcell it acquires under this section and, in addition, the standards shall require that such

microcells become fully operational within a reasonable period of time.

(c) Notwithstanding any other provision of law to the contrary, a municipality may use funds generated by its taxing or assessment power for the limited purpose of paying costs related to the operation of microcells pursuant to this section.

(d) Contracts and financial assistance authorized by this section shall be funded with the \$900,000.00 capital appropriation to the Department of Public Service for a VTA wireless network pursuant to 2018 Acts and Resolves No. 190, Sec. 14.

Sec. 27b. 2017 Acts and Resolves No. 84, Sec. 16c, as amended by 2018 Acts and Resolves No. 190, Sec. 14 is further amended to read:

Sec. 16c. PUBLIC SERVICE

(a) The following sums are appropriated in FY 2019 to the Department of Public Service:

(1) VTA wireless network, projects and technical assistance:
\$900,000.00

* * *

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Brock moved that the Senate proposal of amendment be amended in Sec. 25 (concerning the reporting of outages to the E-911 Board), in the first sentence, immediately after the words "applicable to" by adding the following: wireless service providers,

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 29, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Benning, Bray, Brock, Champion, Clarkson, Collamore, Cummings, Hardy, Hooker, 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: None.

The Senator absent and not voting was: McNeil.

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment to House Proposal of Amendment Concurred in With an Amendment

S. 73.

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

An act relating to licensure of ambulatory surgical centers.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment to House proposal of amendment with the following amendments thereto:

First: By striking out Sec. 4, ambulatory surgical center data; Green Mountain Care Board; reports, in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

Sec. 4. 18 V.S.A. § 9375(b) is amended to read:

(b) The Board shall have the following duties:

* * *

(14)(A) Collect and review annualized data from ambulatory surgical centers licensed pursuant to chapter 49 of this title, which shall include net patient revenues and which may include data on an ambulatory surgical center's scope of services, volume, payer mix, and coordination with other aspects of the health care system. The Board's processes shall be appropriate to ambulatory surgical centers' scale, their role in Vermont's health care system, and their administrative capacity, and the Board shall seek to minimize the administrative burden of data collection on ambulatory surgical centers. The Board shall also consider ways in which ambulatory surgical centers can be integrated into systemwide payment and delivery system reform.

(B) In its annual report pursuant to subsection (d) of this section, the Board shall describe its oversight of ambulatory surgical centers pursuant to subdivision (A) of this subdivision (14) for the most recently concluded 12-month period of the Board's review, including the amount of each ambulatory surgical center's net patient revenues and, using claims data from the Vermont Healthcare Claims Uniform Reporting and Evaluation System (VHCURES), information regarding high-volume outpatient surgeries and procedures performed in ambulatory surgical center and hospital settings in Vermont, any changes in utilization over time, and a comparison of the commercial insurance rates paid for the same surgeries and procedures performed in ambulatory surgical centers and in hospitals in Vermont.

Second: By adding a new section to be numbered Sec. 4a to read as follows:

Sec. 4a. GREEN MOUNTAIN CARE BOARD; AMBULATORY SURGICAL CENTER REPORTING REQUIREMENTS; PROSPECTIVE REPEAL

18 V.S.A. § 9375(b)(14) (Green Mountain Care Board; ambulatory surgical center reporting requirements) is repealed on January 1, 2025.

Third: In Sec. 6, effective dates, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Secs. 3a (18 V.S.A. § 9373), 4 (18 V.S.A. § 9375(b)), and 4a (Green Mountain Care Board; ambulatory surgical center reporting; prospective repeal) and this section shall take effect on passage.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment? Senator Lyons moved that the Senate concur in the House proposal of amendment with an amendment, as follows;

First: By striking out Sec. 4a, Green Mountain Care Board; ambulatory surgical center reporting requirements; prospective repeal, in its entirety and inserting in lieu thereof a new section to be numbered Sec. 4a to read as follows:

Sec. 4a. AMBULATORY SURGICAL CENTER REPORTING;
APPLICABILITY; PROSPECTIVE REPEAL

(a) 18 V.S.A. § 9375(b)(14) (Green Mountain Care Board; ambulatory surgical center reporting requirements) is repealed on January 16, 2026.

(b) The information to be reported by the Green Mountain Care Board pursuant to 18 V.S.A. § 9375(b)(14)(B) shall be included beginning with the Board's 2021 annual report.

(c) Notwithstanding any provision of 18 V.S.A. § 9375(b)(14) or this section to the contrary, following submission of its 2023 annual report, the Green Mountain Care Board shall not be required to collect, review, or report further data regarding an ambulatory surgical center that was in operation on January 1, 2019.

Second: In Sec. 6, effective dates, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Secs. 3a (18 V.S.A. § 9373), 4 (18 V.S.A. § 9375(b)), and 4a (ambulatory surgical center reporting; applicability; prospective repeal) and this section shall take effect on passage.

Which was agreed to.

**Rules Suspended; House Proposal of Amendment Not Concurred In;
Committee of Conference Requested; Committee of Conference
Appointed**

S. 160.

Pending entry on the Calendar for notice, on motion of Senator Starr, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to agricultural development.

Was taken up for immediate consideration.

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

**Sec. 1. STRATEGIC PLAN TO STABILIZE AND REVITALIZE THE
VERMONT AGRICULTURAL INDUSTRY**

(a) On or before January 15, 2020, the Vermont Farm-to-Plate Investment Program, after consultation with the Secretary of Agriculture, Food and Markets and industry stakeholders, shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry a report that shall serve as the basis for an update to the Farm-to-Plate Strategic Plan. After additional industry stakeholder engagement, the report shall be used to develop a prioritized strategic plan for the stabilization, diversification, and revitalization of the agricultural and food industry in Vermont by August 31, 2020.

(b) The report required under subsection (a) of this section shall:

(1) summarize the current conditions within particular subsectors, product categories, and market channels that comprise the Vermont food system, including the most recent data synthesis, research, reports, and expert documentation of challenges and opportunities for growth;

(2) recommend State investment in research and development by universities or other qualified organizations to establish new markets, products, or ingredients; and

(3) recommend methods for improving the marketing of Vermont agricultural products.

(c) The strategic plan required under subsection (a) of this section shall outline prioritized next steps and opportunities to assist in stabilizing, diversifying, and revitalizing Vermont's food system. The plan may include recommendations related to:

(1) technical assistance resources and capital availability to farmers to assist in the diversification of agricultural products produced on a farm;

(2) alternatives or methods for encouraging, maintaining, or increasing the amount of land in agricultural production and the number and diversity of people participating in the growing, harvesting, and processing of food in the State;

(3) resources for financing research and development by universities and businesses that promote innovative methods for managing and commoditizing manure to mitigate the environmental concerns raised by current manure management techniques;

(4) techniques, strategies, or systems for improving the ecological footprint and environmental sustainability of farming in the State;

(5) the potential to increase the amount of Vermont agricultural products that are purchased by school nutrition programs and other publicly funded institutions in the State;

(6) approaches for improving transparency in the agricultural industry so that the public is educated and aware of the need for and effect of certain dairy practices;

(7) approaches for improving agricultural and food literacy among Vermonters, including increased understanding of where their food comes from, how food is produced, and enhanced opportunities to learn about and participate in the growing and processing of crops for food and fiber; and

(8) the level of State, private, and philanthropic investment needed over the next 10 years in order to stabilize, diversify, and revitalize the Vermont food system.

(d) The Secretary of Agriculture, Food and Markets in partnership with the Vermont Farm-to-Plate Investment Program shall hold at least four public hearings combined with other stakeholder engagement sessions around the State to receive public input on priorities for stabilizing and revitalizing the agricultural industries in Vermont. The public input that the Secretary receives shall be included in the strategic plan required under subsection (c) of this section.

(e) The Vermont Farm-to-Plate Investment Program and the Secretary of Agriculture, Food and Markets shall not implement the requirements of this section unless and until appropriations to implement the program are approved by the General Assembly for fiscal year 2020.

* * * Local Food Purchasing Working Group * * *

Sec. 2. LOCAL FOOD PURCHASING WORKING GROUP

(a)(1) The Secretary of Agriculture, Food and Markets shall convene a Local Food Purchasing Working Group to develop a plan to assist schools in the State in increasing the purchase of local foods. The working group shall be composed of:

(A) the Secretary of Agriculture, Food and Markets or designee;

(B) the Secretary of Education or designee;

(C) a representative of Vermont FEED to be appointed by the organization;

(D) a representative of the Northeast Organic Farming Association Vermont, appointed by the association;

(E) two representatives of the School Nutrition Association Vermont, appointed by the Secretary of Agriculture, Food and Markets; and

(F) two school nutrition directors, appointed by the Secretary of Agriculture, Food and Markets.

(2) The Secretary of Agriculture, Food and Markets shall invite additional stakeholders, such as farmers, food distributors, school administrators, and other interested parties to provide input in the development of a recommended local food purchasing plan.

(b) On or before January 15, 2020, the Secretary of Agriculture, Food and Markets shall submit to the House Committee on Agriculture and Forestry and the Senate Committee on Agriculture a recommended local foods purchasing plan for schools. The plan shall include:

(1)(A) A proposed “per plate” incentive for local food purchasing for Vermont K–12 school meals and a timeline for implementation of the incentive. This proposal shall include:

(i) a proposed incentive amount per plate;

(ii) an analysis of why the proposed incentive amount will be effective for schools to increase school purchasing of local food; and

(iii) an estimate of the percentage increase in local food purchasing from implementation of the proposed incentive.

(B) In order to develop the per plate incentive proposal, the Working Group shall field test the per plate incentive with several school districts or supervisory unions during the 2019–2020 school year and shall collect data from the field test to contribute to the recommended plan required under this

subsection.

(2) A proposal to support and assist schools in increasing local food purchasing. The proposal may include:

(A) additional procurement training for school personnel to purchase local foods;

(B) proposed work with the Agency of Education Child Nutrition Programs to determine how to collect and manage the data needed to track local food purchasing in schools;

(C) research and development of a tracking system or modification of current data collection systems; and

(D) a methodology for helping schools to know what is available and how to purchase and track it.

(c) The Secretary of Agriculture, Food and Markets shall not implement the requirements of this section unless and until the General Assembly approves appropriations in fiscal year 2020 to complete the “field testing” with schools required under subdivision (b)(2)(B) of this section.

* * * Dairy Marketing Assessment * * *

Sec. 3. DAIRY MARKETING ASSESSMENT; REPORT

On or before January 15, 2020, the Secretary of Agriculture, Food and Markets shall report to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry regarding the development of a dairy marketing assessment for the purpose of increasing the consumption of Vermont dairy products by major metropolitan markets in New England and the Northeast. The report shall:

(1) conduct market research to identify consumer preferences and upcoming trends around dairy products;

(2) summarize how the State could facilitate messaging and marketing based on dairy products with additional benefits resulting in high value resonance with consumers, including health, nutrition, social, and environmental benefits; and

(3) identify existing funding sources or economic incentives that could be utilized to fund the development of dairy trend research and marketing campaigns in key identified markets and sectors, including innovation grants or financing under federal or State law.

* * * Soil Conservation * * *

Sec. 4. SOIL CONSERVATION PRACTICE AND PAYMENT FOR
ECOSYSTEM SERVICES WORKING GROUP

(a) The Secretary of Agriculture, Food and Markets shall convene a Soil Conservation Practice and Payment for Ecosystem Services Working Group to recommend financial incentives designed to encourage farmers in Vermont to implement agricultural practices that exceed the requirements of 6 V.S.A. chapter 215 and that improve soil health, enhance crop resilience, increase carbon storage and stormwater storage capacity, and reduce agricultural runoff to waters. The Working Group shall:

(1) identify agricultural standards or practices that farmers can implement that improve soil health, enhance crop resilience, increase carbon storage and stormwater storage capacity, and reduce agricultural runoff to waters;

(2) recommend existing financial incentives available to farmers that could be modified or amended to incentivize implementation of the agricultural standards identified under subdivision (1) of this subsection or incentivize the reclamation or preservation of wetlands and floodplains;

(3) propose new financial incentives, including a source of revenue, for implementation of the agricultural standards identified under subdivision (1) of this subsection if existing financial incentives are inadequate or if the goal of implementation of the agricultural standards would be better served by a new financial incentive; and

(4) recommend legislative changes that may be required to implement any financial incentive recommended or proposed in the report.

(b) The Soil Conservation Practice and Payment for Ecosystem Services Working Group shall consist of persons with knowledge or expertise in agricultural water quality, soil health, economic development, or agricultural financing. The Secretary of Agriculture, Food and Markets shall appoint the members that are not ex officio members. The Working Group shall include the following members:

(1) the Secretary of Agriculture, Food and Markets or designee;

(2) the Secretary of Natural Resources or designee;

(3) the Commissioner of Forests, Parks and Recreation or designee

(4) a representative of the Vermont Housing and Conservation Board;

(5) a member of the former Dairy Water Collaborative;

- (6) a representative of the Farmer's Watershed Alliance;
- (7) a representative from the Champlain Valley Farmer Coalition;
- (8) a representative from the Connecticut River Watershed Farmers Alliance;
- (9) a representative of the Natural Resources Conservation Council;
- (10) a representative of the Gund Institute for Environment of the University of Vermont;
- (11) a representative of the University of Vermont (UVM) Extension;
- (12) at least two members of the Agricultural Water Quality Partnership;
- (13) a representative of small-scale, diversified farming; and
- (14) a member of the Vermont Healthy Soils Coalition.

(c) The Secretary of Agriculture, Food and Markets or designee shall be the chair of the Working Group, and the representative of the Vermont Housing and Conservation Board shall be the vice chair.

(d) On or before January 15, 2020, the Secretary of Agriculture, Food and Markets shall submit an interim report to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry regarding the progress of the Working Group. On or before January 15, 2021, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry a final report including the findings and recommendations of the Soil Conservation Practice and Payment for Ecosystem Services Working Group regarding financial incentives designed to encourage farmers in Vermont to implement agricultural practices that improve soil health, enhance crop resilience, and reduce agricultural runoff to waters.

* * * Clean Water Affinity Card * * *

Sec. 5. 32 V.S.A. § 584 is amended to read:

§ 584. VERMONT CLEAN WATER ~~VERMONT STATE-SPONSORED~~
AFFINITY CARD PROGRAM

(a) The State Treasurer is hereby authorized to sponsor and participate in an Affinity Card Program for the benefit of water quality improvement in the residents of this State upon his or her determination that such a Program is feasible and may be procured at rates and terms in the best ~~interest~~ interests of the cardholders. ~~In selecting an affinity card issuer, the Treasurer shall consider the issuer's record of investments in the State and shall take into consideration program features which will enhance the promotion of the State-sponsored~~

~~affinity card, including consumer-friendly terms, favorable interest rates, annual fees, and other fees for using the card.~~

~~(b) In selecting an affinity card issuer, the Treasurer shall consider the issuer's record of investments in the State and shall take into consideration program features that will enhance the promotion of the State-sponsored affinity card, including consumer-friendly terms, favorable interest rates, annual fees, and other fees for using the card. The Treasurer shall consult with other State agencies about potential public purpose projects to be designated for the Program and shall allow cardholders to designate that funds be used either to support sustainable agricultural programs, renewable energy programs, State parks and forestland programs, or any combination of these. The net proceeds of the State fees or royalties generated by this program shall be transmitted to the State and shall be deposited in a State-sponsored Affinity Card Fund and subsequently transferred to the designated State programs and purposes as selected by the cardholders. The funds received shall be held by the Treasurer until transferred for the purposes directed by participating State-sponsored affinity cardholders in accordance with the trust fund provisions of section 462 of this title.~~

~~(c) The net proceeds of the State fees or royalties generated by the Vermont Clean Water Affinity Card Program shall be transmitted to the State and shall be deposited into the Clean Water Fund under 10 V.S.A. § 1388 to provide financial incentives to encourage farmers in Vermont to implement agricultural practices that improve soil health, enhance crop resilience, or reduce agricultural runoff to waters. All program balances at the end of the fiscal year shall be carried forward and shall not revert to the General Fund. Interest earned shall remain in the program.~~

~~(d) The State shall not assume any liability for lost or stolen credit cards nor any other legal debt owed to the financial institutions.~~

~~(e) The State Treasurer is authorized to adopt such rules as may be necessary to implement the Vermont Clean Water State-sponsored Affinity Card Program.~~

* * * On-Farm Slaughter * * *

Sec. 6. 2013 Acts and Resolves No. 83, Sec. 13, as amended by 2016 Acts and Resolves No. 98, Sec. 2, is amended to read:

6 V.S.A. § 3311a (livestock slaughter inspection and license exemptions) shall be repealed on July 1, ~~2019~~ 2023.

Sec. 7. 6 V.S.A. § 3311a is amended to read:

§ 3311a. LIVESTOCK; INSPECTION; LICENSING; PERSONAL
SLAUGHTER; ITINERANT SLAUGHTER

(a) As used in this section:

(1) “Assist in the slaughter of livestock” means the act of slaughtering or butchering an animal and shall not mean the farmer’s provision of a site on the farm for slaughter, provision of implements for slaughter, or the service of disposal of the carcass or offal from slaughter.

(2) “Sanitary conditions” means a site on a farm that is:

(A) clean and free of contaminants; and

(B) located or designed in a way to prevent:

(i) the occurrence of water pollution; and

(ii) the adulteration of the livestock or the slaughtered meat.

(b) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to the slaughter by an ~~individual owner~~ of livestock that the ~~individual owner~~ raised for the ~~individual’s owner’s~~ exclusive use or for the use of members of his or her household and his or her nonpaying guests and employees.

(c) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to the slaughter of livestock that occurs in a manner that meets all of the following requirements:

(1) ~~An individual~~ A person or persons purchases livestock from a farmer that raised the livestock.

(2) The farmer is registered with the Secretary, on a form provided by the Secretary, as selling livestock for slaughter under this subsection.

(3) The ~~individual or individuals~~ who purchased the livestock performs the act of slaughtering the livestock, as the owner of the livestock.

(4) The act of slaughter occurs, after approval from the farmer who sold the livestock, on a site on the farm where the livestock was purchased.

(5) The slaughter is conducted under sanitary conditions.

(6) The farmer who sold the livestock to the ~~individual or individuals~~ does not assist in the slaughter of the livestock.

(7) No more than the following number of livestock per year are slaughtered under this subsection:

- (A) 15 swine;
- (B) five cattle;
- (C) 40 sheep or goats; or

(D) any combination of swine, cattle, sheep, or goats, provided that no more than 6,000 pounds of the live weight of livestock are slaughtered per year.

(8) The farmer who sold the livestock to the individual or individuals maintains a record of each slaughter conducted under this subsection and reports quarterly to the Secretary, on a form provided by the Secretary, on or before April 15 for the calendar quarter ending March 31, on or before July 15 for the calendar quarter ending June 30, on or before October 15 for the calendar quarter ending September 30, and on or before January 15 for the calendar quarter ending December 31. If a farmer fails to report slaughter activity conducted under this subsection, the Secretary, in addition to any enforcement action available under this chapter or chapter 1 of this title, may suspend the authority of the farmer to sell animals to an individual or individuals for slaughter under this subsection.

(9) The slaughtered livestock may be halved or quartered by the individual or individuals who purchased the livestock but solely for the purpose of transport from the farm.

(10) The livestock is slaughtered according to a humane method, as that term is defined in subdivision 3131(6) of this title.

(d) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to an itinerant slaughterer engaged in the act of itinerant livestock slaughter or itinerant poultry slaughter.

(e) An itinerant slaughterer may slaughter livestock owned by a person on the farm where the livestock was raised under the following conditions:

(1) the meat from the slaughter of the livestock is distributed only as whole ~~or half~~, halved, or quartered carcasses to the person who owned the animal for his or her personal use or for use by members of his or her household or nonpaying guests; ~~and~~

(2) the slaughter is conducted under sanitary conditions; and

(3) the livestock is slaughtered according to a humane method, as that term is defined in subdivision 3131(6) of this title.

(f) A carcass or offal from slaughter conducted under this section shall be disposed of according to the requirements under the required agricultural practices for the management of agricultural waste.

* * * Animal Welfare; Traceability * * *

Sec. 8. 6 V.S.A. § 1152 is amended to read:

§ 1152. ADMINISTRATION; INSPECTION; TESTING; RECORDS

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

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

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

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

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

(f) Any commercial slaughterhouse operating in the State shall maintain and retain for three years records of the number of animals slaughtered at the facility, the physical address of origination of each animal, the date of slaughter of each animal, and all official identification numbers of slaughtered animals. A commercial slaughterhouse shall make the records required under this subsection available to the Agency upon request.

(g) Records produced or acquired by the Secretary under this chapter shall be available to the public, except that:

(1) the Secretary may withhold from inspection and copying records that are confidential under federal law; and

(2) the Secretary may withhold or redact a record to the extent needed to avoid disclosing directly or indirectly the identity of individual persons, households, or businesses.

Sec. 9. 6 V.S.A. § 1470 is added to read:

§ 1470. RECORDS

(a) A commercial slaughter facility operating in the State shall maintain and retain for three years records of the number of animals slaughtered at the facility, the physical address of origination of each animal, the date of slaughter of each animal, and all official identification numbers of slaughtered animals. A commercial slaughterhouse shall make the records required under this subsection available to the Agency upon request.

(b) Records produced or acquired by the Secretary under this chapter shall be available to the public for inspection and copying, except that:

(1) the Secretary may withhold from inspection and copying records that are confidential under federal law; and

(2) the Secretary may withhold or redact a record to the extent needed to avoid disclosing directly or indirectly the identity of individual persons, households, or businesses.

Sec. 10. REPORT ON RADIO FREQUENCY IDENTIFICATION FOR
LIVESTOCK

On or before January 15, 2020, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committees on Agriculture and on Appropriations and the House Committees on Agriculture and Forestry and on Appropriations a report regarding the use of radio frequency identification (RFID) tags and readers by livestock owners and federally inspected commercial slaughter facilities in the State. The Secretary shall consult with the Vermont Grass Farmers Association, the Vermont Sheep and Goat Association, and the Vermont Agricultural Fairs Association in the development of the report. The report shall include:

(1) a summary of the current Agency of Agriculture, Food and Markets practice of providing metal or plastic animal identification tags to livestock owners at no or low cost;

(2) a summary of any existing or pending federal requirements for the use of RFID tags and readers by livestock owners or federally inspected commercial slaughter facilities;

(3) a summary of how RFID tags and readers are used to manage livestock or track animals through the slaughter process, including the benefits of RFID in comparison to metal or plastic animal identification tags;

(4) an analysis of whether RFID tags and readers are beneficial for the management or slaughter of all livestock, including whether use of RFID tags and readers is appropriate for certain livestock types, small farms, or small slaughter facilities;

(5) an estimate of the cost of equipping a farm or a federally inspected commercial slaughter facility with RFID tags and readers; and

(6) a recommendation of whether the State should provide financial assistance to livestock owners or federally inspected commercial slaughter facilities for the purchase of RFID tags and readers, including eligibility requirements, cost-share, timing, or other criteria recommended by the Secretary of Agriculture, Food and Markets for the provision of RFID tags and readers to livestock owners or federally inspected commercial slaughter facilities in in the State.

* * * Vermont Forest Carbon Sequestration Working Group * * *

Sec. 11. VERMONT FOREST CARBON SEQUESTRATION WORKING GROUP; REPORT

(a) Creation. There is created the Vermont Forest Carbon Sequestration Working Group to study how to create a Statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets.

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

(1) two members of the House of Representatives, not from the same political party, appointed by the Speaker of the House;

(2) two members from the Senate, not from the same political party, appointed by the Committee on Committees;

(3) the Secretary of Natural Resources or designee;

(4) four persons with expertise of or experience with the requirements for participating in carbon sequestration markets, two appointed by the Speaker of the House and two appointed by the Committee on Committees; and

(5) a private landowner or a representative of an association or organization representing private landowners, appointed by the Governor.

(c) Powers and duties. The Working Group shall study how to create a statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets, and shall:

(1) evaluate the current status of carbon sequestration markets, including:

(A) review of available information on the feasibility of enrolling public and private land from Vermont in a carbon sequestration market, including review of existing feasibility analyses specific to the development of forest carbon sequestration projects in New England and Vermont;

(B) examples from forest carbon sequestration project development on public land in other states; and

(C) if available, technical assistance programs developed by other states and organizations to assist private landowners in engaging in carbon sequestration markets;

(2) evaluate the economic and environmental case for encouraging forest carbon sequestration offset projects in Vermont;

(3) analyze how to best market and sell carbon credits from State-owned and privately owned forestland in carbon sequestration markets;

(4) determine how to develop economies of scale in marketing and selling carbon credits in carbon sequestration markets;

(5) evaluate how to utilize financial incentives and existing forest management and certification programs and Vermont's Use Value Appraisal program to maximize the potential value of forestland in carbon sequestration markets while also enhancing conservation and other goals;

(6) review how to structure and regulate a Statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets, including how the program should be governed, whether the program should be governed by a State agency, how forestland will be assessed and enrolled, how parcels and landowners will enter and leave the program, how landowners will be paid, and how requirements and standards concerning forest management will be applied and enforced;

(7) estimate expected revenue from enrolling forestland in carbon markets and how that revenue should be allocated to:

(A) support the governance structure, management, and oversight of the program;

(B) fairly compensate landowners; and

(C) encourage enrollment in the program; and

(8) any other issue the Working Group deems relevant to designing and implementing a statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets.

(d) Assistance. The Working Group shall have the technical and legal assistance of the Agency of Natural Resources. The Working Group shall have the administrative and legislative drafting assistance of the Office of Legislative Council and the fiscal assistance of the Joint Fiscal Office. The Working Group may consult with stakeholders and experts in relevant subject areas, including carbon markets, forest management strategies, and parcel mapping.

(e) Report. On or before January 15, 2020, the Working Group shall submit a written report to the House Committees on Agriculture and Forestry, on Natural Resources, Fish, and Wildlife, and on Energy and Technology and to the Senate Committees on Agriculture and on Natural Resources and Energy. The report shall include:

(1) specific and detailed findings and proposals concerning the issues set forth in subsection (c);

(2) a proposal for a pilot project to enroll State-owned forestland in a carbon sequestration market; and

(3) any recommendations for legislative or regulatory action.

(f) Meetings.

(1) The Secretary of Natural Resources or designee shall call the first meeting of the Working Group to occur on or before July 15, 2019.

(2) The Secretary of Natural Resources or designee shall be the chair.

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

(4) The Working Group shall meet as often as necessary and shall cease to exist on January 31, 2020.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Working Group 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) Any nonlegislative member of the Working Group who is a State employee shall not be entitled to per diem compensation or reimbursement of

expenses. Any member of the Working Group who is not a State employee 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 Agency of Natural Resources.

* * * Logger Safety * * *

Sec. 12. 10 V.S.A. §§ 2622b and 2622c are added to read:

§ 2622b. ACCIDENT PREVENTION AND SAFETY TRAINING FOR LOGGING CONTRACTORS

(a) Training Program. The Commissioner of Forests, Parks and Recreation shall develop a logging operations accident prevention and safety training curriculum and supporting materials to assist logging safety instructors in providing logging safety instruction. In developing the logging operations accident prevention and safety training curriculum and supporting materials, the Commissioner shall consult with and seek the approval of the training curriculum by the Workers' Compensation and Safety Division of the Department of Labor.

(1) The accident prevention and safety training curriculum and supporting materials shall consist of an accident prevention and safety course that addresses the following:

(A) safe performance of standard logging practices, whether mechanized or nonmechanized;

(B) safe use, operation, and maintenance of tools, machines, and vehicles typically utilized and operated in the logging industry; and

(C) recognition of health and safety hazards associated with logging practices.

(2) The Commissioner shall make the accident prevention and safety training curriculum and supporting materials available to persons, organizations, or groups for presentation to individuals being trained in forest operations and safety.

(b) Request for proposal. The Commissioner shall prepare and issue a request for proposal to develop at least three course curriculums and associated training materials. The Commissioner may cooperate with any reputable association, organization, or agency to provide course curriculums and training required under this subsection.

(c) Certificate of completion. The Commissioner, any logging safety instructor, or a logger safety certification organization shall issue a certificate

of completion to each person who satisfactorily completes a logging operations accident prevention and safety training program based on the curriculum developed under this section.

§ 2622c. FINANCIAL ASSISTANCE; LOGGER SAFETY; MASTER
LOGGER CERTIFICATION; COST-SHARE

(a) The Commissioner of Forests, Parks and Recreation annually shall award grants to the following entities in order to provide financial assistance to loggers for the purposes of improving logger safety and professionalism:

(1) to the Vermont Logger Education to Advance Professionalism (LEAP) program to provide financial assistance to logging contractors for the costs of logger safety training or continuing education in logger safety; and

(2) to the Trust to Conserve Northeast Forestlands for the purpose of annually paying for up to 50 percent, but not more than \$1,500.00, of the costs of the initial certification of up to 10 logging contractors enrolled in the Master Logger Certification Program.

(b) The following costs to a logging contractor shall be eligible for assistance under the grants awarded under subsection (a) of this section:

(1) the costs of safety training, continuing education, or a loss prevention consultation;

(2) the costs of certification under the Master Logger Program administered by the Trust to Conserve Northeast Forestlands; or

(3) the costs of completion of a logging career technical education program.

(c) A grant awarded under this section shall pay up to 50 percent of the cost of an eligible activity.

Sec. 13. 10 V.S.A. § 2702 is added to read:

§ 2702. VALUE-ADDED FOREST PRODUCTS; FINANCIAL
ASSISTANCE

The Commissioner shall award grants of up to \$10,000.00 to applicants engaged in adding value to forest products within the State. A grant awarded under this section may be used by the applicant to pay for expenses associated with State and local permit application costs, project consultation costs, engineering and siting costs, and expert witness analysis and testimony necessary for permitting.

Sec. 14. 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.

* * * Wetlands; Environmental Permitting Fees * * *

Sec. 15. REPEAL OF SUNSET OF FEE FOR PIPELINES IN WETLAND

2018 Acts and Resolves No. 194, Sec. 8a (sunset of maximum fee for manure pipeline in wetland) is repealed.

Sec. 16. 3 V.S.A. § 2822(j) is amended to read:

(j) In accordance with subsection (i) of this section, the following fees are established for permits, licenses, certifications, approvals, registrations, orders, and other actions taken by the Agency of Natural Resources.

* * *

(26) For individual conditional use determinations, for individual wetland permits, for general conditional use determinations issued under 10 V.S.A. § 1272, or for wetland authorizations issued under a general permit, an administrative processing fee assessed under subdivision (2) of this subsection and an application fee of:

(A) \$0.75 per square foot of proposed impact to Class I or II wetlands.

(B) \$0.25 per square foot of proposed impact to Class I or II wetland buffers.

* * *

(H) Maximum fee, for the construction of any water quality improvement project in any Class II wetland or buffer, \$200.00 per application. As used in this subdivision, "water quality improvement project" means projects specifically designed and implemented to reduce pollutant loading in accordance with the requirements of a Total Maximum Daily Load Implementation Plan or Water Quality Remediation Plan, or pursuant to a plan for reducing pollutant loading to a waterbody. These projects include:

(i) the retrofit of impervious surfaces in existence as of January 1, 2019 for the purpose of addressing stormwater runoff;

(ii) the replacement of stream-crossing structures necessary to improve aquatic organism passage, stream flow, or flood capacity;

(iii) construction of the following conservation practices on farms, when constructed and maintained in accordance with Natural Resources Conservation Service Conservation Practice Standards for Vermont and the Agency of Agriculture, Food and Markets' Required Agricultural Practices:

(I) construction of animal trails and walkways;

(II) construction of access roads;

(III) designation and construction of a heavy-use protection area;

(IV) construction of artificial wetlands; and

(V) the relocation of structures, when necessary, to allow for the management and treatment of agricultural waste, as defined in the Required Agricultural Practices Rule.

(I) Maximum fee for the construction of a permanent structure used for farming, \$5,000.00, provided that the maximum fee for a waste storage facility or bunker silo shall be \$200.00 when constructed and maintained in accordance with Natural Resources Conservation Service Conservation Practice Standards for Vermont and the Agency of Agriculture, Food and Markets' Required Agricultural Practices.

Sec. 17. WETLAND SCIENTIST LICENSURE REQUIREMENTS

The Agency of Natural Resources shall commence a study of potential approaches to licensing and certifying qualified wetlands scientists, including developing a set of standard qualifications required for all professional wetland scientists. On or before January 1, 2024, the Agency shall submit a report to the Legislature summarizing its findings and providing recommendations for the development of a professional certification program for wetland scientists.

* * * Advanced Wood Boilers * * *

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, ~~2024~~ 2023.

(b) Sec. 26a of this act (transfer from CEDF) shall be repealed on July 1, ~~2024~~ 2023.

Sec. 18a. 2018 Acts and Resolves No. 194, Sec. 26a is amended to read:

Sec. 26a. TRANSFER FROM CEDF TO GENERAL FUND; TAX
EXPENDITURE; ADVANCED WOOD BOILERS

(a) Beginning on July 1, 2018, the Clean Energy Development Fund quarterly shall calculate the forgone sales tax on advanced wood fired boilers resulting from the sales tax exemption under 32 V.S.A. § 9741(52) for advanced wood boilers. Beginning on October 1, 2018, the Clean Energy Development Fund shall notify the Department of Taxes of the amount of sales tax forgone in the preceding calendar quarter resulting from the sales tax exemption under 32 V.S.A. § 9741(52) for advanced wood boilers.

(b) In fiscal years 2019 and 2020, the Clean Energy Development Fund shall transfer from the Clean Energy Development Fund to the General 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~~ 100 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.~~

* * * Composting; Food Residuals * * *

Sec. 19. 10 V.S.A. § 6607a(g) is amended to read:

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

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

(B) Beginning on July 1, 2020, shall offer to nonresidential customers and apartment buildings with four or more residential units the collection of food residuals separate from other solid waste and deliver to a location that manages food residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(2)-(5) of this title. Commercial haulers shall not be required to offer collection of food residuals if another commercial hauler provides collection services for food residuals in the same area and has sufficient capacity to provide service to all customers.

* * *

* * * Pesticide Regulation * * *

Sec. 20. 6 V.S.A. § 642 is amended to read:

§ 642. DUTIES AND AUTHORITY OF THE SECRETARY

(a) The Secretary shall enforce and carry out the provisions of this subchapter, including:

(1) Sampling, inspecting, making analysis of, and testing seeds subject to the provisions of this subchapter that are transported, sold, or offered or exposed for sale within the State for sowing purposes. The Secretary shall notify promptly a person who sells, offers, or exposes seeds for sale and, if appropriate, the person who labels or transports seeds, of any violation and seizure of the seeds, or order to cease sale of the seeds under section 643 of this title.

(2) Making or providing for purity and germination tests of seed for farmers and dealers on request and to fix and collect charges for the tests made.

(3) Cooperating with the U.S. Department of Agriculture and other agencies in seed law enforcement.

(4) Prior to sale, distribution, or use of a new genetically engineered seed in the State and after consultation with a seed review committee convened under subsection (c) of this section, review the traits of the new genetically engineered seed. The Secretary may prohibit, restrict, condition, or limit the sale, distribution, or use of the seed in the State when determined necessary to prevent an adverse effect on agriculture in the State.

(b) The Secretary shall establish rules to carry out the provisions of this subchapter, including those governing the methods of sampling, inspecting, analyzing, testing, and examining seeds and reasonable standards for seed.

(c)(1) The Secretary shall convene a seed review committee to review the seed traits of a new genetically engineered seed proposed for sale, distribution, or use in the State.

(2) A seed review committee convened under this subsection shall be comprised of the Secretary of Agriculture, Food and Markets or designee and the following members appointed by the Secretary:

(A) a certified commercial agricultural pesticide applicator;

(B) an agronomist or relevant crop specialist from the University of Vermont or Vermont Technical College;

(C) a licensed seed dealer; and

(D) a member of a farming sector affected by the new genetically engineered seed.

(3) A majority of the seed review committee must approve of the sale, distribution, or use of a new genetically engineered seed prior to sale, distribution, or use in the State. In order to ensure the appropriate use or traits of a new genetically engineered seed in the State, a seed review committee may propose to the Secretary limits or conditions on the sale, distribution, or use of a seed or recommend a limited period of time for sale of the seed.

* * * Dairy Sanitation Rules * * *

Sec. 21. 6 V.S.A. § 2701 is amended to read:

§ 2701. RULES

(a) The Secretary, in accordance with 3 V.S.A. chapter 25, shall adopt, and may amend and rescind, dairy sanitation rules relating to dairy products to enforce this chapter, including labeling, weighing, measuring and testing facilities, buildings, equipment, methods, procedures, health of animals, health and capability of personnel, and quality standards. In addition, the uniform regulation for sanitation requirements, as adopted by the National Conference on Interstate Milk Shippers, and published by the U.S. Department of Health and Human Services, Public Health Service, Food and Drug Administration, Grade A Pasteurized Milk Ordinance (PMO), as amended, supplemented, or revised, are adopted as part of this chapter, ~~except as modified or rejected by rule~~ that any exemption to the preventative controls for human food requirements for Grade "A" milk and milk products for a very small business, as defined in the PMO and federal regulations, shall not apply. The Secretary may modify or reject by rule the PMO. When adherence to the PMO is deemed unreasonable by the Agency for non-Grade "A" products, the most current version of the Recommended Requirements of the U.S. Department of Agriculture, Agricultural Marketing Service, Milk for Manufacturing Purposes and its Production and Processing may be used.

* * *

* * * Environmental Stewardship Program * * *

Sec. 22. 6 V.S.A. chapter 215, subchapter 7A is added to read:

Subchapter 7A. Regenerative Farming

§ 4961. PURPOSE

The purposes of this subchapter are to:

(1) enhance the economic viability of farms in Vermont;

- (2) improve the health and productivity of the soils of Vermont;
- (3) encourage farmers to implement regenerative farming practices;
- (4) reduce the amount of agricultural waste entering the waters of Vermont;
- (5) enhance crop resilience to rainfall fluctuations and mitigate water damage to crops, land, and surrounding infrastructure;
- (6) promote cost-effective farming practices;
- (7) reinvigorate the rural economy; and
- (8) help the next generation of Vermont farmers learn regenerative farming practices so that farming remains integral to the economy, landscape, and culture of Vermont.

§ 4962. DEFINITIONS

As used in this subchapter:

(1) “Certified Vermont Environmental Steward” means an owner or operator of a farm who has achieved the thresholds for the Vermont Environmental Stewardship Program to be certified as a farm that improves soil health and contributes to improving water quality.

(2) “Regenerative farming” means a series of cropland management practices that:

(A) contributes to generating or building soils and soil fertility and health;

(B) increases water percolation, increases water retention, and increases the amount of clean water running off farms;

(C) increases biodiversity and ecosystem health and resiliency; and

(D) sequesters carbon in agricultural soils.

§ 4963. REGENERATIVE FARMING; VERMONT ENVIRONMENTAL STEWARDSHIP PROGRAM

(a) Establishment of Program. There is created within the Agency of Agriculture, Food and Markets the Vermont Environmental Stewardship Program (VESP) to provide technical and financial assistance to Vermont farmers seeking to implement regenerative farming practices to achieve certification as a Certified Vermont Environmental Steward.

(b) Program standards; application. The Secretary of Agriculture, Food and Markets shall establish by procedure standards for certification as a Certified Environmental Steward. Application for certification shall be made in the manner required by the Secretary of Agriculture, Food and Markets.

(c) Program services. The VESP shall provide the following services to farmers voluntarily seeking to transition to achieve certification as a Certified Vermont Environmental Steward:

(1) information and education regarding the requirements for certification, including the method, timeline, and process of certification;

(2) technical assistance in completing any required application for certification;

(3) technical assistance in developing plans and implementing practices to achieve certification from the VESP; and

(4) technical assistance in complying with the requirements of the VESP after a farm is certified.

(d) Financial assistance; eligibility. An owner or operator of a farm participating in the VESP shall be eligible for financial assistance from existing Agency of Agriculture, Food and Markets financial assistance programs for costs incurred in implementing any of the practices required for certification as a Certified Environmental Steward.

(e) Revocation of certification. The Secretary may, after due notice and hearing, revoke a certification issued under this section when the owner or operator of a certified farm fails to comply with the standards for certification established under subsection (b) of this section.

(f) Administrative penalty; falsely advertising. The Secretary may assess an administrative penalty of up to \$1,000.00 against the owner or operator of a farm who knowingly advertises as a Certified Environmental Steward when not certified by the Secretary.

Sec. 23. FUNDING VERMONT ENVIRONMENTAL STEWARDSHIP PROGRAM

In addition to the existing capital and noncapital financial assistance that may be available to a farmer from the Agency of Agriculture, Food and Markets, the Agency of Agriculture, Food and Markets separately may use funds available to the Agency and eligible for use for water quality programs or projects to provide noncapital financial incentives to Vermont farmers participating in the Vermont Environmental Stewardship Program to implement regenerative farming practices to achieve certification as a Certified Vermont Environmental Steward.

* * * Conservation Reserve Enhancement Program * * *

Sec. 24. 6 V.S.A. § 4829 is added to read:

§ 4829. CONSERVATION RESERVE ENHANCEMENT PROGRAM

(a) The Conservation Reserve Enhancement Program is created in the Agency of Agriculture, Food and Markets to provide the farms of Vermont with State or federal financial assistance for the implementation of alternative nutrient reduction practices that improve soil quality, improve nutrient retention, and reduce agricultural waste discharges. The Agency of Agriculture, Food and Markets may approve one or more of the following practices for participation in the Program:

(1) riparian forest buffers;

(2) grassed waterways;

(3) grassed filter strips; or

(4) other practices approved by the Secretary and administered through a memorandum of understanding with the Commodity Credit Corporation.

(b) Grant agreements entered into under this section shall at a minimum have a term of 15 years in duration and can include permanent easements.

(c)(1) The Agency of Agriculture, Food and Markets shall use capital funding available to the Agency and eligible for use for water quality programs or projects to provide financial assistance to Vermont farmers to complete practices approved by the Agency for participation in the Program under subdivisions (a)(1)–(3) of this section.

(2) The Agency shall use noncapital funds eligible for use for water quality programs or projects to provide financial assistance to Vermont farmers to complete practices approved by the Agency for participation in the Program under subdivision (a)(4) of this section.

* * * Agriculture Environmental Management Program * * *

Sec. 25. 6 V.S.A. § 4830 is added to read:

§ 4830. AGRICULTURAL ENVIRONMENTAL MANAGEMENT PROGRAM

(a) The Agricultural Environmental Management Program is created in the Agency of Agriculture, Food and Markets to provide the farms of Vermont with State financial assistance to alternatively manage their farmstead, cropland, and pasture in a manner that will address identified water quality concerns that, traditionally, would have been wholly or partially addressed through federal, State, and landowner investments in BMP infrastructure or in

agronomic practices, or both. The Agency of Agriculture, Food and Markets may approve one or more of the following practices for participation in the Program:

- (1) conservation easements;
- (2) land acquisition;
- (3) farm structure decommissioning;
- (4) site reclamation; or

(5) issue a grant as an in-lieu payment not to exceed \$200,000.00 as an alternative to the best management practice program implementation to otherwise address the same conservation issues for an equivalent or longer term.

(b) The Agency of Agriculture, Food and Markets shall use funds available to the Agency and eligible for use for water quality programs or projects to provide financial assistance to Vermont farmers, provided that the Agency may use capital funds to provide financial assistance for practices approved under subdivisions (a)(1)–(4) of this section if the practice is:

(1) performed in conjunction with a term agreement of not less than 15 years in duration or a permanent easement protecting the investment;

(2) abating a water quality resource concern on a farm; and

(3) the Agency may use capital funds to provide financial assistance for a practice approved under subdivision (a)(5) of this section only upon the approval of the State Treasurer.

* * * Pumpout Tank * * *

Sec. 26. 10 V.S.A. § 1979(b) is amended to read:

(b)(1) The Secretary shall approve the use of sewage holding and pumpout tanks for existing or proposed buildings or structures that are owned by a charitable, religious, or nonprofit organization when he or she determines that:

(A) the plan for construction and operation of the holding tank will not result in a public health hazard or environmental damage;

(B) a designer demonstrates that an economically feasible means of meeting current standards is significantly more costly than the construction and operation of sewage holding and pumpout tanks, based on a projected 20-year life of the project; and

(C) the design flows do not exceed 600 gallons per day or the existing or proposed building or structure shall not be used to host events on more than 28 days in any calendar year.

(2) Before constructing a holding tank permitted under this subsection, the applicant shall post a bond or other financial surety sufficient to finance maintenance of the holding tank for the life of the system, which shall be at least 20 years.

(3)(A) A permit issued under this subsection shall run with the land for the duration of the permit and shall apply to all subsequent owners of the property being served by the holding tank regardless of whether the owner is a charitable, religious, or nonprofit organization.

(B) All permit conditions, including the financial surety requirement of subdivision (2) of this subsection (b), shall apply to a subsequent owner.

(C) A subsequent owner shall not increase the design flows of the holding and pumpout tank system without approval from the Secretary.

* * * Effective Dates * * *

Sec. 27. EFFECTIVE DATES

(a) This section and Secs. 15 (repeal of sunset on maximum wetland fee), 16 (wetlands permit fees), and 17 (wetlands scientist licensing) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2019.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Starr, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

Thereupon, pursuant to the request of the Senate, the President announced the appointment of

Senator Pearson
Senator Hardy
Senator Pollina

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Appointments Confirmed

The following Gubernatorial appointments were confirmed separately by the Senate, upon full reports given by the Committees to which they were referred:

The nomination of

Snyder, Michael C. of Stowe - Commissioner, Department of Forests, Parks and Recreation - March 1, 2019 to February 28, 2021.

Was confirmed by the Senate.

The nomination of

Porter, Louis P. of Calais - Commissioner, Department of Fish and Wildlife - March 1, 2019 to February 28, 2021.

Was confirmed by the Senate.

The nomination of

Boedecker, Emily of Montpelier - Commissioner, Department of Environmental Conservation - March 1, 2019 to February 28, 2021.

Was confirmed by the Senate.

The nomination of

French, Daniel M. of Manchester - Secretary, Agency of Education - March 1, 2019 to February 28, 2021.

Was confirmed by the Senate.

Rules Suspended; Bills Messaged

On motion of Senator Ashe, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 73, S. 160, H. 63, H. 292, H. 511, H. 513.

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 Senator Kitchel,

S.C.R. 13.

Senate concurrent resolution in memory of James Hester of Burlington.

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. Toof and Gregoire,

By Senators Brock and Parent,

H.C.R. 176.

House concurrent resolution congratulating Brady Toof of Fairfield on winning the 2019 Elks Hoop Shoot's boys' eight to nine years of age division Vermont State championship.

By Reps. Scheuermann and others,

By Senator Westman,

H.C.R. 177.

House concurrent resolution in memory of Penny Walker-Reen of Morrisville.

By Reps. Anthony and others,

H.C.R. 178.

House concurrent resolution honoring the Barre granite craftspersons who created the monoliths for the 9/11 Memorial Glade in New York City.

By Reps. Long and others,

By Senators Balint and White,

H.C.R. 179.

House concurrent resolution congratulating Grace Cottage Family Health & Hospital on its 70th Anniversary.

By Reps. Morrissey and others,

By Senators Champion and Sears,

H.C.R. 180.

House concurrent resolution in memory of Mary Nikitas Geannelis of Bennington.

By Reps. Morrissey and others,

By Senators Champion and Sears,

H.C.R. 181.

House concurrent resolution congratulating the Sunrise Family Resource Center on its 50th anniversary.

By Rep. Sullivan,

H.C.R. 182.

House concurrent resolution congratulating Katherine LeVine on her dual literary contest first-place awards.

By Reps. Briglin and others,

H.C.R. 183.

House concurrent resolution in memory of educator, coach, Camp Billings Race Around the Lake director, and Bradford civic leader Lawrence E. Drew.

By Reps. Morrissey and others,

By Senators Champion and Sears,

H.C.R. 184.

House concurrent resolution in memory of U.S. Navy Commander Robert Healy Eastman III.

By Reps. Helm and Canfield,

By Senators Collamore, Hooker and McNeil,

H.C.R. 185.

House concurrent resolution designating Sunday, September 22, 2019 as the first Castleton Day.

By Reps. Seymour and Feltus,

By Senator Benning,

H.C.R. 186.

House concurrent resolution honoring Lieutenant David Gregory on a highly accomplished career as a Vermont State Game Warden.

By Reps. Pajala and others,

By Senators Balint, Champion, Clarkson, McCormack, Nitka, Sears and White,

H.C.R. 187.

House concurrent resolution congratulating The Collaborative of Londonderry on two decades of outstanding health and substance abuse education programs in southern Vermont.

By Reps. Bock and others,

By Senators Clarkson, McCormack, Nitka and Pearson,

H.C.R. 188.

House concurrent resolution honoring the Chester Andover Elementary School fourth graders who drafted thoughtful State legislative proposals.

By Reps. O'Brien and others,

H.C.R. 189.

House concurrent resolution in memory of Michael W. Stone of Orange.

By All Members of the House,

H.C.R. 190.

House concurrent resolution in memory of Representative Robert Joseph Forguites of Springfield.

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Monday, May 20, 2019.

MONDAY, MAY 20, 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. 76

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

Mr. President:

I am directed to inform the Senate that:

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

S. 169. An act relating to firearms procedures.

And has passed the same in concurrence.

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

S. 23. An act relating to increasing the minimum wage.

S. 37. An act relating to medical monitoring.

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

The House has considered Senate proposals of amendment to the following House bills:

H. 287. An act relating to small probate estates.

H. 330. An act relating to repealing the statute of limitations for civil actions based on childhood sexual abuse.

And has severally concurred therein.

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

H. 13. An act relating to miscellaneous amendments to alcoholic beverage and tobacco laws.

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

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

S. 112. An act relating to earned good time.

And concurred therein.

Pursuant to the request of the Senate for a Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 160. An act relating to agricultural development.

The Speaker has appointed as members of such committee on the part of the House:

Rep. Bartholomew of Hartland
Rep. Bock of Chester
Rep. Strong of Albany.

The Speaker announced a change in the members on the part of the House of Representatives of the Committee of Conference upon the disagreeing votes of the two houses on House bill of the following title:

H. 536 An act relating to education finance

Rep. Ancel of Calais
Rep. Canfield of Fair Haven
Rep. Donovan of Burlington

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

H.C.R. 176. House concurrent resolution congratulating Brady Toof of Fairfield on winning the 2019 Elks Hoop Shoot's boys' eight to nine years of age division Vermont State championship.

H.C.R. 177. House concurrent resolution in memory of Penny Walker-Reen of Morrisville.

H.C.R. 178. House concurrent resolution honoring the Barre granite craftspersons who created the monoliths for the 9/11 Memorial Glade in New York City.

H.C.R. 179. House concurrent resolution congratulating Grace Cottage Family Health & Hospital on its 70th Anniversary.

H.C.R. 180. House concurrent resolution in memory of Mary Nikitas Geannelis of Bennington.

H.C.R. 181. House concurrent resolution congratulating the Sunrise Family Resource Center on its 50th anniversary.

H.C.R. 182. House concurrent resolution congratulating Katherine LeVine on her dual literary contest first-place awards.

H.C.R. 183. House concurrent resolution in memory of educator, coach, Camp Billings Race Around the Lake director, and Bradford civic leader Lawrence E. Drew.

H.C.R. 184. House concurrent resolution in memory of U.S. Navy Commander Robert Healy Eastman III.

H.C.R. 185. House concurrent resolution designating Sunday, September 22, 2019 as the first Castleton Day.

H.C.R. 186. House concurrent resolution honoring Lieutenant David Gregory on a highly accomplished career as a Vermont State Game Warden.

H.C.R. 187. House concurrent resolution congratulating The Collaborative of Londonderry on two decades of outstanding health and substance abuse education programs in southern Vermont.

H.C.R. 188. House concurrent resolution honoring the Chester Andover Elementary School fourth graders who drafted thoughtful State legislative proposals.

H.C.R. 189. House concurrent resolution in memory of Michael W. Stone of Orange.

H.C.R. 190. House concurrent resolution in memory of Representative Robert Joseph Forguites of Springfield.

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

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

S.C.R. 13. Senate concurrent resolution in memory of James Hester of Burlington.

And has adopted the same in concurrence.

Message from the House No. 77

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

Mr. President:

I am directed to inform the Senate that:

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

S. 7. An act relating to social service integration with Vermont's health care system.

S. 55. An act relating to the regulation of toxic substances and hazardous materials.

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

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

H. 524. An act relating to health insurance and the individual mandate.

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

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

S. 107. An act relating to elections corrections.

And has concurred therein.

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

S. 146. An act relating to substance misuse prevention.

And has concurred therein.

The House has considered Senate proposals of amendment to the following House bills:

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

H. 512. An act relating to miscellaneous court and Judiciary related amendments.

H. 513. An act relating to broadband deployment throughout Vermont.

And has severally concurred therein.

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

H. 518. An act relating to fair and impartial policing.

And has severally concurred therein.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 511. An act relating to criminal statutes of limitations.

And has adopted the same on its part.

Bill Referred to Committee on Appropriations

H. 135.

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 authority of the Agency of Digital Services.

Adjournment

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

TUESDAY, MAY 21, 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 then led the members of the Senate in the pledge of allegiance.

House Proposal of Amendment Concurred In with Amendment**S. 96.**

House proposal of amendment to Senate bill entitled:

An act relating to the provision of water quality services.

Was taken up.

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

Sec. 1. 10 V.S.A. 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) “Administrative cost” means program and project costs incurred by a clean water service provider or a grantee, including costs to conduct procurement, contract preparation, and monitoring, reporting, and invoicing.

(2) “Basin” means a watershed basin designated by the Secretary for use as a planning unit under subsection 1253(d) of this title.

(3) “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.

(4) “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 following activities:

(i) developed lands, sub-jurisdictional practices related to developed lands including municipal separate storm sewers, operational stormwater discharges, municipal roads, and other developed lands discharges;

(ii) natural resource protection and restoration, including river corridor and floodplain restoration and protection, wetland protection and restoration, riparian and lakeshore corridor protection and restoration, and

natural woody buffers associated with riparian, lakeshore, and wetland protection and restoration;

(iii) forestry; or

(iv) agriculture.

(5) “Co-benefit” means the additional benefit to local governments and the public provided by or associated with a clean water project, including flood resilience, ecosystem improvement, and local pollution prevention.

(6) “Design life” means the period of time that a clean water project is designed to operate according to its intended purpose.

(7) “Maintenance” means ensuring that a clean water project continues to achieve its designed pollution reduction value for its design life.

(8) “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 in the implementation plan for the water a strategy for returning the water to compliance with the Vermont Water Quality Standards. With respect to a water that is impaired due to sources outside the State or if there is insufficient data or no data available to quantify reductions required by this subchapter, the Secretary shall not be required to implement the requirements of this subchapter; however, the Secretary shall provide an alternate strategy for attaining water quality standards in the implementation plan for the water. For waters determined to be subject to this subchapter, the Secretary shall include the following in an implementation plan:

(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 as checkpoints to gauge progress and adapt or modify as necessary.

(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.

(2) By not later than November 1, 2023, the Secretary shall adopt a schedule for implementing the requirements of this subchapter in all other previously listed impaired waters, including Lake Carmi, not set forth in subdivision (1) of this subsection.

(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. When establishing a pollutant reduction value, the Secretary shall consider pollution reduction values established in the TMDL; pollution reduction values established by other jurisdictions; pollution reduction values recommended by organizations that develop pollutant reduction values for a clean water project; applicable monitored data with respect to a clean water project, if available; modeled data, if available; or a comparison to other similar projects or programs if no other data on a pollution reduction value or design life exists. 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 60 days following 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 in the TMDL; pollution reduction values or design lives 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; applicable monitored data with respect to 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 Formula Grant awarded by the State pursuant to section 925 of this title.

(d)(1) The Secretary shall conduct the analysis required by subsections (a) and (b) of this section for clean water projects and design lives related to phosphorous not later than November 1, 2021.

(2) By not later than November 1, 2023, 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) The Secretary shall periodically review pollution reduction values and design lives established under this section at least every five years to determine the adequacy or accuracy of a pollution reduction value or design life.

(f)(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.

(1) On or before November 1, 2020, the Secretary shall adopt rules that assign a clean water service provider to each basin in the Lake Champlain and Lake Memphremagog watersheds 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. For all other impaired waters, the Secretary shall assign clean water service provider no later than six months prior to the implementation of the requirements of this subchapter scheduled by the Secretary under subdivision 922(b)(2) of this title. 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 be required to identify, prioritize, develop, construct, verify, inspect, operate, and maintain clean water projects in accordance with the requirements of this subchapter.

(3) The Secretary shall adopt guidance on a clean water service provider's obligation with respect to implementation of this chapter. The Secretary shall provide notice to the public of the proposed guidance and a comment period of not less than 30 days. At a minimum, the guidance shall address the following:

(A) how the clean water service provider integrates prioritizes and selects projects consistent with the applicable basin plan, including how to account for the co-benefits provided by a project;

(B) minimum requirements with respect to selection and agreements with subgrantees;

(C) requirements associated with the distribution of administrative costs to the clean water service provider and subgrantees;

(D) Secretary's assistance to clean water service providers with respect to their maintenance obligations pursuant to subsection (c) of this section; and

(E) the Secretary's strategy with respect to accountability pursuant to subsection (f) of this section.

(4) In carrying out its duties, a clean water service provider shall adopt guidance for subgrants consistent with the guidance from the Secretary developed pursuant to subdivision (a)(3) of this section 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 include how the clean water service provider will allocate administrative costs to subgrantees for project implementation and for the administrative costs of the basin water quality council. The subgrant guidance shall be subject to the approval of the Secretary and basin water quality council.

(5) 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 council.

(b) Project identification, prioritization, selection. When identifying, prioritizing, and selecting a clean water project to meet a pollutant reduction value, the clean water service provider shall consider the pollution reduction value associated with the clean water project, the co-benefits provided by the project, operation, and maintenance of the project, conformance with the tactical basin plan, and other water quality benefits beyond pollution reduction associated with that clean water project. All selected projects shall be entered into the watershed projects database.

(c) Maintenance responsibility. A clean water service provider shall be responsible for maintaining a clean water project or ensuring the maintenance for at least the design life of that clean water project. The Secretary shall provide funding for maintenance consistent with subdivision 1389(e)(1)(A) of this title.

(d) Water quality improvement work. If a clean water service provider achieves a greater level of pollutant reduction than a pollutant 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:

-
- (1) carry those funds forward into the next program year;
 - (2) use those funds for other eligible project;
 - (3) use those funds for operation and maintenance responsibilities for existing constructed projects;
 - (4) use those funds for projects within the basin that are required by federal or State law; or
 - (5) use those funds for 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 from clean water service providers shall be integrated into the annual clean water investment report, including outcomes from the work performed by clean water service providers. 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 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; or
- (2) initiate rulemaking to designate an alternate clean water service provider as accountable for the basin.

(g) Basin water quality council.

(1) A clean water service provider designated under this section shall establish a basin water quality council for each assigned basin. The purpose of a basin water quality council is to establish policy and make decisions for 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 based on the basin plan. A basin water quality council shall also participate in the basin planning process.

(2) A basin water quality council shall include, at a minimum, the following:

(A) two persons representing natural resource conservation districts in that basin, selected by the applicable natural resource conservation districts;

(B) two persons representing regional planning commissions in that basin, selected by the applicable regional planning commission;

(C) two persons representing local watershed protection organizations operating in that basin, selected by the applicable watershed protection organizations;

(D) one representative from an applicable local or statewide land conservation organization selected by the conservation organization in consultation with the clean water service provider; and

(E) two persons representing from each municipality within the basin, selected by the clean water service provider in consultation with municipalities in the basin.

(3) The designated clean water service provider and the Agency of Natural Resources shall provide technical staff support to the basin water quality council. The clean water service provider may invite support from persons with specialized expertise to address matters before a basin water quality council, including support from the University of Vermont Extension, staff of the Agency of Natural Resources, staff of the Agency of Agriculture, Food and Markets, staff of the Agency of Transportation, staff from the Agency of Commerce and Community Development, the Natural Resource Conservation Service, U.S. Department of Fish and Wildlife, and U.S. Forest Service.

§ 925. CLEAN WATER SERVICE PROVIDER; WATER QUALITY RESTORATION FORMULA GRANT PROGRAM

The Secretary shall administer a Water Quality Restoration Formula Grant Program to award grants to clean water service providers to meet the pollutant 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. Not more than 15 percent of the total grant amount awarded to a clean water service provider shall be used for administrative costs.

§ 926. WATER QUALITY ENHANCEMENT GRANT PROGRAM

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, maintain or improve water quality in all waters, restore degraded or stressed waters, create resilient watersheds and communities, and support the public's use and enjoyment of the State's waters. When making awards under this program, the Secretary shall consider the geographic distribution of these funds. Not more than 15 percent of the total grant amount awarded shall be used for administrative costs.

§ 927. DEVELOPED LANDS IMPLEMENTATION GRANT PROGRAM

The Secretary shall administer a Developed Lands Implementation Grant Program to provide grants or financing to persons who are required to obtain a permit to implement regulatory requirements that are necessary to achieve water quality standards. The grant or financing 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 shall fund or provide financing for projects related to the permitting of impervious surface of three acres or more under subdivision 1264(g)(3) of this title. Not more than 15 percent of the total grant amount awarded shall be used for administrative costs.

§ 928. MUNICIPAL STORMWATER IMPLEMENTATION GRANT PROGRAM

The Secretary shall administer a Municipal Stormwater Implementation Grant Program to provide grants to any municipality required under section 1264 of this title to obtain or seek coverage under the municipal roads general permit, the municipal separate storm sewer systems permit, a permit for impervious surface of three acres or more, or a permit required by the Secretary to reduce the adverse impacts to water quality of a discharge or stormwater runoff. 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. Not more than 15 percent of the total grant amount awarded shall be used for administrative costs.

§ 929. CLEAN WATER PROJECT TECHNICAL ASSISTANCE

The Secretary shall provide technical assistance upon the request of any person who, under this chapter, receives a grant or is a subgrantee of funds to implement a clean water project.

§ 930. RULEMAKING

The Secretary may adopt rules to implement the requirements of this subchapter.

Sec. 2. 10 V.S.A. § 1253(d)(2) and (3) are 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, natural resources conservation districts, regional planning commissions, 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

~~(D)(K)~~ provide for the opportunity of public comment on a draft basin plan.

(3) The Secretary shall, contingent upon the availability of funding, negotiate and issue performance grants to the Vermont Association of Planning and Development Agencies or its designee, ~~and~~ the Natural Resources Conservation Council or its designee, ~~and~~ to Watersheds United Vermont or its designee to assist in or to produce a basin plan under the schedule set forth in subdivision (1) of this subsection in a manner consistent with the authority of regional planning commissions under 24 V.S.A. chapter 117 and the authority of the natural resources conservation districts under chapter 31 of this title. When negotiating a scope of work with the Vermont Association of Planning and Development Agencies or its designee, ~~and~~ the Natural Resources Conservation Council or its designee, ~~and~~ Watersheds United Vermont or its designee to assist in or produce a basin plan, the Secretary may require the Vermont Association of Planning and Development Agencies, ~~or~~ the Natural Resources Conservation Council, ~~or~~ Watersheds United Vermont to:

(A) conduct any of the activities required under subdivision (2) of this subsection (d);

(B) provide technical assistance and data collection activities to inform municipal officials and the State in making water quality investment decisions;

(C) coordinate municipal planning and adoption or implementation of municipal development regulations better to meet State water quality policies and investment priorities; or

(D) assist the Secretary in implementing a project evaluation process to prioritize water quality improvement projects within the region to ensure cost-effective use of State and federal funds.

Sec. 3. 10 V.S.A. § 1387 is amended to read:

§ 1387. FINDINGS; PURPOSE; CLEAN WATER INITIATIVE

(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;

(D) the operations of clean water service providers under chapter 37, subchapter 5 of this title; and

(E) the permanent protection of land and waters from future development and impairment through conservation and water quality projects funded by the Vermont Housing and Conservation Trust Fund authorized by chapter 15 of this title.

(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.

(4) To avoid the future impairment and degradation of the State's waters, the State should commit to continued funding for the protection of land and waters through agricultural and natural resource conservation, including through permanent easements and fee acquisition.

(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. 3a. 10 V.S.A. § 1388 is amended to read:

§ 1388. CLEAN WATER FUND

(a) There is created a special fund to be known as the Clean Water Fund to be administered by the Secretary of Administration. The Fund shall consist of:

(1) revenues from the Property Transfer Tax surcharge established under 32 V.S.A. § 9602a;

(2) other gifts, donations, and impact fees received from any source, public or private, dedicated for deposit into the Fund and approved by the Secretary of Administration;

(3) the unclaimed beverage container deposits (escheats) remitted to the State under chapter 53 of this title; and

(4) four percent of the revenues from the meals and rooms taxes imposed under 32 V.S.A. chapter 225; and

~~(4)~~(5) other revenues dedicated for deposit into the Fund by the General Assembly.

* * *

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 according to the priorities established under subsection (e) of this section; and

(ii) clean water water quality programs or projects that provide water quality benefits, reduce pollution, protect natural areas, enhance water quality protections on agricultural land enhance flood and climate resilience, provide wildlife habitat, or promote and enhance outdoor recreation in support of rural community vitality 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 or financing required by sections 925–928 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 recommend capital appropriations for the permanent protection of land and waters from future development through conservation and water quality projects.~~

(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 as follows:

~~(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) As a first priority, make recommendations regarding funding for the following grants and programs, which shall each be given equal priority:

(A) grants to clean water service providers to fund the reasonable costs associated with the inspection, verification, operation, and maintenance of clean water projects in a basin;

(B) the Water Quality Restoration Formula Grant under section 925 of this title;

(C) the Agency of Agriculture, Food and Markets' agricultural water quality programs; and

(D) the Water Quality Enhancement Grants under section 926 of this title at a funding level of at least 20 percent of the annual balance of the Clean Water Fund, provided that the maximum amount recommended under this subdivision (D) in any year shall not exceed \$ 5,000,000.00; and

(E) funding to partners for basin planning, basin water quality council participation, education, and outreach as provided in subdivision 1253(d)(3) of this title, provided funding shall be at least \$500,000.00.

(2) As the next priority after reviewing funding requests for programs identified under subdivision (1) of this subsection:

~~(C)(A)~~ 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)(B)~~ 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)(C)~~ funding for the Municipal Stormwater Implementation Grant as provided in section 928 of this title;

~~(D)~~ 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

~~(G)(E)~~ 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.

(3) As the next priority after reviewing funding requests under subdivisions (1) and (2) of this subsection, funding for the Developed Lands Implementation Grant Program as provided in section 927 of this title.

(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.

Sec. 4a. 16 V.S.A. § 4025 is amended to read:

§ 4025. EDUCATION FUND

(a) The Education Fund is established to comprise the following:

* * *

(4) ~~25~~ 21 percent of the revenues from the meals and rooms taxes imposed under 32 V.S.A. chapter 225;

* * *

Sec. 4b. REPEAL

Sec. G.8 (prewritten software accessed remotely) of 2015 Acts and Resolves No. 51 is repealed.

Sec. 5. 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, inspection, verification, 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. 6. 10 V.S.A. § 704 is amended to read:

§ 704. POWERS OF COUNCIL

The State Natural Resources Conservation Council may employ an administrative officer and such technical experts and such other agents and employees as it may require. The Council may call upon the Attorney General of the State for such legal services as it may require, or may employ its own

counsel. It shall have authority to delegate to one or more of its members, or to one or more agents or employees, such powers and duties as it may deem proper. If designated as a clean water service provider under section 924 of this title, provide for the identification, prioritization, development, construction, inspection, verification, operation, and maintenance of clean water projects in the basin assigned to a natural resources conservation district in accordance with the requirements of chapter 37, subchapter 5 of this title.

Sec. 7. 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. The report shall include information on the cost to develop and manage any recommended trading program.

Sec. 8. TRANSITION

(a) Until November 1, 2021, the Secretary shall implement the existing ecosystem restoration funding delivery program and shall not make substantial modifications to the manner in which that program has been implemented. The Secretary may give increased priority to meeting legal obligations pursuant to a total maximum daily load when implementing that funding delivery program.

(b) Until the plan required by 10 V.S.A. § 923(d)(2) has been fully implemented, the Secretary shall provide additional weight to geographic areas of the State not receiving a grant pursuant to 10 V.S.A. § 925 when making funding decisions with respect to grants awarded pursuant to 10 V.S.A. § 926.

Sec. 9. LAND AND WATER CONSERVATION STUDY

(a) The State's success in achieving and maintaining compliance with the Vermont Water Quality Standards for all State waters depends on avoiding the future degradation or impairment of surface waters. An important component of avoiding the future degradation or impairment of surface waters is the permanent protection of lands for multiple conservation purposes, including the protection of surface waters and associated natural resources, according to priorities for multiple conservation values, including water quality benefits, natural areas, flood and climate resilience, wildlife habitat, and outdoor recreation.

(b) The State's success in achieving and maintaining compliance with the Vermont Water Quality Standards depends in part on strategic land conservation. To assist the State in enhancing the benefit of strategic land conservation, the Secretary of Natural Resources shall convene a Land and Water Conservation Study Stakeholder Group to develop a recommended framework for statewide land conservation. On or before January 15, 2020, the Secretary shall submit the Stakeholder Group's recommended framework for statewide land conservation to the General Assembly. The recommended framework shall include:

(1) recommendations for maximizing both water quality benefits and other state priorities from land conservation projects, including agricultural uses, natural area and headwaters protection, flood and climate resilience, wildlife habitat, outdoor recreation, and rural community development; and

(2) recommended opportunities to leverage federal and other nonstate funds for conservation projects.

(c)(1) The Land and Water Conservation Study Stakeholder Group shall include the following individuals or their designees:

(A) the Secretary of Natural Resources;

(B) the Secretary of Agriculture, Food and Markets;

(C) the Executive Director of the Vermont Housing and Conservation Board;

(D) the President of the Vermont Land Trust;

(E) the Vermont and New Hampshire Director of the Trust for Public Land; and

(F) the Director of the Nature Conservancy for the State of Vermont.

(2) The Secretary of Natural Resources shall invite the participation in the Stakeholder Group by the U.S. Department of Agriculture's Natural Resources Conservation Service, representatives of farmer's watershed alliances, representatives of landowner organizations, and other interested parties.

Sec. 10. 10 V.S.A. § 1389a is amended to read:

§ 1389a. CLEAN WATER INVESTMENT REPORT

(a) Beginning on January 15, 2017, and annually thereafter, the Secretary of Administration shall publish the Clean Water Investment Report. The Report shall summarize all investments, including their cost-effectiveness, made by the Clean Water Board and other State agencies for clean water restoration

over the prior fiscal year. The Report shall include expenditures from the Clean Water Fund, the General Fund, the Transportation Fund, and any other State expenditures for clean water restoration, regardless of funding source.

(b) The Report shall include:

(1) Documentation of progress or shortcomings in meeting established indicators for clean water restoration.

(2) A summary of additional funding sources pursued by the Board, including whether those funding sources were attained; if it was not attained, why it was not attained; and where the money was allocated from the Fund.

(3) A summary of water quality problems or concerns in each watershed basin of the State, a list of water quality projects identified as necessary in each basin of the State, and how identified projects have been prioritized for implementation. The water quality problems and projects identified under this subdivision shall include programs or projects identified across State government and shall not be limited to projects listed by the Agency of Natural Resources in its watershed projects database.

(4) A summary of any changes to applicable federal law or policy related to the State's water quality improvement efforts, including any changes to requirements to implement total maximum daily load plans in the State.

(5) A summary of available federal funding related to or for water quality improvement efforts in the State.

(6) Beginning January 2023, a summary of the administration of the grant programs established under sections 925–928 of this title, including whether these grant programs are adequately funding implementation of the Clean Water Initiative and whether the funding limits for the Water Quality Enhancement Grants under subdivision 1389(e)(1)(D) of this title should be amended to improve State implementation of the Clean Water Initiative.

(c) The Report may also provide an overview of additional funding necessary to meet objectives established for clean water restoration and recommendations for additional revenue to meet those restoration objectives. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report required by this section.

(d)(1) The Secretary of Administration shall develop and use a results-based accountability process in publishing the annual report required by subsection (a) of this section.

(2) The Secretary of Administration shall develop user-friendly issue briefs, tables, or executive summaries that make the information required under subdivision (b)(3) available to the public separately from the report required by this section.

(3) On or before September 1 of each year, the Secretary of Administration shall submit to the Joint Fiscal Committee an interim report regarding the information required under subdivision (b)(5) of this section relating to available federal funding.

Sec. 10a. REPORT OF SECRETARY OF ADMINISTRATION; WATER QUALITY PROJECTS ON FARMS

On or before January 15, 2020, the Secretary of Administration, as the chair of the Clean Water Board, shall, after consultation with the Secretary of Natural Resources and the Secretary of Agriculture, Food and Markets, submit to the House Committees on Natural Resources, Fish, and Wildlife and on Agriculture and Forestry and the Senate Committees on Natural Resources and Energy and on Agriculture a report regarding the administration and funding of water quality projects on farms as part of the Clean Water Initiative. The report shall include recommendations on:

(1) how farmers can maximize access to funding for water quality projects on farms, including funding available through grants authorized under 10 V.S.A chapter 37, subchapter 5;

(2) how the Agency of Agriculture, Food and Markets should be involved in water quality projects on farms, including how the Agency of Agriculture, Food and Markets would give approval of, be notified of, or participate in water quality projects on farms funded by a clean water service provided under 10 V.S.A. chapter 37, subchapter 5;

(3) how to minimize duplication of effort, administration, and oversight between the Agency of Agriculture, Food and Markets and clean water service providers regarding water quality projects on farms; and

(4) how to most efficiently and effectively fund water quality projects on farms, including how to ensure the continued functionality of projects after construction or implementation.

Sec. 11. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Cummings and Bray moved that the Senate concur in the House proposal of amendment with an amendment as follows:

First: In Sec. 1, 10 V.S.A. chapter 37, subchapter 5, in section 924, in subsection (f), by adding a new subdivision (1) to read as follows:

(1) include in grant agreements with the clean water service provider requirements, benchmarks, conditions, or penalty provisions to provide for ongoing accountability;

and by renumbering the remaining subdivisions of subsection (f) to be numerically correct

and in subsection (g), in subdivision (2)(E), after the words “two persons representing” by striking out the words “from each municipality” and inserting in lieu thereof municipalities

Second: In Sec. 3a (Clean Water Fund allocation), in 10 V.S.A. § 1388, in subdivision (a)(4) by striking out the word “four” and inserting in lieu thereof the word six

Third: By striking out Secs. 4a (Education Fund) and 4b (repeal) in their entireties and inserting in lieu thereof the following:

Sec. 4a. 32 V.S.A. § 435(b) is amended to read:

(b) The General Fund shall be composed of revenues from the following sources:

* * *

(7) ~~75~~ 69 percent of the meals and rooms taxes levied pursuant to chapter 225 of this title;

* * *

Sec. 4b. [Deleted.]

Fourth: By striking out Sec. 11 (effective dates) in its entirety and inserting in lieu thereof the following:

Sec. 11. EFFECTIVE DATES

This act shall take effect on July 1, 2019, except Secs. 3a (Clean Water Fund allocation) and 4a (General Fund allocation) shall take effect on October 1, 2019.

President Assumes the Chair

Which was agreed to.

Bill Passed in Concurrence

H. 547.

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

An act relating to approval of an amendment to the charter of the City of Montpelier.

Third Reading Ordered**H. 508.**

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

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

Reported that the bill ought to pass in concurrence.

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

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

House Proposal of Amendment Concurred In**S. 30.**

House proposal of amendment to Senate bill entitled:

An act relating to the regulation of hydrofluorocarbons.

Was taken up.

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

Sec. 1. 10 V.S.A. § 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.

(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) “Retrofit” has the same meaning as in section 152 of Subpart F of 40 C.F.R. Part 82, as that section existed as of January 3, 2017.

(5) “Substitute” means a chemical, product, 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) A person may not offer any product or equipment for sale, lease, or rent, or install or otherwise cause any equipment or product to enter into commerce in Vermont if that equipment or product consists of, uses, or will use a substitute, as set forth in Appendix U or V, Subpart G of 40 C.F.R. Part 82, as those read on January 3, 2017, for the applications or end uses restricted by Appendix U or V, as those read on January 3, 2017, and consistent with the dates established in subdivision (b)(4) of this section.

(2) Except where existing equipment is retrofit, nothing in this subsection requires a person that acquired a restricted product or equipment prior to an effective date of the restrictions in subdivision (b)(4) of this section to cease use of that product or equipment.

(3) Products or equipment manufactured prior to an applicable effective date of the restrictions in subdivision (b)(4) of this section may be sold, imported, exported, distributed, installed, and used after the specified effective date.

(4) The restrictions under subdivision (b)(1) of this section shall take effect beginning:

(A) January 1, 2021, for propellants, rigid polyurethane applications and spray foam, flexible polyurethane, integral skin polyurethane, flexible polyurethane foam, polystyrene extruded sheet, polyolefin, phenolic insulation board and bunstock, supermarket systems, remote condensing units, stand-alone units, and vending machines;

(B) January 1, 2021, for refrigerated food processing and dispensing equipment, compact residential consumer refrigeration products, and polystyrene extruded boardstock and billet, and rigid polyurethane low-pressure two component-spray foam;

(C) January 1, 2022, for residential consumer refrigeration products other than compact and built-in residential consumer refrigeration products;

(D) January 1, 2023, for cold storage warehouses and built-in residential consumer refrigeration products;

(E) January 1, 2024, for centrifugal chillers and positive displacement chillers; and

(F) January 1, 2020, or the effective date of the restrictions identified in appendix U or V, Subpart G of 40 C.F.R. Part 82, as those read on January 3, 2017, whichever comes later, for all other applications and end

uses for substitutes not covered by the categories listed in subdivisions (A) through (E) of this subsection (b).

(c) The Secretary may adopt rules that include any of the following:

(1) The modification of the date of a prohibition established pursuant to subsection (b) of this section if the Secretary determines that the modified deadline meets both of the following criteria:

(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.

(4) The creation of a list of exemptions from this section for medical uses of hydrofluorocarbons.

(d) If the U.S. Environmental Protection Agency approves a previously prohibited hydrofluorocarbon blend with a global warming potential of 750 or less for foam blowing of polystyrene extruded boardstock and billet and rigid polyurethane low-pressure two-component spray foam pursuant to the Significant New Alternatives Policy Program under section 7671(k) of the federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.), the Secretary shall expeditiously propose a rule to conform to the requirements established under this section with that federal action.

Sec. 2. ADOPTION OF RULES AND REPORTING

(a) On or before July 1, 2020, the Secretary of Natural Resources shall file with the Secretary of State proposed rules to 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 Natural Resources, Fish, and Wildlife on progress in filing proposed rules pursuant to subsection (a) of this section and any delays in such rulemaking.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

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

House Proposal of Amendment Concurred In

S. 105.

House proposal of amendment to Senate bill entitled:

An act relating to miscellaneous judiciary procedures.

Was taken up.

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

Sec. 1. 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 Attorney General and 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.

* * *

~~(e) Within 30 days of the two-year anniversary of a successful completion of juvenile diversion, the court shall order the sealing of all court files and records, law enforcement records other than entries in the juvenile court diversion project's centralized filing system, fingerprints, and photographs applicable to a juvenile court diversion proceeding unless, upon motion, the court finds:~~

~~(1) the participant has been convicted of a subsequent felony or misdemeanor during the two-year period, or proceedings are pending seeking such conviction; or~~

~~(2) rehabilitation of the participant has not been attained to the satisfaction of the court.~~

(1) Within 30 days after the two-year anniversary of a successful completion of juvenile diversion, the court shall provide notice to all parties of record of the court's intention to order the expungement of all court files and records, law enforcement records other than entries in the juvenile court diversion program's centralized filing system, fingerprints, and photographs applicable to the proceeding. The court shall give the State's Attorney an opportunity for a hearing to contest the expungement of the records. The court shall expunge the records if it finds:

(A) two years have elapsed since the successful completion of juvenile diversion by the participant and the dismissal of the case by the State's Attorney;

(B) the participant has not been convicted of a subsequent felony or misdemeanor during the two-year period, and no proceedings are pending seeking such conviction;

(C) rehabilitation of the participant has been attained to the satisfaction of the court; and

(D) the participant does not owe restitution related to the case under a contract executed with the Restitution Unit.

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

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

(B) The special index and related documents specified in subdivision (A) of this subdivision (3) shall be confidential and shall be physically and electronically segregated in a manner that ensures confidentiality and that limits access to authorized persons.

(C) Inspection of the expungement order and the certificate may be permitted only upon petition by the person who is the subject of the case. The Chief Superior Judge may permit special access to the index and the documents for research purposes pursuant to the rules for public access to court records.

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

(f) Upon the entry of an order sealing such files and records under this section, the proceedings in the matter under this section shall be considered never to have occurred, all index references thereto shall be deleted, and the participant, the court, and law enforcement officers and departments shall reply to any request for information that no record exists with respect to such participant inquiry in any matter. Copies of the order shall be sent to each agency or official named therein. Except as otherwise provided in this section, upon the entry of an order expunging files and records under this section, the proceedings in the matter shall be considered never to have occurred, all index references thereto shall be deleted, and the participant, the court, and law enforcement officers and departments shall reply to any request for information that no record exists with respect to such participant inquiry in any matter. Copies of the order shall be sent to each agency or official named therein.

(g) Inspection of the files and records included in the order may thereafter be permitted by the court only upon petition by the participant who is the subject of such records and only to those persons named therein. The process of automatically expunging records as provided in this section shall only apply to those persons who completed diversion on or after July 1, 2002. Any person who completed diversion prior to July 1, 2002 must apply to the court to have his or her records expunged. Expungement shall occur if the requirements of subsection (e) of this section are met.

* * *

(j) Notwithstanding subdivision (c)(1) of this section, the diversion program may accept cases pursuant to 33 V.S.A. §§ 5225–5280.

Sec. 2. 3 V.S.A. § 164 is amended to read:

§ 164. ADULT COURT DIVERSION PROGRAM

* * *

(d) The Office of the Attorney General shall develop program outcomes following the designated State of Vermont performance accountability framework and, in consultation with the Department of State's Attorneys and Sheriffs, the Office of the Defender General, the Center for Crime Victim Services, and the Judiciary, report annually on or before December 1 to the General Assembly on services provided and outcome indicators. As a component of the report required by this subsection, the Attorney General shall include data on diversion program referrals in each county and possible causes of any geographical disparities.

(e) All adult court diversion programs receiving financial assistance from the Attorney General shall adhere to the following provisions:

(1) The diversion program shall accept only persons against whom charges have been filed and the court has found probable cause, but are not yet adjudicated. The prosecuting attorney may refer a person to diversion either before or after arraignment and shall notify in writing the diversion program and the court of his or her intention to refer the person to diversion. The matter shall become confidential when notice is provided to the court, except that for persons who are subject to conditions of release imposed pursuant to 13 V.S.A. § 7554 and who are referred to diversion pursuant to subdivision (b)(2) of this section, 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. [Deleted.]

Sec. 4. 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:

I declare that the above statement is true and accurate to the best of my knowledge and belief. I understand that if the above statement is false, I will be subject to the penalty of perjury.

(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. 5. 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. 6. 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. 7. 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 ~~premise~~ premises 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. 8. 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. 9. 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. 10. 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 808c~~ 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. § 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 (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. 11. 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. 12. 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. 13. 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~~ or fined not more than \$10,000.00, or both.

Sec. 14. 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. 15. 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. 16. 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.

Sec. 17. 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~~ Department of Public Safety 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. 18. 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. 19. 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. 20. 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, however, that 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. 21. 18 V.S.A. § 8840 is amended to read:

§ 8840. JURISDICTION AND VENUE

Proceedings brought under this subchapter for commitment to the Commissioner for custody, care, and habilitation shall be commenced by petition in the Criminal Family Division of the Superior Court for the unit in which the respondent resides.

Sec. 22. 24 V.S.A. § 1981 is amended to read:

§ 1981. ENFORCEMENT OF ORDER FROM JUDICIAL BUREAU

(a) Upon the filing of the complaint and entry of a judgment after hearing or entry of default by the hearing officer, subject to any appeal pursuant to 4 V.S.A. § 1107, the person found in violation shall have up to 30 days to pay the penalty to the Judicial Bureau. Upon the expiration of the period to pay the penalty, the person found in violation shall be assessed a surcharge of \$10.00 for the benefit of the municipality. All the civil remedies for collection of judgments shall be available to enforce the final judgment of the Judicial Bureau.

* * *

Sec. 23. 33 V.S.A. § 5204a is amended to read:

§ 5204A. JURISDICTION OVER ADULT DEFENDANT FOR CRIME
COMMITTED WHEN DEFENDANT WAS UNDER AGE 18

(a) A proceeding may be commenced in the Family Division against a defendant who has attained ~~the age of 18 years of age~~ if:

(1) the petition alleges that the defendant;

(A) before attaining the age of 18 years of age, violated a crime listed in subsection 5204(a) of this title; or

(B) after attaining 14 years of age but before attaining 18 years of age, committed an offense listed in 13 V.S.A. § 5301(7) but not listed in subsection 5204(a) of this title;

(2) a juvenile petition was never filed based upon the alleged conduct; and

(3) the statute of limitations has not tolled on the crime which the defendant is alleged to have committed.

(b)(1) The Family Division shall, except as provided in subdivision (2) of this subsection, transfer a petition filed pursuant to ~~subsection (a) subdivision (a)(1)(A)~~ of this section to the Criminal Division if the Family Division finds that:

(A) there is probable cause to believe that while the defendant was less than 18 years of age he or she committed an act listed in subsection 5204(a) of this title;

(B) there was good cause for not filing a delinquency petition in the Family Division when the defendant was less than 18 years of age;

(C) there has not been an unreasonable delay in filing the petition; and

(D) transfer would be in the interest of justice and public safety.

(2)(A) ~~The~~ If a petition has been filed pursuant to subdivision (a)(1)(A) of this section, the Family Division may order that the defendant be treated as a youthful offender consistent with the applicable provisions of ~~subchapter 5 of chapter 52~~ 52A of this title if the defendant is under 23 years of age and the Family Division:

(i) makes the findings required by subdivisions (1)(A), (B), and (C) of this subsection;

(ii) finds that the youth is amenable to treatment or rehabilitation as a youthful offender; and

(iii) finds that there are sufficient services in the Family Division system and the Department for Children and Families or the Department of Corrections to meet the youth's treatment and rehabilitation needs.

(B) If the Family Division orders that the defendant be treated as a youthful offender, the ~~Court~~ court shall approve a disposition case plan and impose conditions of probation on the defendant.

(C) If the Family Division finds after hearing that the defendant has violated the terms of his or her probation, the Family Division may:

(i) maintain the defendant's status as a youthful offender, with modified conditions of probation if the ~~Court~~ court deems it appropriate; or

(ii) revoke the defendant's youthful offender status and transfer the petition to the Criminal Division pursuant to subdivision (1) of this subsection.

(3) The Family Division shall in all respects treat a petition filed pursuant to subdivision (a)(1)(B) of this section in the same manner as a petition filed pursuant to section 5201 of this title, except that the Family Division's jurisdiction shall end on or before the defendant's 22nd birthday, if the Family Division:

(A) finds that there is probable cause to believe that, after attaining 14 years of age but before attaining 18 years of age, the defendant committed an offense listed in 13 V.S.A. § 5301(7) but not listed in subsection 5204(a) of this title; and

(B) makes the findings required by subdivisions (b)(1)(B) and (C) of this section.

(4) In making the determination required by subdivision (1)(D) of this subsection, the ~~Court~~ court may consider, among other matters:

(A) the maturity of the defendant as determined by consideration of his or her age; home; environment; emotional, psychological, and physical maturity; and relationship with and adjustment to school and the community;

(B) the extent and nature of the defendant's prior criminal record and record of delinquency;

(C) the nature of past treatment efforts and the nature of the defendant's response to them;

(D) whether the alleged offense was committed in an aggressive, violent, premeditated, or willful manner;

(E) the nature of any personal injuries resulting from or intended to be caused by the alleged act;

(F) whether the protection of the community would be best served by transferring jurisdiction from the Family Division to the Criminal Division of the Superior Court.

(c) If the Family Division does not transfer ~~the case~~ a petition filed pursuant to subdivision (a)(1)(A) of this section to the Criminal Division or

order that the defendant be treated as a youthful offender pursuant to subsection (b) of this section, the petition shall be dismissed.

Sec. 24. TASK FORCE ON CAMPUS SEXUAL HARM; REPORT

(a) Creation. There is created the Task Force on Campus Sexual Harm to examine issues relating to responses to sexual harm, dating and intimate partner violence, and stalking on campuses of postsecondary educational institutions in Vermont.

(b) Membership. The Task Force shall be composed of the following 19 members:

(1) one current member of the House of Representatives, appointed by the Speaker of the House;

(2) one current member of the Senate, appointed by the Committee on Committees;

(3) two survivors of campus sexual assault, domestic violence, or stalking incidents, appointed by Vermont Center for Crime Victim Services;

(4) the Executive Director of the Vermont Network Against Domestic and Sexual Violence or designee;

(5) one representative of a community-based sexual violence advocacy organization, appointed by the Vermont Network Against Domestic and Sexual Violence;

(6) three Title IX Coordinators, one employed and appointed by the University of Vermont, one employed and appointed by the Vermont State Colleges, and one employed by a Vermont independent postsecondary educational institution, appointed by the President of the Association of Vermont Independent Colleges;

(7) one campus health and wellness educator or sexual violence prevention educator working in a Vermont postsecondary educational institution, appointed by the Higher Education Subcommittee of the Prekindergarten–16 Council;

(8) one victim advocate working in a Vermont postsecondary educational institution, appointed by the Higher Education Subcommittee of the PreK–16 Council;

(9) two students who are members of campus groups representing traditionally marginalized communities, appointed by the Higher Education Subcommittee of the Prekindergarten–16 Council;

(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;

(13) one representative appointed by the Vermont Department of State's Attorneys and Sheriffs;

(14) one representative appointed by the Vermont Bar Association, with expertise in working with postsecondary educational institutions on the investigation and adjudication of sexual harassment and sexual assault allegations; and

(15) the Executive Director of the Vermont Human Rights Commission or designee.

(c) Powers and duties. The Task Force shall study the following:

(1) The pathways for survivors of sexual harm in postsecondary educational institutional settings to seek healing and justice and recommendations to increase or enhance those pathways.

(2) Issues with Vermont's campus adjudication processes as identified by survivors of sexual harm, dating and intimate partner violence, or stalking in postsecondary educational institutional settings, including the interface between campus adjudication processes and law enforcement.

(3) Issues relating to transparency, safety, affordability, accountability of outcomes, and due process in campus conduct adjudication processes for sexual harm, dating and intimate partner violence, or stalking, including:

(A) current and best practices relating to outcomes conveyed through a student's transcript record;

(B) the effectiveness of acts passed in New York in 2015 to address campus sexual assault and in Virginia in 2015 to include a notation "on the transcript of each student who has been suspended for, has been permanently dismissed for, or withdraws from the institution while under investigation for an offense involving sexual violence under the institution's code, rules, or set of standards governing student conduct";

(C) the effectiveness of requiring that student transcript records note expulsions or suspensions in order to trigger follow-up conversations between the transferring and receiving schools; and

(D) consideration of concerns raised by the Association of Title IX Administrators with regard to transcript notation, in support of proposed federal legislation known as the Safe Transfer Act (H.R.6523, 114th Congress).

(4) How to improve survivor safety in campus adjudication processes.

(5) Any State policy changes that should be made in response to Title IX changes at the federal level.

(6) How to enhance ties between postsecondary educational institutions and community organizations that focus on domestic and sexual violence.

(d) Assistance. For purposes of scheduling meetings and preparing recommended legislation, the Task Force shall have the assistance of the Office of Legislative Council.

(e) Report. On or before March 15, 2020, the Task Force shall submit a written report to the House and Senate Committees on Education and on Judiciary with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Executive Director of the Vermont Network Against Domestic and Sexual Violence or designee shall call the first meeting of the Task Force to occur on or before July 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 Task Force shall cease to exist on March 16, 2020.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Task Force serving in his or her capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than six meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Task Force who are not otherwise compensated for their service on the Task Force 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. These payments shall be made from monies appropriated to the General Assembly.

Sec. 25. REPEAL; EXTENSION

Sec. 2 of 2016 Acts and Resolves No. 167, as amended by Sec. E.204 of 2017 Acts and Resolves No. 185, is amended to read:

Sec. 2. REPEAL

4 V.S.A. § 38 (Judicial Masters) shall be repealed on July 1, ~~2020~~ 2025.

Sec. 26. EFFECTIVE DATES

This act shall take effect on passage, except that Secs. 9 and 10 shall take effect on July 1, 2019.

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

House Proposal of Amendment Concurred In

S. 31.

House proposal of amendment to Senate bill entitled:

An act relating to informed health care financial decision making.

Was taken up.

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

First: In Sec. 5, Vermont Health Information Exchange; opt-out consent policy; implementation, in subsection (a), by striking out subdivision (3) in its entirety and inserting in lieu thereof a new subdivision (3) to read as follows:

(3) identify the mechanisms by which Vermonters will be able to easily opt out of having their health information shared through the VHIE and a timeline identifying when each mechanism will be available, which shall begin at least one month prior to the March 1, 2020 change to the consent policy;

Second: In Sec. 6, effective dates, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) Sec. 4 (18 V.S.A. § 9351) shall take effect on March 1, 2020.

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

House Proposal of Amendment Concurred In

S. 37.

House proposal of amendment to Senate bill entitled:

An act relating to medical monitoring.

Was taken up.

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

* * * Medical Monitoring * * *

Sec. 1. 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 to 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, or absorption through any body surface.

(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 an activity within a Standard Industrial Classification code of 10 through 14, 20 through 39, 40 through 42, 44 through 46, or 49 is conducted or was conducted; and

(B)(i) where 10 or more full-time employees have been employed at any one time; or

(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 tests or procedures for the purpose of early detection of signs or symptoms of a latent disease resulting from exposure.

(7) “Operator” means a person who manages, conducts, or directs the operations of a facility.

(8) “Owner” means a person who owns or controls a facility. “Owner” shall not mean a person who without participating in the management of the facility holds indicia of ownership primarily to protect a security interest.

(9) “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.

(10) “Release” means any act or omission that allows a toxic substance to enter the air, land, surface water, or groundwater.

(11) “Tortious conduct” or “tortious” means negligence, trespass, nuisance, product liability, or common law liability for ultra-hazardous or abnormally dangerous activity.

(12)(A) “Toxic substance” means any substance, mixture, or compound that may cause personal injury or disease 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;

(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 is shown by expert testimony to increase the risk of developing a latent disease.

(B) “Toxic substance” shall not mean:

(i) a pesticide when applied consistent with good practice; in conformity with federal, State, and local laws, rules, and regulations; and according to the manufacturer's instructions; or

(ii) ammunition or components thereof, firearms, air rifles, discharge of firearms or air rifles, or hunting or fishing equipment or components thereof.

§ 7202. MEDICAL MONITORING FOR EXPOSURE TO TOXIC SUBSTANCES

(a) A person without a present injury or disease shall have a cause of action for the remedy of medical monitoring against a person who is the owner or operator of a large facility from which a toxic substance was released if all of the following are demonstrated by a preponderance of the evidence:

(1) The person was exposed to the toxic substance as a result of tortious conduct by the owner or operator, or persons under the control of the owner or operator, who released the toxic substance.

(2) As a proximate result of the tortious exposure, the person has a greater risk of contracting a latent disease.

(3) Diagnostic testing is reasonably necessary. Testing is reasonably necessary if, shown by expert testimony, a physician would prescribe diagnostic testing because the person's increased risk of contracting the disease due to the exposure makes it reasonably necessary to undergo diagnostic testing different from what would normally be prescribed in the absence of the exposure.

(4) Medical tests or procedures exist to detect the latent disease.

(b) If the cost of medical monitoring is awarded, a court shall order the defendant found liable to pay the award to a court-supervised medical monitoring program administered by one or more appropriate health professionals, including professionals with expertise in exposure to toxic substances or expertise with treating or monitoring the relevant latent disease or diseases.

(c) Upon an award of medical monitoring under subsection (b) of this section, the court shall award to the plaintiff reasonable attorney's fees and other litigation costs reasonably incurred.

(d)(1) This chapter shall be the exclusive remedy for a person without a present injury to bring a cause of action to seek medical monitoring due to exposure to toxic substance.

(2) Except as provided under subdivision (1) of this subsection, nothing in this chapter shall be deemed to preclude the pursuit of any other civil or injunctive remedy or defense available under statute or common law, including the right of any person to seek to recover for damages related to the manifestation of a latent disease. The remedies and defenses in this chapter are in addition to those provided by existing statutory or common law.

(e) This section shall not increase the rights and remedies available under 21 V.S.A. chapter 9 to an employee who suffers a personal injury by accident arising out of and in the course of employment, provided that 21 V.S.A. chapter 9 shall not limit the right of a person who has not suffered a personal injury by accident arising out of and in the course of employment to bring a cause of action for medical monitoring.

Sec. 2. [Deleted.]

* * * Hazardous Material Releases * * *

Sec. 3. 10 V.S.A. § 6615 is amended to read:

§ 6615. LIABILITY

(a) Subject only to the defenses set forth in subsections (d) and (e) of this section, the following persons shall be liable for abating a release or threatened release of hazardous material and the costs of investigation, removal, and remedial actions incurred by the State that are necessary to protect the public health or the environment:

(1) the owner or operator of a facility, or both;

(2) any person who at the time of release or threatened release of any hazardous material owned or operated any facility at which such hazardous materials were disposed of;

(3) any person who by contract, agreement, or otherwise arranged for disposal or treatment, or arranged with a transporter for transport for disposal or treatment, of hazardous materials owned or possessed by such person, by any other person or entity, at any facility owned or operated by another person or entity and containing such hazardous materials; ~~and~~

(4) any person who accepts or accepted any hazardous materials for transport to disposal or treatment facilities selected by such persons, from which there is a release, or a threatened release of hazardous materials ~~shall be liable for;~~ ~~and~~

~~(A) abating such release or threatened release; and~~

~~(B) costs of investigation, removal, and remedial actions incurred by the State which are necessary to protect the public health or the environment.~~

(5) any person who manufactured for commercial sale a hazardous material and who knew or should have known that the material presented a threat of harm to human health or the natural environment.

* * *

(d)(1) There shall be no liability under this section for a person otherwise liable who can establish by a preponderance of the evidence that the release or threat of release of hazardous material and the resulting damages were caused solely by any of the following:

(A) An act of God.

(B) An act of war.

(C) An act or omission of a third party other than an employee or agent of the defendant, or other than one whose act or omission occurs in connection with a contractual relationship, existing directly or indirectly, with the defendant. If the sole contractual arrangement arises from a published tariff and acceptance for carriage by a common carrier by rail, for purposes of this section, there shall be considered to be no contractual relationship at all. This subdivision (d)(1)(C) shall only serve as a defense if the defendant establishes by a preponderance of the evidence:

(i) that the defendant exercised due care with respect to the hazardous material concerned, taking into consideration the characteristics of that hazardous material, in light of all relevant facts and circumstances; and

(ii) that the defendant took precautions against foreseeable acts or omissions of any such third party and the consequences that could foreseeably result from those acts or omissions.

(D) Any combination of subdivisions (A)-(C) of this subdivision (1).

* * *

(5) A person shall not be liable under subdivision (a)(5) of this section provided that the person demonstrates that he or she provided an adequate warning of the harm posed by the hazardous material known or which should have been known at the time the hazardous material was manufactured.

* * *

(i) In an action brought by the Secretary under this section, a responsible person may implead, or in a separate action a responsible person may sue, another responsible person or persons and may obtain contribution or indemnification, except that a person who is solely liable pursuant to subdivision (a)(5) of this section shall not be able to implead or to sue a person pursuant to this subsection. A responsible person who has resolved its liability

to the State under this section through a judicially approved settlement and a secured lender or fiduciary with whom the Secretary has entered into an agreement under subsection (h) of this section shall not be liable for claims for contribution or indemnification regarding matters addressed in the judicially approved settlement or in the agreement. Likewise, a person who has obtained a certificate of completion pursuant to subchapter 3 of this chapter shall not be liable for claims for contribution or indemnification regarding releases or threatened releases described in the approved corrective action plan, as amended. Such a settlement or agreement or certificate of completion does not discharge any other potentially responsible person unless its terms so provide, but it reduces the potential liability of other potentially responsible persons by the relief agreed upon. A secured lender or fiduciary with whom the Secretary has entered into an agreement under subsection (h) of this section may not seek contribution or indemnification on the basis of such agreement from any other potentially responsible person. In any action for contribution or indemnification, the rights of any person who has resolved its liability to the State shall be subordinate to the rights of the State.

Sec. 4. APPLICATION OF LIABILITY

Notwithstanding any contrary provision of 1 V.S.A. § 214, the amendment contained in 10 V.S.A. § 6615(a)(5) shall apply to any relevant release of a hazardous material regardless of the date of the relevant release, including releases that occurred prior to the effective date of 10 V.S.A. § 6615(a)(5).

* * * Effective Date * * *

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative on a roll call, Yeas 19, Nays 11.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Bray, Champion, Clarkson, Cummings, Hardy, Hooker, Ingram, Lyons, MacDonald, McCormack, Pearson, Perchlik, Pollina, Sears, Sirotkin, White.

Those Senators who voted in the negative were: Benning, Brock, Collamore, Kitchel, Mazza, McNeil, Nitka, Parent, Rodgers, Starr, Westman.

****During debate of the measure, Senator Sears addressed the Chair and on motion of Senator Campion, his remarks were ordered enter in the Journal, and are as follows:

“Mr. President:

“S.37 as passed by the Senate contained two important sections. The first section held a large facility strictly liable for the harm caused from the release of toxic chemicals. The second section allowed a Vermonter to seek the costs of medical monitoring when there is an increased risk of contracting a disease as a result of exposure to a toxic chemical.

”Both of these provisions were designed to create fairness for Vermonters harmed by toxic chemicals through no fault of their own. At its core, S.37 recognized that when toxic chemicals cause harm to peoples’ health or property someone must pay. The bill, as passed by the Senate ensures that polluters, and not innocent victims, are held responsible for the costs associated with the release of toxic chemicals.

“Unfortunately the version of S.37 that passed the House removed the strict liability section from the bill. I, and others, are extremely disappointed that S.37 no longer includes the strict liability provisions that we passed. I view the removal of the strict liability section as a major concession to polluter. I believe holding polluters strict liable for the harm they caused is the right thing to do and a policy I hope is ultimately adopted in Vermont.

”I am grateful that the House was able to defeat an amendment that would have weakened the medical monitoring section of the bill to the point that it would have protected industry rather than helping Vermonters. The amendment would have added the words significant and serious to test that a person must prove to be awarded medical monitoring. Under the amendment, a person would have been required to show they have a "significant" risk of developing a "serious" disease in order to obtain medical monitoring.

“If added, these terms would have created real obstacles in litigation. For example, adding the term significant would allow a polluter to argue that medical monitoring should not be awarded unless the victim can quantify the risk. Because it is virtually impossible to quantify the risk, a polluter would have been able to use the term “significant” to delay and in some instances deny victims medical monitoring.

“Similarly, there is no definition of "serious." Accordingly, it would have created confusion and an opportunity to drag out litigation if this term was included in the bill.

“The idea in crafting S.37 is to create a fair medical monitoring test for Vermonters that avoids terms like “significant” and “serious” that can just be

used by polluters to avoid responsibility. I believe that the House version of the bill meets this goal.

“It is important to note that the medical monitoring section passed by the House is more restrictive than the bill passed by the Senate. The House has limited the applicability of the medical monitoring provision to facilities with ten or more full time employees AND under certain federally designated industrial codes. Our version of the bill would have applied medical monitoring to any facility with ten or more employees. This is a significant narrowing of this section of the bill that further address industry concerns.

“Finally, the House also added a provision that will allow the State of Vermont to sue chemical manufacturers for the cost of clean-up resulting from the release of a chemical they produced when the manufacturer failed to issue a proper warning about the risks associated with that chemical. I support this provision that will add another tool that the state can use to hold polluters accountable. Despite the fact that the bill is not as strong as it was when it passed the Senate, it will still help Vermonters and should be supported and Senate Judiciary urges the Senate to concur with the House proposal of amendment.”

**Report of Committee of Conference Accepted and Adopted on the Part of
the Senate**

S. 95.

Senator MacDonald, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate bill entitled:

An act relating to municipal utility capital investment.

Respectfully report that they have met and considered the same and recommend that the House recede from its proposals of amendment and 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 .

If opposed to the bond issue, make a cross (x) in this square .

(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 the Vermont Public Power Supply Authority or to a public utility which that 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. 30 V.S.A. § 8002 is amended to read:

§ 8002. DEFINITIONS

As used in this chapter:

* * *

(10) “Group net metering system” means a net metering system serving more than one customer, or a single customer with multiple electric meters, located within the service area of the same retail electricity provider. Various buildings owned by municipalities, including water and wastewater districts, fire districts, villages, school districts, and towns, may constitute a group net metering system. A union or district school facility ~~shall~~ may be considered in the same group net metering system with buildings of its member ~~municipalities~~ schools that are located within the service area of the same retail electricity provider ~~that serves the facility~~.

* * *

Sec. 5. 30 V.S.A. § 8010 is amended to read:

§ 8010. SELF-GENERATION AND NET METERING

* * *

(f) Except for net metering systems for which the Commission has established a registration process, the Commission shall issue a final determination as to an uncontested application within 90 days of the date of the last substantive filing by a party.

Sec. 6. NET METERING; CUMULATIVE CUSTOMER CAPACITY;
SCHOOLS AND SCHOOL DISTRICTS

(a) Legislative intent. Public Utility Commission Rule 5.129(D) establishes a 500 kW single customer limit and states that the cumulative capacity of net metering systems allocated to a single customer may not exceed 500 kW. It is the intent of the General Assembly that schools and school districts shall not be included in this 500 kW customer limit or cap. Specifically, it is the intent of the General Assembly that:

(1) Customers that are a school or school district shall have a cumulative capacity limit of 1 MW. This means that a school or school district may have multiple accounts as long as the allocated share of those multiple accounts does not exceed 1 MW in total.

(2) School districts that have been or may be created as a result of consolidation should not be penalized by the fact that the consolidation resulted in a cumulative capacity that exceeds the 1 MW limit. As a result,

customers that are school districts that have been or may be created as a result of school district consolidation or merger shall have a cumulative capacity of the larger of 1 MW, or the cumulative capacity of the net metering systems the schools or school districts were participating in, or had agreed to participate in, prior to the consolidation that created the new district.

(b) Cumulative capacity of school net metering systems. Notwithstanding any provision of law to the contrary, the cumulative capacity of net metering systems allocated to a single customer:

(1) That is a public school, as defined in 16 V.S.A. § 11(7); an independent school, as defined in 16 V.S.A. § 11(8); a supervisory union, as defined in 16 V.S.A. § 11(23); or a school district, as defined in 16 V.S.A. § 11(10) shall not exceed 1 MW.

(2) That is a school district, as defined in 16 V.S.A. § 11(10), or a supervisory union, as defined in 16 V.S.A. § 11(23), created as a result of school district consolidation under 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and Resolves No. 46, each as amended, shall not exceed the greater of:

(A) the cumulative capacity of the net metering systems that the school districts were participating in, or had agreed to participate in, prior to consolidation; or

(B) 1 MW.

(c) Public Utility Commission rules. The Public Utility Commission shall amend Rule 5.129(D), or adopt a new rule, as necessary to implement this section. The amended, or new, rule shall clearly state that the 500 kW customer limit is no longer applicable to schools and school districts, that customers that are schools or school districts shall have a customer limit of 1 MW, unless, pursuant to subsection (b)(2)(A) of this section, the customer limit is greater than 1 MW.

Sec. 7. PUBLIC UTILITY COMMISSION; RULES

(a) The Public Utility Commission shall update its applicable rules for consistency with this act.

(b) The provisions of this act shall supersede any provisions to the contrary contained in the Public Utility Commission's rules as they existed immediately prior to the effective date of this act.

Sec. 8. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

MARK A. MACDONALD
CHRISTOPHER A. PEARSON
REBECCA A. BALINT

Committee on the part of the Senate

LAURA H. SIBILIA
TIMOTHY C. BRIGLIN
MICHAEL I. YANTACHKA

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Rules Suspended; Bills Messaged

On motion of Senator Ashe, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 30, S. 31, S. 37, S. 95, S. 96, S. 105, H. 547.

Adjournment

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

Afternoon

The Senate was called to order by the President.

House Proposals of Amendment to Senate Proposal of Amendment Concurred In

H. 543.

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

An act relating to capital construction and State bonding.

Were taken up.

The House proposes to the Senate to amend the Senate proposal of amendment as follows:

First: In Sec. 1, legislative intent, in subsection (a), by striking out the following: “\$62,125,628.00” and inserting in lieu thereof the following \$62,488,128.00

Second: In Sec. 2, State buildings, in subdivision (b)(4), by striking out the following: “\$500,000.00” and inserting in lieu thereof the following: \$700,000.00 in subdivision (c)(3), by striking out the following

“\$7,328,313.00” and inserting in lieu thereof the following: \$6,790,813.00 and by striking out all after subsection (c) and inserting in lieu thereof the following:

(d) For the amount appropriated in subdivision (b)(4) of this section, the Commissioner of Buildings and General Services is authorized to use up to \$200,000.00 to assess relative costs and resource requirements for potential construction of a correctional facility that ranges in scale in order to accommodate the results of the Council of State Governments’ study described in Sec. 28 of this act; provided, however, that the funds shall only become available after approval by the Joint Fiscal Committee and the Joint Legislative Justice Oversight Committee. On or before March 15, 2020, the Commissioner shall submit a copy of the assessment to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

<u>Appropriation – FY 2020</u>	<u>\$20,323,423.00</u>
<u>Appropriation – FY 2021</u>	<u>\$21,325,813.00</u>
<u>Total Appropriation – Section 2</u>	<u>\$41,649,236.00</u>

Third: In Sec. 5, commerce and community development, in subdivision (a)(2), by striking out the following: “\$50,000.00” and inserting in lieu thereof the following: \$37,500.00 and by striking out all after subsection (d) and inserting in lieu thereof the following:

(e) The funds shall become available after the Agency notifies the Department that the remaining funds to complete the project have been secured.

<u>Appropriation – FY 2020</u>	<u>\$487,500.00</u>
<u>Appropriation – FY 2021</u>	<u>\$300,000.00</u>
<u>Total Appropriation – Section 5</u>	<u>\$787,500.00</u>

Fourth: In Sec. 11, clean water initiatives, in subdivision (f)(1), by striking out the following: “10 V.S.A. § 1389(a)(B)(ii)” and inserting in lieu thereof the following: 10 V.S.A. § 1389(a)(1)(B)(ii)

Fifth: By striking out Sec. 17, Sergeant at Arms, in its entirety and inserting in lieu thereof the following:

Sec. 17. SERGEANT AT ARMS

(a) The following sums are appropriated in FY 2020 to the Sergeant at Arms for the following projects:

<u>(1) stand-alone digital public address system:</u>	<u>\$175,000.00</u>
<u>(2) chairs for Committee rooms:</u>	<u>\$30,000.00</u>

(b) The sum of \$175,000.00 is appropriated in FY 2021 to the Sergeant at Arms for a stand-alone digital public address system.

(c) The Sergeant at Arms shall issue a request for proposal for the project described in subdivisions (a)(1) and subsection (b) of this section.

<u>Appropriation – FY 2020</u>	<u>\$205,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$175,000.00</u>
<u>Total Appropriation – Section 17</u>	<u>\$380,000.00</u>

Sixth: In Sec. 27, State House space; short-term; assessment, in subsection (a), after the word “needs” by inserting the words in the State House

Seventh: By striking out Sec. 28, Council on State Governments; corrections; study, and inserting in lieu thereof the following:

Sec. 28. COUNCIL OF STATE GOVERNMENTS; CORRECTIONS;
STUDY

(a) Intent. It is the intent of the General Assembly to work with the Council of State Governments (CSG) to assess the population trends and programming in the State’s corrections system and that the State consider criminal justice reform strategies as part of the Justice Reinvestment II initiative. It is also the intent of the General Assembly that this assessment and initiative shall inform infrastructure needs for State correctional facilities.

(b) Study. The Legislative Branch shall contract with the Council of State Governments to work with the Executive, Legislative, and Judicial Branches and conduct a review of programming, transitional services, and population trends in Vermont’s correctional facilities. The review may include an evaluation of the women’s population in Vermont and the programming and services needed to meet their needs, the detention population, and barriers that exist to reducing the population.

Eighth: By striking out Sec. 29a, Woodside Juvenile Rehabilitation Center; report, in its entirety.

Ninth: By striking out Sec. 30, replacement of Middlesex secure residential recovery facility; intent, in its entirety and inserting in lieu thereof the following:

Sec. 30. REPLACEMENT OF MIDDLESEX SECURE RESIDENTIAL
RECOVERY FACILITY

(a) Intent. To the extent that the Department of Disabilities, Aging, and Independent Living amends its rules pertaining to therapeutic community residences to allow secure residential recovery facilities to utilize emergency

involuntary procedures and that these rules are identical to the rules adopted by the Department of Mental Health governing the use of emergency involuntary procedures in psychiatric inpatient units, it is the intent of the General Assembly that the State shall replace the Middlesex Secure Residential Recovery Facility by:

(1) constructing a physically secure State-owned secure residential recovery facility for up to an additional 16 beds that meets the security standards currently used at the Middlesex Secure Residential Recovery Facility; and

(2) exploring the placement of interim secure residential recovery beds or permanent beds that could be flexible to meet other potential therapeutic community residential uses as determined by the Department of Mental Health.

(b) State-owned Secure Residential Recovery Facility Proposal.

(1) On or before October 15, 2019, the Secretary of Human Services and the Commissioner of Buildings and General Services shall develop a proposal that expedites the closure of the Middlesex Secure Residential Recovery Facility and provides for construction of a 16-bed State-owned secure residential recovery facility described in subsection (a) of this section and shall present this proposal to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(2) With approval of the Speaker of the House and the President Pro Tempore, as appropriate, the House Committee on Corrections and Institutions and the Senate Committee on Institutions may meet up to one time when the General Assembly is not in session to evaluate the proposal described in subdivision (1) of this subsection and make a recommendation on the site location to the Joint Fiscal Committee. The Committees shall notify the Commissioner of Buildings and General Services and the Secretary of Human Services prior to holding a meeting pursuant to this subsection. Committee members shall be entitled to receive a per diem and expenses as provided in 2 V.S.A. § 406.

(3) The Joint Fiscal Committee shall review the recommendation of the Committees described in subdivision (2) of this section at its September or November 2019 meeting. If the Joint Fiscal Committee so determines, it shall approve the proposal as recommended by the Committees.

(c) Interim Secure Residential Recovery Beds.

(1) Interim bed negotiations. On or before the August 15, 2019, the Commissioner of Mental Health shall conduct an analysis of mental health bed needs in residential programs at secure residential recovery facilities

across the State. Based on this analysis, the Secretary of Human Services may commence negotiations for placement of eight interim beds in a secure residential recovery facility or permanent beds that could be flexible to meet other potential therapeutic community residential uses with a target a completion date for negotiations of December 1, 2019. The Secretary shall not execute an agreement without legislative approval.

(2) Report. On or before December 15, 2019, the Agency shall submit a report to the House Committees on Appropriations, on Corrections and Institutions, and on Health Care and to the Senate Committees on Appropriations, on Institutions, and on Health and Welfare on the status of negotiations based on the Department of Mental Health's analysis of bed needs. To the extent the Agency determines it is an appropriate location for an alternative to the Middlesex Secure Residential Recovery Facility, the report shall include an analysis of operating secure residential recovery beds at Rutland Regional Medical Center and Rutland Mental Health Services.

Tenth: In Sec. 33, amending 2018 Acts and Resolves No. 190, Sec. 21, in Sec. 33a, in subsection (b), in the second sentence, by striking out the words "a State correctional facility" and inserting in lieu thereof the words the Department of Corrections

Eleventh: In Sec. 38, amending 2017 Acts and Resolves No. 84, as amended by 2018 Acts and Resolves No. 190, Sec. 26, in Sec. 36b, by striking out the following: "June 30, 2020" and inserting in lieu thereof the following: January 1, 2020

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

Proposal of Amendment; Consideration Interrupted by Recess

H. 351.

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

An act relating to workers' compensation, unemployment insurance, and ski tramway amendments.

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

By striking out Secs. 1 through 6 and their reader assistance headings in their entireties and inserting in lieu thereof new Secs. 1 through 6 and their reader assistance heading to read as follows:

* * * Deleted Sections * * *

Sec. 1. [Deleted.]

Sec. 2. [Deleted.]

Sec. 3. [Deleted.]

Sec. 4. [Deleted.]

Sec. 5. [Deleted.]

Sec. 6. [Deleted.]

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 Economic Development, Housing and General Affairs with the following amendment thereto:

In Sec. 8, 21 V.S.A. § 707, by striking out “ski lift mechanic education, job training, and apprenticeship programs” and inserting in lieu thereof the following: mechanic education, job training, and apprenticeship programs, related to the maintenance and operation of ski lifts

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

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the recommendation of proposal of amendment of the Committee on Economic Development, Housing and General Affairs be amended as recommended by the Committee on Appropriations?, Senator McCormack requested and was granted leave to withdraw the recommendation of amendment of the Committee on Appropriations.

Thereupon, pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Economic Development, Housing and General Affairs?, Senators Sirotkin, Balint, Clarkson and Hooker moved to substitute a proposal of amendment for the report of the Committee on Economic, Development Housing and General Affairs as follows:

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

Sec. 1. 21 V.S.A. § 384(a) is amended to read:

~~(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 \$12.50, 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.

Sec. 2. 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 increasing the minimum wage to \$12.50 per hour.

Thereupon, pending the question, Shall the recommendation of proposal of amendment of the Committee on Economic Development, Housing and General Affairs be substituted as moved by Senators Sirotkin, Balint, Clarkson and Hooker? Senator Sirotkin moved that the Senate recess until three o'clock and thirty minutes.

Which was agreed to.

Called to Order

The Senate was called to order by the President.

Consideration Resumed; Bill Amended; Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence with Proposal of Amendment

H. 351.

Consideration was resumed on House bill entitled:

An act relating to workers' compensation, unemployment insurance, and ski tramway amendments.

Thereupon, pending the question, Shall the recommendation of proposal of amendment of the Committee on Economic Development, Housing and General Affairs be substituted as moved by Senators Sirotkin, Balint, Clarkson and Hooker? Senator Brock moved that the bill be postponed until the next legislative day, which was disagreed to.

Thereupon, the question, Shall the recommendation of proposal of amendment of the Committee on Economic Development, Housing and General Affairs be substituted as moved by Senators Sirotkin, Balint, Clarkson and Hooker? was agreed to.

Thereupon, the recommendation of proposal of amendment of the Committee on Economic Development, Housing and General Affairs, as substituted was agreed to.

Thereupon, the question, Shall the bill be read the third time?, was decided in the affirmative on a roll call, Yeas 22, Nays 8.

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

Roll Call

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

Those Senators who voted in the negative were: Benning, Brock, Collamore, Mazza, McNeil, Parent, Rodgers, Starr.

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

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

Rules Suspended; Bills Messaged

On motion of Senator Ashe, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 351, H. 543.

Adjournment

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

WEDNESDAY, MAY 22, 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. 78

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 objected to consider the Senate proposal of amendment to House proposal of amendment to Senate proposal of Amendment to House proposal of Amendment to Senate bill entitled:

S. 73. An act relating to licensure of ambulatory surgical centers.

And asks for a Committee of Conference

The Speaker appointed as members of such Committee on the part of the House:

Rep. Lippert of Hinesburg
Rep. Houghton of Essex
Rep. Donahue of Northfield

Message from the House No. 79

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 the report of the Committee of Conference upon

the disagreeing votes of the two Houses on Senate bill of the following title:

S. 40. An act relating to testing and remediation of lead in the drinking water of schools and child care facilities.

And has adopted the same on its part.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 113. An act relating to the management of single-use products.

And has adopted the same on its part.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 149. An act relating to miscellaneous changes to laws related to vehicles and the Department of Motor Vehicles.

And has adopted the same on its part.

Committee of Conference Appointed

S. 73.

An act relating to licensure of ambulatory surgical centers.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Lyons
Senator Westman
Senator Ingram

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Bill Passed in Concurrence

H. 508.

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

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

House Proposal of Amendment Concurred In with Amendment

S. 7.

House proposal of amendment to Senate bill entitled:

An act relating to social service integration with Vermont's health care system.

Was taken up.

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

Sec. 1. REPORT; INTEGRATION OF SOCIAL SERVICES

(a)(1) On or before January 1, 2021, 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 mental health services and Medicaid home- and community-based services with the all-payer financial target services, including future plans for the integration of long-term care services with the accountable care organization.

(2) In preparing the report, the Agency shall consult with individuals receiving services and family members of individuals receiving 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.

Sec. 2. REPORT; EVALUATION OF SOCIAL SERVICE INTEGRATION WITH ACCOUNTABLE CARE ORGANIZATIONS

On or before December 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. In preparing the report, the Board shall consult with individuals receiving services and family members of individuals receiving services. 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. 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.

* * *

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 trauma-informed 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. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Lyons, Cummings, Ingram, McCormack and Westman moved that the Senate concur in the House proposal of amendment with an amendment as follows:

By inserting a new section to be numbered Sec. 4 to read as follows:

Sec. 4. PRESENTATION; SOCIAL SERVICE AND PEDIATRIC PRIMARY CARE INTEGRATION

On or before January 15, 2020, 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 present to the House Committees on Health Care and on Human Services and to the Senate Committee on Health and Welfare, after consulting with stakeholders, an assessment of models of social service and pediatric primary care integration, which may include home visiting, for possible further development of these models 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 by renumbering the remaining section to be numerically correct.

Which was agreed to.

House Proposal of Amendment Concurred In

S. 55.

House proposal of amendment to Senate bill entitled:

An act relating to the regulation of toxic substances and hazardous materials.

Was taken up.

The House proposes to the Senate to amend the bill by striking out Secs. 3–5 and their reader assistance headings in their entireties and inserting in lieu thereof new Secs. 3–8 to read as follows:

* * * Chemicals of High Concern to Children * * *

Sec. 3. 18 V.S.A. § 1774 is amended to read:

§ 1774. CHEMICALS OF HIGH CONCERN TO CHILDREN WORKING GROUP

(a) Creation. The Chemicals of High Concern to Children Working Group (Working Group) is created within the Department of Health for the purpose of providing the Commissioner of Health advice and recommendations regarding implementation of the requirements of this chapter.

* * *

(c) Powers and duties. The Working Group shall:

(1) ~~upon the request of the Chair of the Working Group,~~ review proposed chemicals for listing as a chemical of high concern to children under section 1773 of this title; and

(2) recommend to the Commissioner of Health whether rules should be adopted under section 1776 of this title to regulate the sale or distribution of a children's product containing a chemical of high concern to children.

(d) Commissioner of Health recommendation; assistance.

(1) Beginning on July 1, 2017, and biennially thereafter, the Commissioner of Health shall recommend at least two chemicals of high concern to children in children's products for review by the Working Group. The Commissioner's recommendations shall be based on the degree of human

health risks, exposure pathways, and impact on sensitive populations presented by a chemical of high concern to children.

(2) The Working Group shall have the administrative, technical, and legal assistance of the Department of Health and the Agency of Natural Resources.

(e) Meetings.

(1) The Chair of the Working Group may convene the Working Group at any time, but no less frequently than at least ~~once every other~~ twice a year.

(2) A majority of the members of the Working Group, including adjunct members when appointed, shall constitute a quorum, and all action shall be taken upon a majority vote of the members present and voting.

(f) Reimbursement. Members of the Working Group, including adjunct members, whose participation is not supported through their employment or association shall receive per diem compensation pursuant to 32 V.S.A. § 1010 and reimbursement of travel expenses. A per diem authorized by this section shall be paid from the budget of the Department of Health.

Sec. 4. 18 V.S.A. § 1775 is amended to read:

§ 1775. DISCLOSURE OF INFORMATION ON CHEMICALS OF HIGH CONCERN

* * *

(b) Format for notice. The Commissioner shall specify the format for submission of the notice required by subsection (a) of this section, provided that the required format shall be generally consistent with the format for submission of notice in other states with requirements substantially similar to the requirements of this section. Any notice submitted under subsection (a) shall contain the following information:

(1) the name of the chemical used or produced and its chemical abstracts service registry number;

(2) a description of the product or product component containing the chemical, including the brand name, the product model, and the universal product code if the product has such a code;

(3) the amount of the chemical contained in each unit of the product or product component, reported by weight or parts per million as authorized by the Commissioner;

(4) the name and address of the manufacturer of the children's product and the name, address, and telephone number of a contact person for the manufacturer;

(5) any other information the manufacturer deems relevant to the appropriate use of the product; and

(6) any other information required by the Commissioner under rules adopted pursuant to 3 V.S.A. chapter 25.

* * *

(l) Submission of notice; dates. Unless the Commissioner adopts by rule a phased-in reporting requirement under section 1776 of this title, a manufacturer shall submit the notice required under subsection (a) of this section by:

~~(1) January 1, 2017; and~~

~~(2) August 31, 2018, and biennially on or before August 31, 2020 and annually thereafter.~~

Sec. 5. 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, scientific evidence, including peer-reviewed studies, 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~~ after consultation 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~~ may be exposed to a chemical of high concern to children in the children's product; and

(B) there is a ~~probability~~ possibility 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~~ may 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~~ likelihood 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~~ The 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 and 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

(E) other information or process determined as necessary by the Commissioner for implementation of this chapter.

* * *

Sec. 6. 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).

Sec. 7. DEPARTMENT OF HEALTH REPORT ON CHEMICAL OF HIGH CONCERN TO CHILDREN PROGRAM; PUBLIC INFORMATION

On or before January 15, 2020, the Commissioner of Health shall submit to the House Committee on Human Services and the Senate Committee on Health and Welfare a report regarding the implementation of the Chemicals of High Concern to Children Program under 18 V.S.A. chapter 38A. The report shall include:

(1) a summary of the status of the Program;

(2) a recommendation on how to make information submitted under the Program more publicly available and more consumer-centric; and

(3) an evaluation of the feasibility of the Department of Health reviewing and approving the safety of a children's product that contains a chemical of high concern to children prior to sale of the children's product, including:

(A) an estimate of the additional staff or resources that would be required to conduct presale safety review of children's products sold in the State;

(B) the estimated time for review of a children's product; and

(C) an estimate of the effect that presale review of children's products would have on the availability of children's products in the State.

* * * Effective Dates * * *

Sec. 8. EFFECTIVE DATES

(a) This section, Secs. 1 and 2 (the Interagency Committee on Chemical Management; transition), and in Sec. 5, the rulemaking under 18 V.S.A. § 1776(f)(reporting) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2019.

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

**House Proposals of Amendment to Senate Proposal of Amendment
Concurred In**

H. 524.

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

An act relating to health insurance and the individual mandate.

Were taken up.

The House proposes to the Senate to amend the Senate proposal of amendment as follows:

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

Sec. 7. 8 V.S.A. § 4079a is amended to read:

§ 4079a. ASSOCIATION HEALTH PLANS

* * *

(d)(1) An association health plan that provided coverage for the 2019 plan year may be renewed for coverage of existing association employer members for subsequent plan years, to the extent permitted under federal law. An association health plan that provided coverage for the 2019 plan year shall not enroll any new employer members for coverage after the 2019 plan year; provided, however, that new employees of existing association employer members may enroll in the plan in a subsequent plan year pursuant to an offer of coverage from their employer.

(2) No new association health plans shall be offered or issued for coverage in this State for plan years 2020 and after.

Second: In Sec. 13, effective dates, in subsection (d), following “Secs.” by inserting the following: 7 (8 V.S.A. § 4079a),

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

**House Proposals of Amendment to Senate Proposal of Amendment;
Consideration Postponed**

H. 13.

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

An act relating to miscellaneous amendments to alcoholic beverage and tobacco laws.

Were taken up.

The House proposes to the Senate to amend the Senate proposal of amendment as follows:

First: By striking out Sec. 3 in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. 7 V.S.A. § 64 is amended to read:

§ 64. SALE OF MALT BEVERAGES AND VINOUS BEVERAGES IN
KEGS

* * *

(c) Any person, other than a wholesale dealer or manufacturer, who intentionally removes or defaces the label attached to a keg shall be ~~imprisoned not more than two years or~~ fined not more than \$1,000.00, ~~or both.~~

Second: After Sec. 45 by inserting a new section to be numbered Sec. 45a to read as follows:

Sec. 45a. TRANSFER TO GENERAL FUND

(a) In fiscal year 2020, a minimum of \$18,370,000.00 shall be transferred from the Liquor Control Enterprise Fund to the General Fund. The amount transferred pursuant to this subsection shall include any amounts transferred pursuant to the fiscal year 2020 annual budget bill.

(b) In fiscal year 2021, a minimum of \$18,740,000.00 shall be transferred from the Liquor Control Enterprise Fund to the General Fund.

Third: By striking out Secs. 46–47 in their entirety and inserting in lieu thereof new Secs. 46–51 to read as follows:

* * * Retail Licenses and Permits * * *

Sec. 46. 7 V.S.A. § 223 is amended to read:

§ 223. THIRD-CLASS LICENSES

(a)~~(1)~~ The Board of Liquor and Lottery may grant to a person who operates a hotel, restaurant, club, boat, or railroad dining car, or who holds a manufacturer's or rectifier's license, a third-class license if:

(1) the person files an application accompanied by the fee provided in section 204 of this title for the premises in which the business of the hotel, restaurant, club, or manufacturer or rectifier is carried on or for the boat or railroad dining car;

(2) the local control commissioners have approved the application; and

~~(2)~~(3) The the applicant shall satisfy satisfies the Board that:

(A) the applicant is the bona fide owner or lessee of the premises, boat, or railroad dining car;

(B) except in the case of clubs, the premises, boat, or railroad dining car has adequate and sanitary space and equipment for preparing and serving meals to the public; and

(C) that it the premises, boat, or railroad dining car is operated for the purpose covered by the license.

* * *

(d)(1) Except as otherwise provided in ~~subdivision~~ subdivisions (2) and (3) of this subsection ~~and section 271 of this title~~, a person who holds a third-class license shall purchase from the Board of Liquor and Lottery all spirits and fortified wines dispensed in accordance with the provisions of the third-class license and this title.

(2) For a third-class license issued for a dining car or boat, the licensee may procure outside the State of Vermont spirits and fortified wines that are sold pursuant to the license.

(3) For a third-class license that is issued to a licensed manufacturer or rectifier of spirits or fortified wines, the licensee shall not be required to purchase from the Board of Liquor and Lottery spirits and fortified wines that it has manufactured or rectified before selling them pursuant to its third-class license.

* * *

* * * Tasting and Event Permits * * *

Sec. 47. 7 V.S.A. § 252 is amended to read:

§ 252. SPECIAL EVENT PERMITS

* * *

(c)(1) A licensed manufacturer or rectifier may be issued ~~no~~ not more than ~~104~~ 10 special event permits ~~during a~~ for the same physical location in a calendar year.

~~(2) Each manufacturer or rectifier planning to attend a single special event pursuant to this section may be listed on a single permit for the special event. However, each attendance at a special event shall count toward the manufacturer's or rectifier's annual limit of 104 special event permits.~~

Sec. 48. 7 V.S.A. § 253 is amended to read:

§ 253. FESTIVAL PERMITS

* * *

(b) A festival permit holder shall be permitted to conduct an event that is open to the public at which malt beverages, vinous beverages, fortified wines, spirits, or any combination of the four are served.

(c)(1) A festival permit holder shall require individuals attending the festival to pay an entry fee of at least \$5.00.

(2) Alcoholic beverages served pursuant to a festival permit shall be served in compliance with the following limitations:

(A) Malt beverages shall be served to individuals attending the festival in amounts equal to not more than 12 ounces at one time and not more than 60 ounces total at any one festival.

(B) Vinous beverages shall be served to individuals attending the festival in amounts equal to not more than five ounces at one time and not more than 25 ounces total at any one festival.

(C) Fortified wines shall be served to individuals attending the festival in amounts equal to not more than three ounces at one time and not more than 15 ounces total at any one festival.

(D) Spirits shall be served to individuals attending the festival in amounts equal to not more than one ounce at one time and not more than five ounces total at any one festival.

(E) For festivals at which a combination of malt beverages, vinous beverages, fortified wines, and spirits are served, an individual shall not be served a combined total of more than six standard drinks. As used in this subdivision (E), a "standard drink" means an alcoholic beverage containing 0.6 fluid ounces or 14 grams of pure ethyl alcohol.

(3) A festival permit holder shall ensure that the festival complies with all applicable requirements of this title and the rules of the Board.

(d)(1) A festival permit holder may purchase invoiced volumes of malt or vinous beverages directly from a manufacturer or packager licensed in Vermont, or a manufacturer or packager that holds a federal Basic Permit or Brewers Notice or evidence of licensure in a foreign country that is satisfactory to the Board.

(2) The invoiced volumes of malt or vinous beverages may be transported to the site and sold by the glass to the public by the permit holder or its employees and volunteers only during the event.

~~(e)~~(e) A festival permit holder shall be subject to the provisions of this title, including section 214 of this title, and the rules of the Board regarding the sale of the alcoholic beverages and shall pay the tax on the malt or vinous beverages pursuant to section 421 of this title.

~~(d)~~(f) A person shall be granted ~~no~~ not more than ~~four~~ 10 festival permits per year, and each permit shall be valid for ~~no~~ not more than four consecutive days.

* * * Manufacturing and Distribution of Alcohol * * *

Sec. 49. 7 V.S.A. § 271 is amended to read:

§ 271. MANUFACTURER'S OR RECTIFIER'S LICENSE

(a)(1) The Board of Liquor and Lottery may grant a manufacturer's or rectifier's license upon application and payment of the fee provided in section 204 of this title that permits the license holder to operate a facility that manufacture manufactures or rectify rectifies:

- (1)(A) malt beverages;
- (2)(B) vinous beverages and fortified wines; or
- (3)(C) spirits and fortified wines.

(2) A manufacturer or rectifier shall obtain a separate license for each facility at which it manufactures or rectifies alcoholic beverages.

* * *

(d)(1) The Board of Liquor and Lottery may grant to a licensed manufacturer or rectifier a first-class license or ~~a first- and~~ a third-class license, or both, permitting the licensee to sell alcoholic beverages to the public at an establishment located at the manufacturer's ~~premises~~ or rectifier's licensed facility, provided the manufacturer or rectifier owns or has direct control over that establishment.

(2) ~~For a~~ A licensed manufacturer of malt beverages, the premises of the manufacturer may include may operate up to two licensed establishments pursuant to this subsection that are located at the licensed manufacturing facility or on the property that is owned by the licensee and is contiguous real estate of with the license holder parcel of land on which the licensed manufacturing facility is located, provided the manufacturer owns or has direct control over both establishments.

(3) Notwithstanding subdivisions (1) and (2) of this subsection, a manufacturer or rectifier that, on July 1, 2019, is operating at a location separate from its licensed manufacturing facility an establishment for which it was granted a first-class license or a third-class license, or both, before July 1, 2019 may continue to operate that establishment, and the local control commissioners and the Board may annually renew the licenses in effect for that establishment on July 1, 2019.

(e) The Board of Liquor and Lottery may grant a licensed manufacturer of malt beverages a second-class license permitting the licensee to sell alcoholic beverages to the public anywhere on the ~~manufacturer's premises~~ of the licensed manufacturing facility.

(f)(1) A licensed manufacturer or rectifier may serve alcoholic beverages with or without charge at an event held ~~on the premises of the licensee at the licensed manufacturing or rectifying facility~~ or at a location on the property that is owned by the licensee and is contiguous real estate of the licensee with

the parcel of land on which the licensed facility is located, provided the licensee at least five days before the event gives the Division written notice of the event, including details required by the Division.

* * *

Sec. 50. 7 V.S.A. § 271 is amended to read:

§ 271. MANUFACTURER'S OR RECTIFIER'S LICENSE

* * *

(d)(1) The Board of Liquor and Lottery may grant to a licensed manufacturer or rectifier a first-class license or a third-class license, or both, permitting the licensee to sell alcoholic beverages to the public at an establishment located at the manufacturer's or rectifier's licensed facility, provided the manufacturer or rectifier owns or has direct control over that establishment.

(2) A licensed manufacturer of malt beverages may operate up to two licensed establishments pursuant to this subsection that are located at the licensed manufacturing facility or on property that is owned by the licensee and is contiguous with the parcel of land on which the licensed manufacturing facility is located, provided the manufacturer owns or has direct control over both establishments.

~~(3) Notwithstanding subdivisions (1) and (2) of this subsection, a manufacturer or rectifier that, on July 1, 2019, is operating at a location separate from its licensed manufacturing facility an establishment for which it was granted a first-class license or a third-class license, or both, before July 1, 2019 may continue to operate that establishment, and the local control commissioners and the Board may annually renew the licenses in effect for that establishment on July 1, 2019. [Repealed.]~~

* * *

* * * Effective Dates * * *

Sec. 51. EFFECTIVE DATES

(a) Sec. 47 (special event permits) and Sec. 50 (repeal of manufacturer grandfather provision) shall take effect on July 1, 2020.

(b) All remaining sections shall take effect on July 1, 2019

Thereupon, pending the question, Shall the Senate concur in the House proposals of amendment to the Senate proposal of amendment?, Senator Clarkson moved that action be postponed.

Which was agreed to.

Rules Suspended; Bills Messaged

On motion of Senator Ashe, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 7, S. 55, S. 73, H. 508, H. 524.

Adjournment

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

Called to Order

The Senate was called to order by the President.

Message from the House No. 80

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 the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 18. An act relating to consumer justice enforcement.

And has adopted the same on its part.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 134. An act relating to background investigations for State employees with access to federal tax information.

And has adopted the same on its part.

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

H. 63. An act relating to the time frame for return of unclaimed beverage container deposits.

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

Message from the House No. 81

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

Mr. President:

I am directed to inform the Senate that:

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

S. 7. An act relating to social service integration with Vermont's health care system.

And has concurred therein.

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

S. 96. An act relating to the provision of water quality services.

And has concurred therein.

**Consideration Resumed; House Proposals of Amendment to Senate
Proposal of Amendment Concurred in with Further Proposal of
Amendment**

H. 13.

Consideration was resumed on House bill entitled:

An act relating to miscellaneous amendments to alcoholic beverage and tobacco laws.

Thereupon, pending the question, Shall the Senate concur in the House proposals of amendment to the Senate proposal of amendment?, Senator Clarkson moved that the Senate concur in the House proposals of amendment to the Senate proposal of amendment with further proposal of amendment as follows:

In the *third* proposal of amendment by striking out Sec. 48 in its entirety and inserting in lieu thereof the following:

Sec. 48. [Deleted.]

Which was agreed to.

Rules Suspended; Proposal of Amendment; Third Reading Ordered

H. 135.

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

An act relating to the authority of the Agency of Digital Services.

Was taken up for immediate consideration.

Senator Clarkson, for the Committee on Government Operations, to which the bill was referred reported recommending that the Senate propose to the House to amend the bill by striking out Sec. 13, effective date, in its entirety and inserting in lieu thereof the following:

Sec. 13. INFORMATION TECHNOLOGY AND
TELECOMMUNICATIONS; GOVERNANCE STRUCTURE;
REPORT

(a) The Secretary of Administration, in collaboration with the Joint Information Technology Oversight Committee and the Secretary of Digital Services, shall consult with State government and public and private stakeholders to review the need for a governance structure to oversee and coordinate telecommunications and information technology planning, development, and funding, both internal and external to State government. The review shall:

(1) consider broadband, public safety, information technology, information security, networking reliability and resiliency, and geographic information systems; and

(2) reconcile long-term policy and goals for the planning requirements set forth in 3 V.S.A. § 3303 with the policy and goals set forth in 30 V.S.A. § 202c.

(b) On or before December 1, 2019, the Secretary of Administration shall submit a report and recommendations for legislation resulting from the review described in subsection (a) of this section to the Senate Committees on Finance, on Government Operations, and on Institutions and the House Committees on Corrections and Institutions and on Energy and Technology. The report shall include recommendations for legislation to incorporate long-term policy and goals for the planning requirements set forth in 3 V.S.A. § 3303.

Sec. 14. EFFECTIVE DATE

This act shall take effective on passage.

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

Senator MacDonald, for the Committee on Finance, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Government Operations with the following amendments thereto:

First: By striking out Sec. 10, amending 30 V.S.A. § 202d, in its entirety.

Second: In Sec. 13, information technology and telecommunications; governance structure; report, by adding a subsection (c) to read as follows:

(c) The review and report required by this section shall not impede or delay the State's work on the telecommunications plan, as required by 30 V.S.A. § 202d.

And by renumbering the remaining sections to be numerically correct.

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

Senator McCormack, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposals of amendment as recommended by the Committee on Government Operations and Committee on Finance.

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 Government Operations was amended as recommended by the Committee on Finance.

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

**Rules Suspended; Report of Committee of Conference Accepted and
Adopted on the Part of the Senate**

H. 529.

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

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

Was taken up for immediate consideration.

Senator Mazza, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

H. 529. An act relating to the transportation program and miscellaneous changes to laws related to transportation.

Respectfully reports that it has met and considered the same and recommends that House accede to the Senate's proposal of amendment and that the Senate proposal of amendment be further amended as follows:

First: By striking out Sec. 6, Municipal Mitigation Assistance Program, in its entirety and inserting in lieu thereof the following:

Sec. 6. SPENDING AUTHORITY IN THE MUNICIPAL MITIGATION ASSISTANCE PROGRAM

(a) Spending authority for grants in the Municipal Mitigation Assistance Program in the Agency of Transportation's Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) is decreased by \$800,000.00 in special funds from the Clean Water Fund.

(b) If the Agency's fiscal year 2019 maintenance of effort requirement is attained and toll credits are approved by the Federal Highway Administration in fiscal year 2020, then spending authority for grants in the Municipal Mitigation Assistance Program in the Agency of Transportation's Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) is increased by \$200,000.00 in transportation funds.

* * * Amendment to Transportation Program – Aid for Town Highways * * *

Sec. 6a. SPENDING AUTHORITY IN STATE AID FOR TOWN HIGHWAYS

If the Agency's fiscal year 2019 maintenance of effort requirement is attained and toll credits are approved by the Federal Highway Administration in fiscal year 2020, then spending authority in the Town Highway Aid Program in the Agency of Transportation's Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) is increased by \$680,416.64 in transportation funds.

* * * Amendment to Transportation Program – Maintenance * * *

Sec. 6b. SPENDING AUTHORITY IN THE MAINTENANCE PROGRAM

Spending authority in the Maintenance Program in the Agency of Transportation's Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) is increased by \$100,000.00 in transportation funds.

Second: In Sec. 9, 19 V.S.A. § 10g(h), in the last sentence, by striking out the words “when requested by the municipality or when the Agency and the municipality concur that the project no longer is necessary” and inserting in lieu thereof the words upon the request or concurrence of the municipality

provided that notice of the cancellation is included in the Agency's annual proposed Transportation Program

Third: By adding a new section to be Sec. 9a and reader assistance heading before the reader assistance heading for Sec. 10 to read:

* * * Project Cancellations * * *

Sec. 9a. PROJECT CANCELLATIONS

(a) Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of projects), the General Assembly approves cancellation of the following project within the Bike and Pedestrian Facilities Program: Colchester – Improvements to the Mill Pond/Severence Road intersection.

(b) Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of projects), the General Assembly approves cancellation of the following projects within the Town Highway Bridge Program: Belvidere BO 1448(), Springfield BO 1442 (40), Woodstock BO 1444 ().

Fourth: In Sec. 11, addition of Shelburne – South Burlington project and spending authority, in subsection (a), by striking out the words “candidate list of the” and inserting in lieu thereof Agency of Transportation's Proposed Fiscal Year 2020 Transportation Program (Revised February 2, 2019)

Fifth: In Sec. 17, 19 V.S.A. § 306(a), by striking out “§ 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS”

Sixth: In Sec. 20, study of methods to increase public transit ridership, by striking out “(c)” and inserting in lieu thereof (b) and by striking out “(d)” and inserting in lieu thereof (c)

Seventh: By adding a new section to be Sec. 20a and reader assistance heading before the reader assistance heading for Sec. 21 to read:

* * * Report on State-Owned Railroad Line
Between Montpelier and Barre * * *

Sec. 20a. REPORT ON STATE-OWNED RAILROAD LINE BETWEEN
MONTPELIER AND BARRE

(a) The Agency of Transportation shall deliver a written report on the following to the House and Senate Committees on Transportation on or before December 1, 2019:

(1) an itemized estimate of costs to upgrade the State-owned railroad line between Montpelier and Barre to meet commuter rail standards; and

(2) an estimate of the construction schedule should the General Assembly include the upgrades necessary to meet commuter rail standards in a future Transportation Program.

(b) The report shall be neutral regarding the type of passenger rail car to be operated on the State-owned railroad line between Montpelier and Barre.

Eighth: In Sec 33, 30 V.S.A. § 8002(16), by striking out the words “for profit” and inserting the word primarily before the words “supply electricity to”

Ninth: By striking out Sec. 34, vehicle incentive and emissions repair programs, in its entirety and inserting in lieu thereof the following:

Sec. 34. VEHICLE INCENTIVE AND EMISSIONS REPAIR PROGRAMS

(a) Vehicle incentive and emissions repair programs administration.

(1) The Agency of Transportation (Agency), in consultation with the Agency of Natural Resources, the Agency of Human Services, the Department of Public Service, Vermont electric distribution utilities that are offering incentives for PEVs, and the State’s network of community action agencies, shall establish and administer the programs described in subsections (b) and (c) of this section.

(2) The Agency is authorized to spend \$2,000,000.00 as appropriated in the fiscal year 2020 budget on the two programs described in subsections (b) and (c) of this section.

(3) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of the two programs and up to \$150,000.00 of program funding may be set aside for this purpose.

(4) The Agency shall annually evaluate the two programs to gauge effectiveness and submit a written report on the effectiveness of the programs to the House and Senate Committees on Transportation, the House Committee on Energy and Technology, and the Senate Committee on Finance on or before the 31st day of December in each year that an incentive or repair voucher is provided through one of the programs.

(b) Electric vehicle incentive program. A new PEV purchase and lease incentive program for Vermont residents shall structure PEV purchase and lease incentive payments by income to help all Vermonters benefit from electric driving, including Vermont’s most vulnerable. Specifically, the program shall:

(1) apply to both purchases and leases of new PEVs with an emphasis on creating and matching incentives for exclusively electric powered vehicles that do not contain an onboard combustion engine;

(2) provide incentives to Vermont households with low and moderate income at or below 160 percent of the State's prior five-year average Median Household Income (MHI) level;

(3) apply to manufactured PEVs with a Base Manufacturer's Suggested Retail Price (MSRP) of \$40,000.00 or less; and

(4) provide no less than \$1,100,000.00, of the initial \$2,000,000.00 authorization, in PEV purchase and lease incentives.

(c) High fuel efficiency vehicle incentive and emissions repair program. A used high fuel efficiency vehicle purchase incentive and emissions repair program for Vermont residents shall structure high fuel efficiency purchase incentive payments and emissions repair vouchers by income to help all Vermonters benefit from more efficient driving, including Vermont's most vulnerable. Specifically, the program shall:

(1) apply to purchases of used high fuel-efficient motor vehicles, which for purposes of this program shall be pleasure cars with a combined city/highway fuel efficiency of at least 40 miles per gallon or miles per gallon equivalent as rated by the Environmental Protection Agency when the vehicle was new, and repairs of certain vehicles that failed the on board diagnostic (OBD) systems inspection;

(2) provide vouchers through the State's network of community action agencies and base eligibility for the point-of-sale voucher on the same criteria used for income qualification for weatherization services through the Weatherization Program and eligibility for the point-of-repair vouchers on the same criteria used for income qualification for Low Income Home Energy Assistance Program (LIHEAP) through the State's Economic Services Division within the Department for Children and Families; and

(3) provide one of the following to qualifying individuals:

(A) a point-of-sale voucher of up to \$5,000.00 to assist in the purchase of a used high fuel-efficient motor vehicle that may require that a condition of the voucher be that if the individual is the owner of either a motor vehicle that failed the OBD systems inspection or a motor vehicle that is more than 15 years old and has a combined city/highway fuel efficiency of less than 25 miles per gallon as rated by the Environmental Protection Agency when the vehicle was new that the vehicle will be removed from operation and either donated to a nonprofit organization to be used for parts or destroyed; or

(B) a point-of-repair voucher to repair a motor vehicle that was ready for testing, failed the OBD systems inspection, requires repairs that are not under warranty, and will be able to pass the State's vehicle inspection once the repairs are made provided that the point-of-repair voucher is commensurate

with the fair market value of the vehicle to be repaired and does not exceed \$2,500.00, with \$2,500.00 vouchers only being available to repair vehicles with a fair market value of at least \$5,000.00.

(d) Emissions repair training report. The Department of Labor, in consultation with the Department for Children and Families, the Agency, SerVermont, ReSOURCE, and the Vermont Adult Career & Technical Education Association, shall evaluate whether to establish a program to provide vehicle repair services for income-eligible Vermonters whose primary vehicle was ready for testing, failed the OBD systems inspection, requires repairs that are not under warranty, and will be able to pass the State's vehicle inspection once the repairs are made and report back to the House and Senate Committees on Transportation, the House Committee on Commerce and Economic Development, and the Senate Committee on Economic Development, Housing and General Affairs with recommendations on implementation and how to fund such a program on or before February 1, 2020.

Tenth: In Sec. 40, 29 V.S.A. § 903(g), in the second sentence, by inserting the words and provided that the vehicles are comparable and meet the State's needs after the words "whenever possible"

Eleventh: In Sec. 41, 29 V.S.A. § 903(g), in the second sentence, by inserting after the words "whenever possible" the following:

and provided that the vehicles are comparable and meet the State's needs

Twelfth: In Sec. 43, 19 V.S.A. § 38, in subsection (c), by striking out "no more than \$300,000.00 per grant" and inserting in lieu thereof shall not exceed \$300,000.00 per grant allocation

Thirteenth: In Sec. 44, 22 V.S.A. § 1222(a), in the first sentence, by striking out the number "15" and inserting in lieu thereof the number 16

Fourteenth: By striking out Sec. 45, rulemaking; immediate implementation, in its entirety and inserting in lieu thereof the following:

Sec. 45. RULEMAKING; IMMEDIATE IMPLEMENTATION

(a) Within 14 days after the effective date of this section, the Commissioner of Motor Vehicles shall file with the Secretary of State a proposed amended rule governing vehicle inspections in this State (Periodic Inspection Manual) that is consistent with amendments to 23 V.S.A. § 1222 in Sec. 44 of this act, with the effect that no motor vehicle that is more than 16 model years old will be required to undergo an on board diagnostic (OBD) systems inspection.

(b) On or before July 1, 2019, the Commissioner shall update the content of inspections conducted through the Automated Vehicle Inspection Program to exclude any requirements of the current Periodic Inspection Manual that are inconsistent with the amendments to 23 V.S.A. § 1222 in Sec. 44 of this act, with the effect that no motor vehicle that is more than 16 model years old will be required to undergo an OBD systems inspection.

(c) In the event that the Commissioner cannot update the content of inspections conducted through the Automated Vehicle Inspection Program in accordance with subsection (b) of this section on or before July 1, 2019,

the Commissioner shall develop and implement a temporary work-around to go into effect no later than July 1, 2019 that ensures that no motor vehicle that is more than 16 model years old will be required to undergo an OBD systems inspection.

Fifteenth: In Sec. 46, vehicle feebate report, by striking out “Sec. 46. VEHICLE FEEBATE REPORT” and inserting in lieu thereof Sec. 46. VEHICLE FEEBATE AND VEHICLE INCENTIVE PROGRAMS FUNDING REPORT and by striking out the reader assistance heading and inserting in lieu thereof:

* * * Vehicle Feebate and Vehicle Incentive Programs Funding Report * * *

Sixteenth: By striking out Sec. 48, 10 V.S.A. § 503, in its entirety and inserting in lieu thereof the following:

Sec. 48. 10 V.S.A. § 503 is amended to read:

§ 503. PENALTY

A person who violates this chapter shall be ~~fin~~ assessed a civil penalty of not more than \$100.00 or imprisoned not more than 30 days, or both \$50.00. Each day the violation continues shall be a separate offense.

Seventeenth: By striking out all after Sec. 49 and inserting in lieu thereof the following:

* * * Effective Dates * * *

Sec. 50. EFFECTIVE DATES

(a) This section and Secs. 1(b) (act definitions), 12 (BUILD grant), 13 (CRISI grant), 20 (public transit study), 20a (report on State-owned railroad line), 29 (plug-in electric vehicle definition), 30 (electric vehicle supply equipment definition), 33 (net metering), 34 (vehicle incentive and emissions repair programs), 35 (Public Utility Commission report), 36 (Agency of Agriculture, Food and Markets reporting), 39 (PUC jurisdiction), 44 (emissions inspections), 45 (emissions inspections implementation), 46

(vehicle feebate report), and 47 (weight-based annual registration report) shall take effect on passage.

(b) Secs. 31 (weights and measures definition) and 32 (electric vehicle supply equipment definition) shall take effect on the earlier of January 1, 2021 or six months after the National Institute of Standards and Technology adopts code on electric vehicle fueling systems.

(c) Sec. 41 (State vehicle fleet) shall take effect on July 1, 2021.

(d) All other sections shall take effect on July 1, 2019.

*RICHARD T. MAZZA
TIMOTHY R. ASHE
ANDREW J. PERCHLIK*

Committee on the part of the Senate

*CURTIS A. MCCORMACK
TIMOTHY R. CORCORAN
MOLLIE SULLIVAN BURKE*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative, Yeas 30, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Benning, Bray, Brock, Champion, 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.

Senate Resolution Amended; Third Reading Ordered

S.R. 5.

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

Senate resolution strongly opposing the basing of any nuclear weapon delivery system in the State of Vermont.

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

Senate resolution strongly opposing the basing of any nuclear weapon delivery system in Vermont.

Whereas, the State of Vermont has long been a national leader in opposing the spread of nuclear weapons, and

Whereas, at Town Meeting in 1982, 88 percent of the 180 municipalities voting on a U.S.–U.S.S.R. bilateral nuclear freeze ballot measure voted in the affirmative, and

Whereas, at Town Meeting in 1999, 33 Vermont municipalities voted to “call upon the U.S. government and governments of all nuclear weapons states to secure on an urgent basis a nuclear weapons abolition treaty” that would include a timetable for the early and mutually verifiable elimination of nuclear weapons, and

Whereas, shortly after the 33 towns approved this town meeting question, the General Assembly adopted Acts and Resolves No. R-120, “Joint resolution relating to urgently requesting the U.S. government to immediately enter into negotiations with all other nuclear nations for the adoption of a verifiable treaty to abolish nuclear weapons,” and

Whereas, on May 7, 2019, a retired Vermont Air National Guard Lieutenant Colonel testified before the Senate Committee on Government Operations that when the now-retired F-89 aircraft was stationed in Burlington it carried nuclear warheads, but that neither the U.S. Department of Defense nor the U.S. Air Force informed the State of Vermont that these weapons were being stored locally, and

Whereas, the 2018 *Nuclear Posture Review*, a publication of the U.S. Department of Defense, states that “We [the United States] are committed to upgrading the DCA (Dual-Capable Aircraft) with the nuclear-capable F-35 aircraft,” and further that “The United States is also incorporating nuclear capability onto the F-35, to be used by the United States and NATO allies, as a replacement for the current aging DCA,” and

Whereas, in a July 2018 interview, an official in the U.S. Air Force’s Financial Management and Comptroller’s office indicated that the variant of the F-35 to be assigned to the National Guard will eventually receive a Block 4 (nuclear capable) upgrade, and

Resolved by the Senate of the State of Vermont:

That the Senate of the State of Vermont expresses its strong opposition to the basing of any nuclear delivery system in the State of Vermont, *and be it further*

Resolved: That the Secretary of the Senate be directed to send a copy of this resolution to the Governor, to Acting U.S. Secretary of Defense Patrick Shanahan, and to the Vermont Congressional Delegation.

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

Thereupon, the resolution 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 22, Nays 7.

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, Bray, Campion, Clarkson, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, McCormack, McNeil, Nitka, Perchlik, Pollina, Sears, Sirotkin, Westman, White.

Those Senators who voted in the negative were: Benning, Brock, Collamore, Mazza, Parent, Rodgers, Starr.

The Senator absent and not voting was: Pearson.

Thereupon, third reading of the resolution was ordered.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate

S. 40.

Pending entry on the Calendar for notice, on motion of Senator Ashe, the rules were suspended and the report of the Committee of Conference on 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 for immediate consideration.

Senator Baruth, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate bill entitled:

S. 40. An act relating to testing and remediation of lead in drinking water.

Respectfully report that they have met and considered the same and recommend that the Senate accede to the House proposal of amendment and that the bill be further 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 four parts per billion (ppb) of lead.

(2) “Alternative water source” means:

(A) water from an outlet within the building or facility that is below the action level; or

(B) containerized, bottled, or packaged drinking water.

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

(4) “Child care provider” has the same meaning as in 33 V.S.A. § 3511.

(5) “Child care facility” or “facility” has the same meaning as in 33 V.S.A. § 3511.

(6) “Commissioner” means the Commissioner of Health.

(7) “Department” means the Department of Health.

(8) “Drinking water” has the same meaning as in 10 V.S.A. § 1671.

(9) “Independent school” has the same meaning as in 16 V.S.A. § 11.

(10) “Outlet” means a drinking water fixture currently or reasonably expected to be used for consumption or cooking purposes, including a drinking

fountain, an ice machine, or a faucet as determined by a school district, supervisory union, independent school, or child care provider.

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

(12) “Supervisory union” has the same meaning as in 16 V.S.A. § 11.

§ 1243. TESTING OF DRINKING WATER

(a) Scope of testing.

(1) Each school district, supervisory union, or independent school in the State shall collect a drinking water sample from each outlet in the buildings it owns, controls, or operates and shall submit the sample to the Department of Health for testing for lead contamination as required under this chapter.

(2) Each child care provider in the State shall collect a drinking water sample from each outlet 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 December 31, 2020, each school district, supervisory union, independent school, or child care provider in the State shall collect a first-draw sample and a second 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, provided by the Department of Health, regarding sources of lead exposure other than drinking water;

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

(E) how the school district, supervisory union, independent school, or child care provider shall respond to sample results that are at or above 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. Beginning January 1, 2021, 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 and shall include a requirement for a first draw sample and a second flush sample.

(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 on or after November 1, 2017;

(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 is not at or above 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 after April 22, 2019.

(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 ACTION LEVEL; NOTICE; REPORTING

If a sample of drinking water under section 1243 of this title indicates that drinking water from an outlet is at or above the action level, 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. At a minimum, the school district, supervisory union, independent school, or child care provider shall:

(1)(A) prohibit use of an outlet that is at or above the action level until:

(i) implementation of a lead remediation plan that is consistent with the U.S. Environmental Protection Agency's 3Ts for Reducing Lead in Drinking Water in Schools; and

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

(B) prohibit use of an outlet that is at or above the action level until the outlet is permanently removed, disabled, or otherwise cannot be accessed by any person for the purposes of consumption or cooking;

(2) provide occupants of the building or child care facility an adequate alternative water source until remediation is performed;

(3) notify all staff and all parents or guardians of students directly of the test results and the proposed or taken remedial action in writing or by electronic means within 10 school days after receipt of the laboratory report;

(4) submit lead remediation plans to the Department as they are completed;

(5) notify all staff and all parents or guardians or students in writing or by electronic means of what remedial actions have been taken; and

(6) submit notice to the Department of Health that remediation plans have been 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, 2021, 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 drinking water from an outlet tested is at or above 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; COMMUNICATION

(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 is at or above the action level, the school district, supervisory union, independent school, or child care provider may 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, the Commissioner for Children and Families, 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.

(c) Communications. The Department of Health shall develop sample communications for parents for use by school districts, supervisory unions, independent schools, and child care providers concerning lead in water and reducing exposure to lead under this chapter.

§ 1247. RULEMAKING

(a) The Commissioner shall adopt rules under this chapter to achieve the purposes of this chapter.

(b) On or before November 1, 2020, the Commissioner, with continuing consultation with the Secretary of Natural Resources, the Commissioner for Children and Families, 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 that are no less stringent than the requirements of the U.S. Environmental Protection Agency's 3Ts for Reducing Lead in Drinking Water in Schools and that include a first draw sample and second flush sample;

(2) the frequency and scope of continued sampling of outlets by school districts, supervisory unions, independent schools, and child care providers, provided that the Department may stagger when continued sampling shall occur by school or provider, school type or provider type, or initial sampling results;

(3) requirements for implementation of a lead mitigation plan or other necessary response to a report that drinking water from an outlet is at or above the action level; and

(4) 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. 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.

Sec. 3a. DEPARTMENT FOR CHILDREN AND FAMILIES; RULES FOR REGULATED CHILD CARE PROVIDERS

On or before December 31, 2020, the Commissioner for Children and Families shall amend the rules for regulated child care providers to comply with the requirements of 18 V.S.A. chapter 24A and rules adopted by the Department of Health under that chapter for the testing of lead in the drinking water of child care facilities.

Sec. 4. STATUS OF REMEDIATION OF LEAD IN SCHOOLS AND CHILD CARE FACILITIES

On or before December 15, 2019, the Commissioner of Health, after consultation with the Secretary of Natural Resources, the Commissioner for Children and Families, and the Secretary of Education, shall provide written testimony to the House Committee on Education and the Senate Committee on Education regarding the implementation, schedule, administration, and financing of the requirements under 18 V.S.A. chapter 24A that schools and child care providers sample for and remediate lead in drinking water. The testimony may include recommendations for additional programmatic and technical requirements for sampling and for remediating lead in schools or child care facilities in the State and whether and how the State might assist any individual districts in the event of extraordinary remediation expenditures.

Sec. 5. ALLOCATION OF FUNDS; REMEDIATION; ELIGIBLE COSTS

(a) For remediation required under 18 V.S.A. chapter 24A, the Department of Health shall pay a school district, supervisory union, independent school, or child care provider the actual cost of replacement of a drinking water fixture, as evidenced by a receipt submitted to the State, up to the following maximum amount for each type of fixture:

(1) public drinking fountains and ice machines: \$1,800.00;

(2) outlets used for cooking: \$650.00;

(3) all other outlets:

(A) for schools: \$350.00; and

(B) for child care providers: \$400.00.

(b) The State shall make payments to school districts, supervisory unions, independent schools, or child care providers under this section from one-time funds appropriated to the Department of Health in fiscal year 2019 for the

costs of initial testing, retesting, and remediation under 18 V.S.A. chapter 24A. Funds appropriated to the Department of Health in 2019 Acts and Resolves No. 6, Sec. 88 (a)(2) may be transferred to the State agency or department administering these payments.

Sec. 5a. 2019 Acts and Resolves No. 6, Sec. 88 is amended to read:

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:

* * *

(2) To the Department of Health: ~~\$2,400,000~~ \$2,837,500 to fund testing for lead in drinking water ~~and additional support,~~ retesting, and replacement of drinking water fixtures in schools and child care facilities consistent with the ~~program established in~~ requirements 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) ~~\$2,125,000~~ \$2,562,500 to fund the costs of initial testing and, retesting costs and to apply to tap remediation costs, and replacement of drinking water fixtures.

(3) ~~To~~ In addition to \$180,000 of federal funds allotted for lead testing, to the Department of Environmental Conservation: ~~\$125,000~~ \$187,500 to fund the limited service remediation position established in S.40 of 2019.

* * *

Sec. 6. EFFECTIVE DATE

This act shall take effect on passage.

*PHILIP E. BARUTH
DEBORAH J. INGRAM
RUTH E. HARDY*

Committee on the part of the Senate

*KATHRYN L. WEBB
JAMES A.R. GREGOIRE
KATHLEEN C. JAMES*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative on a roll call, Yeas 27, Nays 0.

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

Roll Call

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

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Balint, Clarkson, Sirotkin.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate

S. 113.

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

An act relating to the management of single-use products.

Was taken up for immediate consideration.

Senator Bray, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate bill entitled:

S. 113. An act relating to the management of single-use products.

Respectfully report that they have met and considered the same and recommend that the Senate accede to the House proposal of amendment and that the bill be further amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. PURPOSE

It is the purpose of this act to:

(1) mitigate the harmful effects of single-use products on Vermont's municipalities and natural resources; and

(2) relieve the pressure for landfills to manage the disposition of single-use products.

Sec. 2. 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; and Single-use Plastic Stirrers

§ 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 transporting groceries or retail goods, except that a “carryout bag” shall not mean:

(A) a bag made of paper when the paper has a basis weight of 30 pounds or less;

(B) a bag provided by a pharmacy to a customer purchasing a prescription medication;

(C) a bag used by customers inside a store to:

(i) package loose items, such as fruits, vegetables, nuts, coffee, grains, bakery goods, candy, greeting cards, or small hardware items;

(ii) contain or wrap frozen foods, meat, or fish; or

(iii) contain or wrap flowers;

(D) a laundry, dry cleaning, or garment bag, including bags provided by a store to protect large garments, such as suits, jackets, or dresses.

(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 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, including material derived from either petroleum or a biologically based polymer, such as corn or other plant sources.

(7) "Point of sale" means a check-out stand, cash register, or other point of departure from a store or food service establishment, including the location where remotely ordered food or products are delivered to a purchaser.

(8) "Recyclable paper carryout bag" means a carryout bag that is made of paper and that is recyclable.

(9) "Reusable carryout bag" means a carryout bag that is designed and manufactured for multiple uses and is:

(A) made of cloth or other machine-washable fabric that has stitched handles; or

(B) a polypropylene bag that has stitched handles.

(10) "Secretary" means the Secretary of Natural Resources.

(11) "Single-use plastic carryout bag" means a carryout bag that is:

(A) made of plastic;

(B) a single-use product; and

(C) not a reusable carryout bag.

(12) “Single-use plastic stirrer” means a device that is:

(A) used to mix beverages;

(B) made predominantly of plastic; and

(C) a single-use product.

(13) “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; and

(B) is a single-use product.

(14) “Single-use product” or “single use” means a product that is generally recognized by the public as an item to be discarded after one use.

(15) “Store” means a grocery store, supermarket, convenience store, liquor store, drycleaner, pharmacy, drug store, or other retail establishment 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. RECYCLABLE PAPER CARRYOUT BAG

(a) A store or food service establishment may provide a consumer a recyclable paper carryout bag at the point of sale if the bag is provided to the consumer for a charge 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 recyclable paper carryout bag shall be retained by the store or food service establishment.

§ 6694. SINGLE-USE PLASTIC STRAWS

(a) A food service establishment shall not provide a single-use plastic straw to a customer, except that a food service establishment may provide a straw to a person upon request.

(b) The prohibition on sale or provision of a single-use plastic straw under subsection (a) of this section shall not apply to:

(1) a hospital licensed under 18 V.S.A. chapter 43;

(2) a nursing home, residential care home, assisted living residence, home for the terminally ill, or therapeutic community, as those terms are defined in 33 V.S.A. chapter 71; or

(3) an independent living facility as that term is defined in 32 V.S.A. chapter 225.

(c) This section shall not alter the requirements of 9 V.S.A. chapter 139 regarding the provision of services by a place of public accommodation.

§ 6695. SINGLE-USE PLASTIC STIRRERS

A food service establishment shall not provide a single-use plastic stirrer to a customer.

§ 6696. 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.

§ 6697. CIVIL PENALTIES; WARNING

(a) A person, store, or food service establishment that 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, store, or food service establishment is violating the requirement of this subchapter.

§ 6698. INVENTORY EXCEPTION

A store or food service establishment shall not violate a prohibition under this subchapter regarding the provision of a carryout bag, single-use plastic straw, single-use stirrer, or expanded polystyrene food service product if the store or food service establishment:

(1) purchased the carryout bag, single-use plastic straw, single-use stirrer, or expanded polystyrene food service product prior to May 15, 2019; and

(2) provides the carryout bag, single-use plastic straw, single-use stirrer, or expanded polystyrene food service product to a consumer on or before July 1, 2021.

§ 6699. APPLICATION TO MUNICIPAL BYLAWS, ORDINANCES, OR CHARTERS; PREEMPTION

(a) The General Assembly finds that the requirements of this subchapter are of statewide interest and, beginning on July 1, 2020, shall be applied uniformly in the State and shall occupy the entire field of regulation of single-use plastic carryout bags; single-use, recyclable paper carryout bags; single-use plastic straws; single-use plastic stirrers; and expanded polystyrene food service products.

(b) A municipal ordinance, bylaw, or charter adopted or enacted before July 1, 2020 that regulates or addresses the use, sale, or provision of single-use plastic carryout bags, single-use recyclable paper carryout bags, single-use plastic straws, single-use plastic stirrers, or expanded polystyrene food service products is preempted by the requirements of this subchapter, and a municipality shall not enforce or otherwise implement the ordinance, bylaw, or charter.

§ 6700. RULEMAKING

The Secretary may adopt rules to implement the requirements of this subchapter.

Sec. 3. SINGLE-USE PRODUCTS WORKING GROUP; REPORT

(a) Creation; purpose. There is created the Single-Use Products Working Group to:

(1) evaluate current State and municipal policy and requirements for the management of single-use products; and

(2) recommend to the Vermont General Assembly policy or requirements that the State should enact to:

(A) reduce the use of single-use products;

(B) reduce the environmental impact of single-use products;

(C) improve statewide management of single-use products;

(D) divert single-use products from disposal in landfills; and

(E) prevent contamination of natural resources by discarded single-use products.

(b) 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 transporting groceries or retail goods.

(2) “Disposable plastic food service ware” means containers, plates, clamshells, serving trays, meat and vegetable trays, hot and cold beverage cups, cutlery, and other 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 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) “Point of sale” means a check-out stand, cash register, or other point of departure from a store or food service establishment, including the location where remotely ordered food or products are delivered to a purchaser.

(9) “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.

(10) “Single use” means a product that is generally recognized by the public as an item to be discarded after one use.

(11) “Single-use products” means single-use carryout bags, single-use packaging, single-use disposable plastic food service ware, expanded

polystyrene food service products, plastic film, printed materials, and other single-use plastics or single-use products that are provided to consumers by stores, food service establishments, or other retailers.

(12) "Store" means a grocery store, supermarket, convenience store, liquor store, pharmacy, drycleaner, drug store, or other retail establishment.

(13) "Unwanted" means when a person in possession of a product intends to abandon or discard the product.

(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 of a single-stream materials recovery facility located in Vermont appointed by the Governor;

(5) two representatives from solid waste management entities in the State, one representing a rural district and one representing an urban district, 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 that advocates for the reduction of solid waste and the protection of the environment appointed by the Speaker of the House;

(9) one representative of stores in the State, appointed by the Committee on Committees; and

(10) one representative of food service establishments in the State, appointed by the Speaker of the House.

(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 effects on landfill capacity of single-use products that can be recycled but are currently being disposed.

(3) 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.

(4) Recommend methods or mechanisms to address the effects on landfill capacity of single-use products that can be recycled, but are currently being disposed, in order to improve the management of single-use products in the State, including whether the State should establish extended producer responsibility or similar requirements for manufacturers, distributors, or brand owners of single-use products.

(5) If extended producer responsibility or similar requirements for single-use products are recommended under subdivision (4) 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.

(6) Recommend methods or incentives for increasing the availability and affordability of reusable carryout bags for all citizens in Vermont.

(7) An estimate of the costs and benefits of any recommended method or mechanism for improving the management of single-use products in the State.

(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. 4. ANR REPORT ON LANDFILL OPERATION IN THE STATE

As part of the Biennial Report on Solid Waste required under 10 V.S.A. § 6604(b) to be submitted to the General Assembly in 2021, the Secretary of Natural Resources shall include a feasibility study addressing issues related to the opening of a second landfill in the State. The report shall include:

(1) An assessment of the capacity of the two sites in the State that are currently permitted and certified for landfill operation, but are not in operation, to receive solid waste.

(2) An evaluation of the environmental costs of continuing to truck solid waste to a single landfill located in the northeast corner of the State. This evaluation shall include the amount of greenhouse gases emitted over the course of a year from trucks making round trips to the existing landfill in Vermont. The evaluation shall also include an estimate of the impact that trucking to the one landfill in the State is having annually on the State transportation infrastructure.

(3) An estimate of the time frame to physically activate either one or both of the sites in the State that are currently permitted and certified for landfill operation, but are not in operation, to receive solid waste.

(4) An estimate of the time frame to locate and operate an additional solid waste landfill in the State.

Sec. 5. EFFECTIVE DATES

(a) This section, Sec. 1 (purpose), Sec. 3 (single-use working group), and Sec. 4 (landfill report) shall take effect on passage.

(b) Sec. 2 (single-use products) shall take effect July 1, 2020.

CHRISTOPHER A. BRAY

BRIAN A. CAMPION

JOHN S. RODGERS

Committee on the part of the Senate

AMY D. SHELDON

JAMES M. MCCULLOUGH

PAUL D. LEFEBVRE

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate

S. 149.

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

An act relating to miscellaneous changes to laws related to vehicles and the Department of Motor Vehicles.

Was taken up for immediate consideration.

Senator Ashe, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate bill entitled:

S. 149. An act relating to miscellaneous changes to laws related to vehicles and the department of motor vehicles.

Respectfully reports that it has met and considered the same and recommends that the Senate accede to the House's first, second, third, fourth,

fifth, and sixth proposals of amendment, that the House recede from its seventh proposal of amendment, and that the bill be further amended as follows:

First: In Sec. 16, 23 V.S.A. chapter 41, in section 4202, definitions, in subdivision (1), automated driving system, by inserting the words on a sustained basis before the words “within its operational design domain” and by inserting the following: , where applicable after the words “without any intervention or supervision by a conventional human driver”

Second: In Sec. 16, 23 V.S.A. chapter 41, in section 4203, testing of automated vehicles on public highways, in subsection (a), by striking out the word “geographic”

Third: In Sec. 16, 23 V.S.A. chapter 41, in section 4203, testing of automated vehicles on public highways, in subsection (b), by striking out the words “will conduct” and inserting in lieu thereof the words shall conduct

Fourth: By striking out Sec. 28, effective dates, and its accompanying reader assistance heading in their entirety and inserting in lieu thereof the following:

* * * Junior Operator Use of Portable Electronic Devices * * *

Sec. 28. 23 V.S.A. § 1095a(d) is added to read:

(d)(1) A person who violates this section commits a traffic violation as defined in section 2302 of this title and shall be subject to a civil penalty of not less than \$100.00 and not more than \$200.00 for a first violation, and of not less than \$250.00 and not more than \$500.00 for a second or subsequent violation within any two-year period.

(2) A person convicted of violating this section while operating within the following areas shall have four points assessed against his or her driving record for a first conviction and five points assessed for a second or subsequent conviction:

(A) a properly designated work zone in which construction, maintenance, or utility personnel are present; or

(B) a school zone marked with warning signs conforming to the Manual on Uniform Traffic Control Devices.

(3) A person convicted of violating this section outside the areas designated in subdivision (2) of this subsection shall have two points assessed against his or her driving record.

Sec. 29. 23 V.S.A. § 2502 is amended to read:

§ 2502. POINT ASSESSMENT; SCHEDULE

(a) Unless the assessment of points is waived by a Superior judge or a Judicial Bureau hearing officer in the interests of justice and in accordance with subsection 2501(b) of this title, a person operating a motor vehicle shall have points assessed against his or her driving record for convictions for moving violations of the indicated motor vehicle statutes in accord with the following schedule: (All references are to Title 23 of the Vermont Statutes Annotated.)

(1) Two points assessed for:

* * *

(LL)(i) § 1095.

Entertainment picture visible to operator;

(ii) § 1095a(d)(3).

Junior operator use of portable electronic device outside work or school zone;

(iii) § 1095b(c)(3).

Use of portable electronic device outside work or school zone;

* * *

(3) Four points assessed for:

* * *

(E) § 1095a(d)(2).

Junior operator use of portable electronic device in work or school zone—first offense;

(F) § 1095b(c)(2).

Use of portable electronic device in work or school zone—first offense;

(4) Five points assessed for:

* * *

(D) § 1095a(d)(2).

Junior operator use of portable electronic device in work or school zone—second and subsequent offenses;

(E) § 1095b(c)(2).

Use of portable electronic device in work or school zone—second and subsequent offenses;

* * *

* * * Master License Agreement Study * * *

Sec. 30. STUDY ON THE AGENCY OF TRANSPORTATION'S USE OF
MASTER LICENSE AGREEMENTS AND ALTERNATIVE
OPTIONS

The Agency of Transportation, in consultation with the Vermont League of Cities and Towns, shall report back to the House and Senate Committees on Transportation on or before November 15, 2019 concerning the use and contents of master license agreements and other agreements or contracts by the Agency of Transportation when a municipality, utility, or other person needs to use the right-of-way for the line of railroad owned by the State. The report shall include the history of the Agency's use of master license agreements and other agreements or contracts, including the contents thereof; alternatives to the use of such agreements; whether a municipality or municipal operated utility can secure sufficient insurance coverage to enter into the Agency's current iteration of the standard conditions to the master license agreement it uses when a municipality, utility, or other person needs to use the right-of-way for the line of railroad owned by the State; and what other states do when a municipality, utility, or other person needs to use the right-of-way for any state-owned railroad lines.

* * * Motor Vehicle Registrations * * *

Sec. 31. 23 V.S.A. § 307 is amended to read:

§ 307. CARRYING OF REGISTRATION CERTIFICATE; REPLACEMENT
AND CORRECTED CERTIFICATES

(a) A person shall not operate a motor vehicle nor draw a trailer or semi-trailer unless all required registration certificates are carried in some easily accessible place in the motor vehicle.

(b) In case of the loss, mutilation, or destruction of a certificate, the owner of the vehicle described in it shall forthwith notify the Commissioner and remit a fee of \$16.00, upon receipt of which the Commissioner shall furnish the owner with a duplicate certificate.

(c) A corrected registration certificate shall be furnished by the Commissioner upon request and receipt of a fee of \$16.00.

(d) An operator cited for violating subsection (a) of this section with respect to a pleasure car, motorcycle, or truck that could be registered for less than 26,001 pounds shall be subject to a civil penalty of not more than \$5.00, which penalty shall be exempt from surcharges under 13 V.S.A. § 7282(a), if he or she is cited within the 14 days following the expiration of the motor vehicle's registration.

Sec. 32. 23 V.S.A. § 511 is amended to read:

§ 511. MANNER OF DISPLAY

(a) A motor vehicle operated on any highway shall have displayed in a conspicuous place either one or two number plates as the Commissioner may require. Such number plates shall be furnished by the Commissioner and shall show the number assigned to such vehicle by the Commissioner. If only one number plate is furnished, the same shall be securely attached to the rear of the vehicle. If two are furnished, one shall be securely attached to the rear and one to the front of the vehicle. The number plates shall be kept entirely unobscured, and the numerals and the letters thereon shall be plainly legible at all times. They shall be kept horizontal, shall be so fastened as not to swing, excepting however, there may be installed on a motor truck or truck tractor a device which would, upon contact with a substantial object, permit the rear number plate to swing toward the front of the vehicle, provided such device automatically returns the number plate to its original rigid position after contact is released, and the ground clearance of the lower edges thereof shall be established by the Commissioner pursuant to the provisions of 3 V.S.A. chapter 25.

(b) A registration validation sticker shall be unobstructed, and shall be affixed as follows:

(1) for vehicles issued registration plates with dimensions of approximately 12 × 6 inches, in the lower right corner of the rear registration plate; and

(2) for vehicles issued a registration plate with a dimension of approximately 7 × 4 inches, in the upper right corner of the rear registration plate.

(c) A person shall not operate a motor vehicle unless number plates and a validation sticker are displayed as provided in this section.

(d) An operator cited for violating subsection (c) of this section with respect to failure to display a validation sticker on a pleasure car, motorcycle, or truck that could be registered for less than 26,001 pounds shall be subject to a civil penalty of not more than \$5.00, which penalty shall be exempt from surcharges under 13 V.S.A. § 7282(a), if he or she is cited within the 14 days following the expiration of the motor vehicle's registration.

* * * Motor Vehicle Inspections * * *

Sec. 33. 23 V.S.A. § 1222(c) is amended to read:

(c) A person shall not operate a motor vehicle unless it has been inspected as required by this section and has a valid certification of inspection affixed to

it. A person shall be subject to a fine civil penalty of not more than \$5.00, which penalty shall be exempt from surcharges under 13 V.S.A. § 7282(a), if he or she is cited for a violation of this section within the 14 days following expiration of the motor vehicle inspection sticker. The month of next inspection for all motor vehicles shall be shown on the current inspection certificate affixed to the vehicle.

* * * Effective Dates * * *

Sec. 34. EFFECTIVE DATES

(a) This section and Secs. 26 (Department of Motor Vehicles training), 27 (translated documents and use of interpreters implementation), and 30 (master license agreement study) shall take effect on passage.

(b) Secs. 23 (written forms) and 24 (examination required) shall take effect on July 1, 2020.

(c) All other sections shall take effect on July 1, 2019.

*TIMOTHY R. ASHE
RICHARD T. MAZZA
M. JANE KITCHEL*

Committee on the part of the Senate

*CURTIS A. MCCORMACK
BARBARA S. MURPHY
BRIAN K. SAVAGE*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Appointments Confirmed

The following Gubernatorial appointments were confirmed separately by the Senate, upon full reports given by the Committees to which they were referred:

The nomination of

Snelling, Diane B. of Hinesburg - Chair, Natural Resources Board - March 1, 2019 to February 28, 2021.

Was confirmed by the Senate.

The nomination of

Moore, Julie S. of Middlesex - Commissioner, Agency of Natural Resources - March 1, 2019 to February 28, 2021.

Was confirmed by the Senate.

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 nominations of

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

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

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

Davis, John of South Burlington - Chair, Vermont Economic Progress Council - April 1, 2019 to March 31, 2023.

Keenan, Kathleen of St. Albans - Member, Employment Security Board - March 1, 2019 to February 28, 2025.

Were collectively confirmed by the Senate.

Rules Suspended; Bills Messaged

On motion of Senator Ashe, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 40, S. 113, S. 149, H. 13, H. 529.

Message from the House No. 82

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 the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 73. An act relating to licensure of ambulatory surgical centers.

And has adopted the same on its part.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 160. An act relating to agricultural development.

And has adopted the same on its part.

Adjournment

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

THURSDAY, MAY 23, 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 Governor Appointment Referred

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

Soloman, Hilary of Middletown Springs - Member of the VT Citizens' Advisory Council on Lake Champlain's Future - from February 20, 2019 to February 28, 2021.

To the Committee on Natural Resources and Energy.

Bill Passed in Concurrence with Proposal of Amendment

H. 135.

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

An act relating to the authority of the Agency of Digital Services.

Senate Resolution Adopted

S.R. 5.

Senate resolution entitled:

Senate resolution strongly opposing the basing of any nuclear weapon delivery system in the State of Vermont.

Was taken up and adopted.

President Assumes the Chair

Rules Suspended; Bills on Notice Calendar for Immediate Consideration

On motion of Senator Ashe, the rules were suspended, and the following bills and Joint resolution, appearing on the Calendar for notice, were ordered to be brought up for immediate consideration:

S. 18, S. 73, S. 134, S. 160, H. 63, H. 514, H. 525, H. 527, H. 536.

**House Proposals of Amendment to Senate Proposal of Amendment
Concurred In**

H. 63.

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

An act relating to the time frame for return of unclaimed beverage container deposits.

Were taken up.

The House proposes to the Senate to amend the Senate proposal of amendment as follows:

First: By striking out Secs. 11, 12, 13, and 14 and their reader assistance heading in their entirety and inserting in lieu thereof new Secs. 11, 12, 13, and 14 and their reader assistance heading to read as follows:

* * * Weatherization; Building Energy Labeling and Benchmarking * * *

Sec. 11. FINDINGS

The General Assembly finds that for the purposes of Secs. 12–14 of this act:

(1) Pursuant to 10 V.S.A. § 578, it is the goal of Vermont to reduce greenhouse gas emissions from the 1990 baseline by 50 percent by January 1, 2028, and, if practicable, by 75 percent by January 1, 2050. Pursuant to 10 V.S.A. § 581, it is also the goal of Vermont to improve the energy fitness of at least 20 percent (approximately 60,000 units) of the State's housing stock by 2017, and 25 percent (approximately 80,000 units) by 2020, thereby reducing fossil fuel consumption and saving Vermont families a substantial amount of money.

(2) The State is failing to achieve these goals. For example, Vermont's greenhouse gas emissions have increased 16 percent compared to the 1990 baseline.

(3) Approximately 24 percent of the greenhouse gas emissions within Vermont stem from residential and commercial heating and cooling usage.

Much of Vermont's housing stock is old, inadequately weatherized, and therefore not energy efficient.

(4) The Regulatory Assistance Project recently issued a report recommending two strategies to decarbonize Vermont and address climate change. First, electrifying the transportation sector. Second, focusing on substantially increasing the rate of weatherization in Vermont homes and incentivizing the adoption of more efficient heating technologies such as cold climate heat pumps.

(5) Although the existing Home Weatherization Assistance Program assists Vermonters with low income to weatherize their homes and reduce energy use, the Program currently weatherizes approximately 850 homes a year. This rate is insufficient to meet the State's statutory greenhouse gas reduction and weatherization goals.

(6) Since 2009, proceeds from the Regional Greenhouse Gas Initiative (RGGI) and the Forward Capacity Market (FCM) have been used to fund thermal efficiency and weatherization initiatives by Efficiency Vermont, under the oversight of the Public Utility Commission (PUC). Approximately 800 Vermont homes and businesses are weatherized each year under a market-based approach that utilizes 50 participating contractors. Efficiency Vermont and the contractors it works with have the capacity to substantially increase the number of projects undertaken each year.

(7) A multipronged approach is necessary to address these issues. The first part will establish a statewide voluntary program for rating and labeling the energy performance of buildings to make energy use and costs visible for buyers, sellers, owners, lenders, appraisers, and real estate professionals. The second part will allow Efficiency Vermont to use unspent funds to weatherize more homes and buildings. The third part will ask the Public Utility Commission to undertake a proceeding to examine whether to recommend to the General Assembly the creation of an all-fuels energy efficiency program, the expansion of the services that efficiency utilities may provide, and related issues.

Sec. 12. 30 V.S.A. chapter 2, subchapter 2 is added to read:

Subchapter 2. Building Energy Labeling and Benchmarking

§ 61. DEFINITIONS

As used in this subchapter:

(1) "Benchmarking" means measuring the energy performance of a single building or portfolio of buildings over time in comparison to other

similar buildings or to modeled simulations of a reference building built to a specific standard such as an energy code.

(2) “Commercial Working Group” means the Commercial and Multiunit Building Energy Labeling Working Group established by subsection 62(b) of this title.

(3) “Commission” means the Public Utility Commission.

(4) “Department” means the Department of Public Service.

(5) “Distribution company” means a company under the jurisdiction of the Commission that distributes electricity or natural gas for consumption by end users.

(6) “Energy efficiency utility” means an energy efficiency entity appointed under subdivision 209(d)(2) of this title.

(7) “Energy label” means the visual presentation in a consistent format of an energy rating for a building and any other supporting and comparative information. The label may be provided as a paper certificate or made available online, or both.

(8) “Energy rating” means a simplified mechanism to convey a building’s energy performance. The rating may be based on the operation of the building or modeled based on the building’s assets.

(9) “Home energy assessor” means an individual who assigns buildings a home energy performance score using a scoring system based on the energy rating.

(10) “Multiunit building” means a building that contains more than one independent dwelling unit or separate space for independent commercial use, or both.

(11) “Residential Working Group” means the Residential Building Energy Labeling Working Group established by subsection 62(a) of this title.

(12) “Unit holder” means the tenant or owner of an independent dwelling unit or separate space for independent commercial use within a multiunit building.

§ 62. BUILDING ENERGY WORKING GROUPS

(a) Residential Working Group. There is established the Residential Building Energy Labeling Working Group.

(1) The Residential Working Group shall consist of the following:

(A) the Commissioner of Public Service (Commissioner) or designee;

(B) an expert in the design, implementation, and evaluation of programs and policies to promote investments in energy efficiency who is not a member of an organization described elsewhere in this subsection, appointed by the Commissioner;

(C) a representative of each energy efficiency utility, chosen by that efficiency utility;

(D) the Director of the State Office of Economic Opportunity or designee;

(E) a representative of Vermont's community action agencies appointed by the Vermont Community Action Partnership;

(F) a representative, with energy efficiency expertise, of the Vermont Housing and Conservation Board, appointed by that Board;

(G) a building performance professional, appointed by the Building Performance Professionals Association;

(H) a representative of the real estate industry, appointed by the Vermont Association of Realtors; and

(I) such other members with expertise in energy efficiency, building design, energy use, or the marketing and sale of real property as the Commissioner may appoint.

(2) The Residential Working Group shall advise the Commissioner in the development of forms pursuant to section 63 of this title.

(b) Commercial Working Group. There is established the Commercial and Multiunit Building Energy Labeling Working Group.

(1) The Commercial Working Group shall consist of the following:

(A) the Commissioner or designee;

(B) an expert in the design, implementation, and evaluation of programs and policies to promote investments in energy efficiency who is not a member of an organization described elsewhere in this subsection, appointed by the Commissioner;

(C) a representative of each energy efficiency utility, chosen by that efficiency utility;

(D) the Director of the State Office of Economic Opportunity or designee;

(E) a representative of Vermont's community action agencies, appointed by the Vermont Community Action Partnership;

(F) a representative, with energy efficiency expertise, of the Vermont Housing and Conservation Board, appointed by that Board;

(G) a representative of the real estate industry, appointed by the Vermont Association of Realtors; and

(H) such other members with expertise in energy efficiency, building design, energy use, or the marketing and sale of real property as the Commissioner may appoint.

(2) The Commercial Working Group shall advise the Commissioner in the development of forms pursuant to section 63 of this title.

(c) Co-chairs. Each working group shall elect two co-chairs from among its members.

(d) Meetings. Meetings of each working group shall be at the call of a Co-Chair or any three of its members. The meetings shall be subject to the Vermont Open Meeting Law and 1 V.S.A. § 172.

(e) Vacancy. When a vacancy arises in a working group created under this section, the appointing authority shall appoint a person to fill the vacancy.

(f) Responsibilities. The Working Groups shall advise the Commissioner on the following:

(1) requirements for home assessors, including any endorsements, licensure, and bonding required;

(2) programs to train home energy assessors;

(3) requirements for reporting building energy performance scores given by home energy assessors and the establishment of a system for maintaining such information;

(4) requirements to standardize the information on a home energy label; and

(5) other matters related to benchmarking, energy rating, or energy labels for residential, commercial, and multiunit buildings.

§ 63. MULTIUNIT BUILDINGS; ACCESS TO AGGREGATED DATA

(a) Obligation; aggregation and release of data. On request of the owner of a multiunit building or the owner's designated agent, each distribution company and energy efficiency utility shall aggregate monthly energy usage data in its possession for the unit holders in the building and release the aggregated data to the owner or agent. The aggregated data shall be anonymized.

(1) Under this section, the obligation to aggregate and release data shall accrue when the owner or agent:

(A) Certifies that the request is made for the purpose of benchmarking or preparing an energy label for the building.

(B) With respect to a multiunit building that has at least four unit holders, provides documentation certifying that, at least 14 days prior to submission of the request, each unit holder was notified that the energy usage data of the holder was to be requested and that this notice gave each unit holder an opportunity to opt out of the energy use aggregation. The owner or agent shall identify to the distribution company or energy efficiency utility requesting the data each unit holder that opted out.

(C) With respect to a multiunit building that has fewer than four unit holders, provides an energy usage data release authorization from each unit holder.

(2) A unit holder may authorize release of the holder's energy usage data by signature on a release authorization form or clause in a lease signed by the unit holder. The provisions of 9 V.S.A. § 276 (recognition of electronic records and signatures) shall apply to release authorization forms under this subsection.

(3) After consultation with the Commercial Working Group, the Commissioner of Public Service shall prescribe forms for requests and release authorizations under this subsection. The request form shall include the required certification.

(b) Response period. A distribution company or energy efficiency utility shall release the aggregated energy use data to the building owner or designated agent within 30 days of its receipt of a request that meets the requirements of subsection (a) of this section.

(1) The aggregation shall exclude energy usage data for each unit holder who opted out or, in the case of a multiunit building with fewer than four unit holders, each unit holder for which a signed release authorization was not received.

(2) A distribution company may refer a complete request under subsection (a) of this section to an energy efficiency utility that possesses the requisite data, unless the data is to be used for a benchmarking program to be conducted by the company.

Sec. 13. WORKING GROUPS; CONTINUATION

(a) The Residential Energy Labeling Working Group and Commercial Energy Labeling Working Group convened by the Department of Public

Service in response to 2013 Acts and Resolves No. 89, Sec. 12, as each group existed on February 1, 2019, shall continue in existence respectively as the Residential Building Energy Labeling Working Group and the Commercial and Multiunit Building Energy Labeling Working Group created under 30 V.S.A. § 62. Those persons who were members of such a working group as of that date may continue as members and, in accordance with 30 V.S.A. § 62, the appointing authorities shall fill vacancies in the working group as they arise.

(b) Within 60 days of this section’s effective date, the Commissioner of Public Service shall make appointments to each working group created under 30 V.S.A. § 62.

Sec. 14. REPORT; COMMERCIAL AND MULTIUNIT BUILDING ENERGY

(a) On or before January 15, 2021, the Commissioner of Public Service (the Commissioner), in consultation with the Residential Building Energy Labeling Working Group and the Commercial and Multiunit Building Energy Labeling Working Group created under 30 V.S.A. § 62, shall file a report and recommendations on each of the following:

(1) each issue listed under “unresolved issues” on page 45 of the report to the General Assembly in response to 2013 Acts and Resolves No. 89, Sec. 12, entitled “Development of a Voluntary Commercial/Multifamily/Mixed-Use Building Energy Label” and dated December 15, 2014;

(2) the appropriateness and viability of publicly disclosing the results of benchmarking as defined in 30 V.S.A. § 61; and

(3) the impact of benchmarking, energy labelling, and energy rating, as defined in 30 V.S.A. § 61, upon the housing market and the real estate industry in Vermont.

(b) The Commissioner shall file the report and recommendations created under subsection (a) of this section with the House Committee on Energy and Technology and the Senate Committees on Finance and on Natural Resources and Energy.

Second: In Sec. 15, effective dates, in subsection (b), after the parenthetical and before the words “shall take effect” by inserting the following: and Secs. 11–14 (weatherization; building energy labeling and benchmarking)

Thereupon, the question, Shall the Senate concur in the House proposals of amendment to the Senate proposal of amendment?, was decided in the affirmative on a roll call, Yeas 29, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Benning, Bray, Brock, Champion, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, McNeil, Nitka, 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: Parent.

Report of Committee of Conference Accepted and Adopted on the Part of the Senate

S. 18.

Senator White, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate bill entitled:

S.18. An act relating to consumer justice enforcement

Respectfully report that they have met and considered the same and recommend that the House recede from its proposals of amendment, and 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 or have a meaningful opportunity to negotiate 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 a jury trial or to bring a class action.

(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, the court may 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) or a credit union as defined by 8 V.S.A. § 30101(5).

(2) A contract for the nondrafting party's enrollment or participation in a recreational activity, sport, or competition.

(3) A motor vehicle retail installment contract subject to 9 V.S.A. chapter 59.

Sec. 2. EFFECTIVE DATE

This act shall take effect on October 1, 2020.

JEANETTE K. WHITE

PHILIP E. BARUTH

JOSEPH C. BENNING

Committee on the part of the Senate

MARTIN J. LALONDE

SELENE COLBURN

THOMAS B. BURDITT

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative on a roll call, Yeas 29, Nays 0.

Senator Pearson 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, 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: Parent.

Report of Committee of Conference Accepted and Adopted on the Part of the Senate**S. 73.**

Senator Lyons, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate bill entitled:

S.73. An act relating to licensure of ambulatory surgical centers.

Respectfully reports that it has met and considered the same and recommends that the Senate accede to the House proposal of amendment to the Senate proposal of amendment to the House proposal of amendment and that the bill be amended as follows:

First: By striking out Sec. 4a, Green Mountain Care Board; ambulatory surgical center reporting requirements; prospective repeal, in its entirety and inserting in lieu thereof a new Sec. 4a to read as follows:

Sec. 4a. AMBULATORY SURGICAL CENTER REPORTING;
APPLICABILITY; PROSPECTIVE REPEAL

(a) 18 V.S.A. § 9375(b)(14) (Green Mountain Care Board; ambulatory surgical center reporting requirements) is repealed on January 16, 2026.

(b) The information to be reported by the Green Mountain Care Board pursuant to 18 V.S.A. § 9375(b)(14)(B) shall be included beginning with the Board's 2021 annual report.

(c) Notwithstanding any provision of 18 V.S.A. § 9375(b)(14) or this section to the contrary, following submission of its 2023 annual report, the Green Mountain Care Board shall not be required to collect, review, or report further data regarding an ambulatory surgical center that was in operation on January 1, 2019.

Second: In Sec. 6, effective dates, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Secs. 3a (18 V.S.A. § 9373), 4 (18 V.S.A. § 9375(b)), and 4a (ambulatory surgical center reporting; applicability; prospective repeal) and this section shall take effect on passage.

*VIRGINIA V. LYONS
RICHARD A. WESTMAN
DEBORAH J. INGRAM*

Committee on the part of the Senate

*WILLIAM J. LIPPERT
LORI HOUGHTON
ANNE B. DONAHUE*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Report of Committee of Conference Accepted and Adopted on the Part of the Senate

S. 134.

Senator Pollina, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate bill entitled:

An act relating to background investigations for State employees with access to federal tax information.

S.134. An act relating to background investigations for State employees with access to federal tax information.

Respectfully reports that it has met and considered the same and recommends that Senate accede to the House proposals of amendment and the bill be amended as follows:

First: By striking out Secs. 7, 8, and 9 and their reader assistance heading in their entireties and inserting in lieu thereof new Secs. 7, 8, and 9 to read as follows:

Sec. 7. [Deleted.]

Sec. 8. [Deleted.]

Sec. 9. [Deleted.]

Second: By striking out Sec. 11, effective dates, in its entirety and inserting a new Sec. 11 to read as follows:

Sec. 11. EFFECTIVE DATES

(a) Sec. 10 shall take effect on July 1, 2024.

(b) This section and the remaining sections of this act shall take effect on July 1, 2019.

*ANTHONY POLLINA
BRIAN P. COLLAMORE
JEANETTE K. WHITE*

Committee on the part of the Senate

*MARCIA L. GARDNER
JOHN M. GANNON
ROBERT B. LACLAIR*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Report of Committee of Conference Accepted and Adopted on the Part of the Senate

S. 160.

Senator Pearson, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate bill entitled:

S.160. An act relating to agricultural development.

Respectfully reports that it has met and considered the same and recommends that Senate accede to the House proposal of amendment and that the bill be further amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Report on Agricultural Industry * * *

Sec. 1. REPORT ON STABILIZATION AND REVITALIZATION OF THE VERMONT AGRICULTURAL INDUSTRY

(a) On or before January 15, 2020, the Secretary of Agriculture, Food and Markets, in consultation with the Vermont Farm-to-Plate Investment Program and industry stakeholders, shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry a report with recommendations for the stabilization, diversification, and revitalization of the agricultural industry in Vermont.

(b) The report required under subsection (a) of this section shall:

(1) summarize the current conditions within particular subsectors, product categories, and market channels that comprise the Vermont food system, including the most recent data synthesis, research, reports, and expert documentation of challenges and opportunities for diversification and growth;

(2) recommend methods for improving the marketing of Vermont agricultural products;

(3) compile technical assistance and capital resources available to farmers to assist in the diversification of agricultural products produced on a farm; and

(4) after consultation with the Northeast Organic Farming Association and Vermont FEED, provide an assessment of the potential to increase the amount of Vermont agricultural products that are purchased by school nutrition programs in the State, including an inventory of agricultural products, such as beef, eggs, or cheese, where demand from schools would create a viable market for Vermont farmers.

* * * Dairy Marketing Assessment * * *

Sec. 2. DAIRY MARKETING ASSESSMENT; REPORT

(a) On or before August 1, 2019, subject to available grants or other funding, the Secretary of Commerce and Community Development, in consultation with the Secretary of Agriculture, Food and Markets, shall contract with a qualified marketing consultant to conduct a marketing assessment of the viability of increasing the consumption of Vermont dairy products in major metropolitan markets in New England and the Northeast. The assessment shall:

(1) conduct market research to identify consumer preferences and upcoming trends around dairy products;

(2) assess consumer preferences and market viability of:

(A) dairy products that provide added value or co-benefits, including, environmental standards followed, soil health practices employed, or animal welfare practices followed in the production of the product;

(B) dairy products that are sold with a label or brand identifying the product as originating in Vermont; and

(C) dairy products produced from the separation of whole milk; and

(3) identify existing funding sources or economic incentives that could be utilized to fund the development of dairy trend research and marketing campaigns in key identified markets and sectors, including innovation grants or financing under federal or State law.

(b) On or before January 15, 2020, the Secretary of Commerce and Community Development shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry the results of the marketing assessment required under subsection (a) of this section.

* * * Soil Conservation * * *

Sec. 3. SOIL CONSERVATION PRACTICE AND PAYMENT FOR ECOSYSTEM SERVICES WORKING GROUP

(a) The Secretary of Agriculture, Food and Markets shall convene a Soil Conservation Practice and Payment for Ecosystem Services Working Group to recommend financial incentives designed to encourage farmers in Vermont to implement agricultural practices that exceed the requirements of 6 V.S.A. chapter 215 and that improve soil health, enhance crop resilience, increase carbon storage and stormwater storage capacity, and reduce agricultural runoff to waters. The Working Group shall:

(1) identify agricultural standards or practices that farmers can implement that improve soil health, enhance crop resilience, increase carbon storage and stormwater storage capacity, and reduce agricultural runoff to waters;

(2) recommend existing financial incentives available to farmers that could be modified or amended to incentivize implementation of the agricultural standards identified under subdivision (1) of this subsection or incentivize the reclamation or preservation of wetlands and floodplains;

(3) propose new financial incentives, including a source of revenue, for implementation of the agricultural standards identified under subdivision (1) of this subsection if existing financial incentives are inadequate or if the goal of implementation of the agricultural standards would be better served by a new financial incentive; and

(4) recommend legislative changes that may be required to implement any financial incentive recommended or proposed in the report.

(b) The Soil Conservation Practice and Payment for Ecosystem Services Working Group shall consist of persons with knowledge or expertise in agricultural water quality, soil health, economic development, or agricultural financing. The Secretary of Agriculture, Food and Markets shall appoint the members that are not ex officio members. The Working Group shall include the following members:

- (1) the Secretary of Agriculture, Food and Markets or designee;
- (2) the Secretary of Natural Resources or designee;
- (3) a representative of the Vermont Housing and Conservation Board;
- (4) a member of the former Dairy Water Collaborative;
- (5) two persons representing farmer's watershed alliances in the State;
- (6) a representative of the Natural Resources Conservation Council;
- (7) a representative of the Gund Institute for Environment of the University of Vermont;
- (8) a representative of the University of Vermont (UVM) Extension;
- (9) two members of the Agricultural Water Quality Partnership;
- (10) a representative of small-scale, diversified farming; and
- (11) a member of the Vermont Healthy Soils Coalition.

(c) The Secretary of Agriculture, Food and Markets or designee shall be the Chair of the Working Group, and the representative of the Vermont Housing and Conservation Board shall be the Vice Chair.

(d) On or before January 15, 2020, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry a report including the findings and recommendations of the Soil Conservation Practice and Payment for Ecosystem Services Working Group regarding financial incentives designed to encourage farmers in Vermont to implement agricultural practices that improve soil health, enhance crop resilience, and reduce agricultural runoff to waters.

* * * Clean Water Affinity Card * * *

Sec. 4. 32 V.S.A. § 584 is amended to read:

§ 584. VERMONT CLEAN WATER STATE-SPONSORED AFFINITY
CARD PROGRAM

(a) The State Treasurer is hereby authorized to sponsor and participate in an Affinity Card Program for the benefit of the residents of water quality improvement in this State upon his or her determination that such a Program is

feasible and may be procured at rates and terms in the best interest interests of the cardholders. In selecting an affinity card issuer, the Treasurer shall consider the issuer's record of investments in the State and shall take into consideration program features which will enhance the promotion of the State-sponsored affinity card, including consumer-friendly terms, favorable interest rates, annual fees, and other fees for using the card.

(b) In selecting an affinity card issuer, the Treasurer shall consider the issuer's record of investments in the State and shall take into consideration program features that will enhance the promotion of the State-sponsored affinity card, including consumer-friendly terms, favorable interest rates, annual fees, and other fees for using the card The Treasurer shall consult with other State agencies about potential public purpose projects to be designated for the Program and shall allow cardholders to designate that funds be used either to support sustainable agricultural programs, renewable energy programs, State parks and forestland programs, or any combination of these. The net proceeds of the State fees or royalties generated by this program shall be transmitted to the State and shall be deposited in a State-sponsored Affinity Card Fund and subsequently transferred to the designated State programs and purposes as selected by the cardholders. The funds received shall be held by the Treasurer until transferred for the purposes directed by participating State-sponsored affinity cardholders in accordance with the trust fund provisions of section 462 of this title.

(c) The net proceeds of the State fees or royalties generated by the Vermont Clean Water Affinity Card Program shall be transmitted to the State and shall be deposited into the Clean Water Fund under 10 V.S.A. § 1388 to provide financial incentives to encourage farmers in Vermont to implement agricultural practices that improve soil health, enhance crop resilience, or reduce agricultural runoff to waters All program balances at the end of the fiscal year shall be carried forward and shall not revert to the General Fund. Interest earned shall remain in the program.

(d) The State shall not assume any liability for lost or stolen credit cards nor any other legal debt owed to the financial institutions.

(e) The State Treasurer is authorized to adopt such rules as may be necessary to implement the Vermont State-sponsored Clean Water Affinity Card Program.

* * * Slaughter * * *

Sec. 5. 2013 Acts and Resolves No. 83, Sec. 13, as amended by 2016 Acts and Resolves No. 98, Sec. 2, is amended to read:

6 V.S.A. § 3311a (livestock slaughter inspection and license exemptions) shall be repealed on July 1, ~~2019~~ 2023.

Sec. 6. 6 V.S.A. § 3311a is amended to read:

§ 3311a. LIVESTOCK; INSPECTION; LICENSING; PERSONAL
SLAUGHTER; ITINERANT SLAUGHTER

(a) As used in this section:

(1) “Assist in the slaughter of livestock” means the act of slaughtering or butchering an animal and shall not mean the farmer’s provision of a site on the farm for slaughter, provision of implements for slaughter, or the service of disposal of the carcass or offal from slaughter.

(2) “Sanitary conditions” means a site on a farm that is:

(A) clean and free of contaminants; and

(B) located or designed in a way to prevent:

(i) the occurrence of water pollution; and

(ii) the adulteration of the livestock or the slaughtered meat.

(b) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to the slaughter by an ~~individual owner~~ of livestock that the ~~individual owner~~ raised for the ~~individual’s owner’s~~ exclusive use or for the use of members of his or her household and his or her nonpaying guests and employees.

(c) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to the slaughter of livestock that occurs in a manner that meets all of the following requirements:

(1) ~~An individual~~ A person or persons purchases livestock from a farmer that raised the livestock.

(2) The farmer is registered with the Secretary, on a form provided by the Secretary, as selling livestock for slaughter under this subsection.

(3) The ~~individual~~ or individuals who purchased the livestock performs the act of slaughtering the livestock, as the owner of the livestock.

(4) The act of slaughter occurs, after approval from the farmer who sold the livestock, on a site on the farm where the livestock was purchased.

(5) The slaughter is conducted under sanitary conditions.

(6) The farmer who sold the livestock to the ~~individual~~ or individuals does not assist in the slaughter of the livestock.

(7) ~~Not~~ Not more than the following number of livestock per year are slaughtered under this subsection:

- (A) 15 swine;
- (B) five cattle;
- (C) 40 sheep or goats; or

(D) any combination of swine, cattle, sheep, or goats, provided that ~~no~~ not more than 6,000 pounds of the live weight of livestock are slaughtered per year.

(8) The farmer who sold the livestock to the individual or individuals maintains a record of each slaughter conducted under this subsection and reports quarterly to the Secretary, on a form provided by the Secretary, on or before April 15 for the calendar quarter ending March 31, on or before July 15 for the calendar quarter ending June 30, on or before October 15 for the calendar quarter ending September 30, and on or before January 15 for the calendar quarter ending December 31. If a farmer fails to report slaughter activity conducted under this subsection, the Secretary, in addition to any enforcement action available under this chapter or chapter 1 of this title, may suspend the authority of the farmer to sell animals to an individual or individuals for slaughter under this subsection.

(9) The slaughtered livestock may be halved or quartered by the individual or individuals who purchased the livestock but solely for the purpose of transport from the farm.

(10) The livestock is slaughtered according to a humane method, as that term is defined in subdivision 3131(6) of this title.

(d) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to an itinerant slaughterer engaged in the act of itinerant livestock slaughter or itinerant poultry slaughter.

(e) An itinerant slaughterer may slaughter livestock owned by a person on the farm where the livestock was raised under the following conditions:

(1) the meat from the slaughter of the livestock is distributed only as whole ~~or half~~, halved, or quartered carcasses to the person who owned the animal for his or her personal use or for use by members of his or her household or nonpaying guests; ~~and~~

(2) the slaughter is conducted under sanitary conditions; and

(3) the livestock is slaughtered according to a humane method, as that term is defined in subdivision 3131(6) of this title.

(f) A carcass or offal from slaughter conducted under this section shall be disposed of according to the requirements under the required agricultural practices for the management of agricultural waste.

Sec. 7. REPORT ON RADIO FREQUENCY IDENTIFICATION FOR LIVESTOCK

On or before January 15, 2020, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committees on Agriculture and on Appropriations and the House Committees on Agriculture and Forestry and on Appropriations a report regarding the use of radio frequency identification (RFID) tags and readers by livestock owners and federally inspected commercial slaughter facilities in the State. The Secretary shall consult with the Vermont Grass Farmers Association, the Vermont Sheep and Goat Association, and the Vermont Agricultural Fairs Association in the development of the report. The report shall include:

(1) a summary of the current Agency of Agriculture, Food and Markets practice of providing metal or plastic animal identification tags to livestock owners at no or low cost;

(2) a summary of any existing or pending federal requirements for the use of RFID tags and readers by livestock owners or federally inspected commercial slaughter facilities;

(3) a summary of how RFID tags and readers are used to manage livestock or track animals through the slaughter process, including the benefits of RFID in comparison to metal or plastic animal identification tags;

(4) an analysis of whether RFID tags and readers are beneficial for the management or slaughter of all livestock, including whether use of RFID tags and readers is appropriate for certain livestock types, small farms, or small slaughter facilities;

(5) an estimate of the cost of equipping a farm or a federally inspected commercial slaughter facility with RFID tags and readers; and

(6) a recommendation of whether the State should provide financial assistance to livestock owners or federally inspected commercial slaughter facilities for the purchase of RFID tags and readers, including eligibility requirements, cost-share, timing, or other criteria recommended by the Secretary of Agriculture, Food and Markets for the provision of RFID tags and readers to livestock owners or federally inspected commercial slaughter facilities in the State.

Sec. 8. 6 V.S.A. § 4607(b) is amended to read:

(b) Powers. The Vermont Working Lands Enterprise Board shall have the authority:

* * *

(10) to identify strategic statewide infrastructure and investment priorities considering:

- (A) leveraging opportunities;
- (B) economic clusters;
- (C) return-on-investment analysis;
- (D) other considerations the Board determines appropriate; and

(11) to develop an annual operating budget, and:

(A) solicit and accept any grants, gifts, or appropriations necessary to implement the budget pursuant to 32 V.S.A. § 5; and

(B) expend any monies necessary to carry out the purposes of this section; and

(12) to identify growing markets and opportunities for the livestock and poultry sectors, including promoting independent animal welfare certification programs.

* * * Vermont Forest Carbon Sequestration Working Group * * *

Sec. 9. VERMONT FOREST CARBON SEQUESTRATION WORKING GROUP; REPORT

(a) Creation. There is created the Vermont Forest Carbon Sequestration Working Group to study how to create a Statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets.

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

(1) two members of the House of Representatives, not from the same political party, appointed by the Speaker of the House;

(2) two members from the Senate, not from the same political party, appointed by the Committee on Committees;

(3) the Secretary of Natural Resources or designee;

(4) four persons with expertise of or experience with the requirements for participating in carbon sequestration markets, two appointed by the

Speaker of the House and two appointed by the Committee on Committees; and

(5) a private landowner or a representative of an association or organization representing private landowners, appointed by the Governor.

(c) Powers and duties. The Working Group shall study how to create a statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets, and shall:

(1) evaluate the current status of carbon sequestration markets, including:

(A) review of available information on the feasibility of enrolling public and private land from Vermont in a carbon sequestration market, including review of existing feasibility analyses specific to the development of forest carbon sequestration projects in New England and Vermont;

(B) examples from forest carbon sequestration project development on public land in other states; and

(C) if available, technical assistance programs developed by other states and organizations to assist private landowners in engaging in carbon sequestration markets;

(2) evaluate the economic and environmental case for encouraging forest carbon sequestration offset projects in Vermont;

(3) analyze how to best market and sell carbon credits from State-owned and privately owned forestland in carbon sequestration markets;

(4) determine how to develop economies of scale in marketing and selling carbon credits in carbon sequestration markets;

(5) evaluate how to utilize financial incentives and existing forest management and certification programs and Vermont's Use Value Appraisal program to maximize the potential value of forestland in carbon sequestration markets while also enhancing conservation and other goals;

(6) review how to structure and regulate a Statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets, including how the program should be governed, whether the program should be governed by a State agency, how forestland will be assessed and enrolled, how parcels and landowners will enter and leave the program, how landowners will be paid, and how requirements and standards concerning forest management will be applied and enforced;

(7) estimate expected revenue from enrolling forestland in carbon markets and how that revenue should be allocated to:

(A) support the governance structure, management, and oversight of the program;

(B) fairly compensate landowners; and

(C) encourage enrollment in the program; and

(8) any other issue the Working Group deems relevant to designing and implementing a statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets.

(d) Assistance. The Working Group shall have the technical and legal assistance of the Agency of Natural Resources. The Working Group shall have the administrative and legislative drafting assistance of the Office of Legislative Council and the fiscal assistance of the Joint Fiscal Office. The Working Group may consult with stakeholders and experts in relevant subject areas, including carbon markets, forest management strategies, and parcel mapping.

(e) Report. On or before January 15, 2020, the Working Group shall submit a written report to the House Committees on Agriculture and Forestry, on Natural Resources, Fish, and Wildlife, and on Energy and Technology and to the Senate Committees on Agriculture and on Natural Resources and Energy. The report shall include:

(1) specific and detailed findings and proposals concerning the issues set forth in subsection (c);

(2) a proposal for a pilot project to enroll State-owned forestland in a carbon sequestration market; and

(3) any recommendations for legislative or regulatory action.

(f) Meetings.

(1) The Secretary of Natural Resources or designee shall call the first meeting of the Working Group to occur on or before July 15, 2019.

(2) The Secretary of Natural Resources or designee shall be the Chair.

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

(4) The Working Group shall meet as often as necessary and shall cease to exist on January 31, 2020.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Working Group 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) Any nonlegislative member of the Working Group who is a State employee shall not be entitled to per diem compensation or reimbursement of expenses. Any member of the Working Group who is not a State employee 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 Agency of Natural Resources.

* * * Logger Safety * * *

Sec. 10. 10 V.S.A. §§ 2622b and 2622c are added to read:

§ 2622b. ACCIDENT PREVENTION AND SAFETY TRAINING FOR
LOGGING CONTRACTORS

(a) Training Program. The Commissioner of Forests, Parks and Recreation shall develop a logging operations accident prevention and safety training curriculum and supporting materials to assist logging safety instructors in providing logging safety instruction. In developing the logging operations accident prevention and safety training curriculum and supporting materials, the Commissioner shall consult with and seek the approval of the training curriculum by the Workers' Compensation and Safety Division of the Department of Labor.

(1) The accident prevention and safety training curriculum and supporting materials shall consist of an accident prevention and safety course that addresses the following:

(A) safe performance of standard logging practices, whether mechanized or nonmechanized;

(B) safe use, operation, and maintenance of tools, machines, and vehicles typically utilized and operated in the logging industry; and

(C) recognition of health and safety hazards associated with logging practices.

(2) The Commissioner shall make the accident prevention and safety training curriculum and supporting materials available to persons, organizations, or groups for presentation to individuals being trained in forest operations and safety.

(b) Request for proposal. The Commissioner shall prepare and issue a request for proposal to develop at least three course curriculums and associated training materials. The Commissioner may cooperate with any reputable

association, organization, or agency to provide course curriculums and training required under this subsection.

(c) Certificate of completion. The Commissioner, any logging safety instructor, or a logger safety certification organization shall issue a certificate of completion to each person who satisfactorily completes a logging operations accident prevention and safety training program based on the curriculum developed under this section.

§ 2622c. FINANCIAL ASSISTANCE; LOGGER SAFETY; MASTER
LOGGER CERTIFICATION; COST-SHARE

(a) The Commissioner of Forests, Parks and Recreation annually shall award grants to the following entities in order to provide financial assistance to loggers for the purposes of improving logger safety and professionalism:

(1) to the Vermont Logger Education to Advance Professionalism (LEAP) program to provide financial assistance to logging contractors for the costs of logger safety training or continuing education in logger safety; and

(2) to the Trust to Conserve Northeast Forestlands for the purpose of annually paying for up to 50 percent, but not more than \$1,500.00, of the costs of the initial certification of up to 10 logging contractors enrolled in the Master Logger Certification Program.

(b) The following costs to a logging contractor shall be eligible for assistance under the grants awarded under subsection (a) of this section:

(1) the costs of safety training, continuing education, or a loss prevention consultation;

(2) the costs of certification under the Master Logger Program administered by the Trust to Conserve Northeast Forestlands; or

(3) the costs of completion of a logging career technical education program.

(c) A grant awarded under this section shall pay up to 50 percent of the cost of an eligible activity.

Sec. 11. 10 V.S.A. § 2702 is added to read:

§ 2702. VALUE-ADDED FOREST PRODUCTS; FINANCIAL
ASSISTANCE

The Commissioner shall award grants of up to \$10,000.00 to applicants engaged in adding value to forest products within the State. A grant awarded under this section may be used by the applicant to pay for expenses associated with State and local permit application costs, project consultation costs,

engineering and siting costs, and expert witness analysis and testimony necessary for permitting.

Sec. 12. 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.

* * * Wetlands; Environmental Permitting Fees * * *

Sec. 13. REPEAL OF SUNSET OF FEE FOR PIPELINES IN WETLAND

2018 Acts and Resolves No. 194, Sec. 8a (sunset of maximum fee for manure pipeline in wetland) is repealed.

* * * Advanced Wood Boilers * * *

Sec. 14. 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, ~~2021~~ 2023.

(b) Sec. 26a of this act (transfer from CEDF) shall be repealed on July 1, ~~2021~~ 2023.

Sec. 15. 2018 Acts and Resolves No. 194, Sec. 26a is amended to read:

Sec. 26a. TRANSFER FROM CEDF TO GENERAL FUND; TAX EXPENDITURE; ADVANCED WOOD BOILERS

(a) Beginning on July 1, 2018, the Clean Energy Development Fund quarterly shall calculate the forgone sales tax on advanced wood fired boilers resulting from the sales tax exemption under 32 V.S.A. § 9741(52) for advanced wood boilers. Beginning on October 1, 2018, the Clean Energy Development Fund shall notify the Department of Taxes of the amount of sales tax forgone in the preceding calendar quarter resulting from the sales tax exemption under 32 V.S.A. § 9741(52) for advanced wood boilers.

(b) In fiscal years 2019 and 2020, the Clean Energy Development Fund shall transfer from the Clean Energy Development Fund to the General 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~~ 100 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.

* * * Dairy Sanitation Rules * * *

Sec. 16. 6 V.S.A. § 2701 is amended to read:

§ 2701. RULES

(a) The Secretary, in accordance with 3 V.S.A. chapter 25, shall adopt, and may amend and rescind, dairy sanitation rules relating to dairy products to enforce this chapter, including labeling, weighing, measuring and testing facilities, buildings, equipment, methods, procedures, health of animals, health and capability of personnel, and quality standards. In addition, the uniform regulation for sanitation requirements, as adopted by the National Conference on Interstate Milk Shippers, and published by the U.S. Department of Health and Human Services, Public Health Service, Food and Drug Administration, Grade A Pasteurized Milk Ordinance (PMO), as amended, supplemented, or revised, are adopted as part of this chapter, ~~except as modified or rejected by rule that any exemption to the preventative controls for human food requirements for Grade "A" milk and milk products for a very small business, as defined in the PMO and federal regulations, shall not apply.~~ The Secretary may modify or reject by rule the PMO. When adherence to the PMO is deemed unreasonable by the Agency for non-Grade "A" products, the most current version of the Recommended Requirements of the U.S. Department of Agriculture, Agricultural Marketing Service, Milk for Manufacturing Purposes and its Production and Processing may be used.

* * *

* * * Commercial Haulers; Food Residuals * * *

Sec. 17. 10 V.S.A. § 6607a(g) is amended to read:

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

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

(B) Beginning on July 1, 2020, shall offer to nonresidential customers and apartment buildings with four or more residential units collection of food residuals separate from other solid waste and deliver to a location that manages food residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(2)-(5) of this title. Commercial

haulers shall not be required to offer collection of food residuals if another commercial hauler provides collection services for food residuals in the same area and has sufficient capacity to provide service to all customers.

* * *

* * * Seed Review * * *

Sec. 18. 6 V.S.A. § 642 is amended to read:

§ 642. DUTIES AND AUTHORITY OF THE SECRETARY

(a) The Secretary shall enforce and carry out the provisions of this subchapter, including:

(1) Sampling, inspecting, making analysis of, and testing seeds subject to the provisions of this subchapter that are transported, sold, or offered or exposed for sale within the State for sowing purposes. The Secretary shall notify promptly a person who sells, offers, or exposes seeds for sale and, if appropriate, the person who labels or transports seeds, of any violation and seizure of the seeds, or order to cease sale of the seeds under section 643 of this title.

(2) Making or providing for purity and germination tests of seed for farmers and dealers on request and to fix and collect charges for the tests made.

(3) Cooperating with the U.S. Department of Agriculture and other agencies in seed law enforcement.

(4) Prior to sale, distribution, or use of a new genetically engineered seed in the State and after consultation with a seed review committee convened under subsection (c) of this section, review the traits of the new genetically engineered seed. The Secretary may prohibit, restrict, condition, or limit the sale, distribution, or use of the seed in the State when determined necessary to prevent an adverse effect on agriculture in the State.

(b) The Secretary shall establish rules to carry out the provisions of this subchapter, including those governing the methods of sampling, inspecting, analyzing, testing, and examining seeds and reasonable standards for seed.

(c)(1) The Secretary shall convene a seed review committee to review the seed traits of a new genetically engineered seed proposed for sale, distribution, or use in the State.

(2) A seed review committee convened under this subsection shall be comprised of the Secretary of Agriculture, Food and Markets or designee and the following members appointed by the Secretary:

- (A) a certified commercial agricultural pesticide applicator;
 (B) an agronomist or relevant crop specialist from the University of Vermont or Vermont Technical College;
 (C) a licensed seed dealer; and
 (D) a member of a farming sector affected by the new genetically engineered seed.

(3) A majority of the seed review committee must approve of the sale, distribution, or use of a new genetically engineered seed prior to sale, distribution, or use in the State. In order to ensure the appropriate use or traits of a new genetically engineered seed in the State, a seed review committee may propose to the Secretary limits or conditions on the sale, distribution, or use of a seed or recommend a limited period of time for sale of the seed.

* * * Effective Dates * * *

Sec. 19. EFFECTIVE DATES

- (a) This section and Sec. 13 (repeal of sunset on maximum wetland fee; manure pipelines) shall take effect on passage.
 (b) Sec. 17 (commercial haulers; food residuals) shall take effect July 1, 2020.
 (c) All other sections shall take effect on July 1, 2019.

*CHRISTOPHER A. PEARSON
 RUTH E. HARDY
 ANTHONY POLLINA*

Committee on the part of the Senate

*JOHN L. BARTHOLOMEW
 THOMAS A. BOCK
 VICKI M. STRONG*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Report of Committee of Conference Accepted and Adopted on the Part of the Senate

H. 514.

Senator Cummings, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

H. 514. An act relating to miscellaneous tax provisions.

Respectfully report that they have met and considered the same and recommend that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Miscellaneous Tax Proposals * * *

* * * Confidentiality of Tax Information; Tobacco Settlement Agreement * * *

Sec. 1. 32 V.S.A. § 3102(d) is amended to read:

(d) The Commissioner shall disclose a return or return information:

* * *

(8) to the Attorney General, the Data Clearinghouse established in the October 2017 Non-Participating Manufacturer Adjustment Settlement Agreement, which the State of Vermont joined in 2018, the National Association of Attorneys General, and counsel for the parties to the Agreement as required by the Agreement and to the extent necessary to comply with the Agreement and only as long as the State is a party thereto.

* * * Annual Calculation; Interest Rates * * *

Sec. 2. 32 V.S.A. § 3108(a) is amended to read:

(a) Not later than December 15 of each year, the Commissioner shall establish a an annual rate of interest applicable to tax overpayments ~~which that~~ shall be equal to the average prime rate charged by banks during the immediately preceding 12 months commencing on October 1 of the prior year, rounded upwards to the nearest quarter percent. ~~An annual rate thus established shall be converted to a monthly rate which shall be rounded upwards to the nearest 10th of a percent.~~ Not later than December 15 of each year, the Commissioner shall establish an annual and monthly rates rate of interest applicable to unpaid tax liabilities, which in each instance shall be equal to the annual ~~and monthly rates~~ rate established for tax overpayments plus 200 basis points. The rates established hereunder shall be effective on January 1 of the immediately following year. As used in this section, the term “prime rate charged by banks” shall mean the average predominate prime rate quoted by commercial banks to large businesses as determined by the Board of Governors of the Federal Reserve Board.

* * * Fee Waiver for Property Tax Appeals * * *

Sec. 3. 32 V.S.A. § 4461(a) is amended to read:

(a) A taxpayer or the ~~Selectboard~~ selectboard members of a town aggrieved by a decision of the board of civil authority under subchapter 1 of this chapter may appeal the decision of the board to either the Director or the Superior Court of the county in which the property is located. The appeal to the Superior Court shall be heard without a jury. The appeal to either the Director or the Superior Court shall be commenced by filing a notice of appeal pursuant to Rule 74 of the Vermont Rules of Civil Procedure, within 30 days ~~of~~ after entry of the decision of the board of civil authority. The date of mailing of notice of the board's decision by the town clerk to the taxpayer shall be deemed the date of entry of the board's decision. The town clerk shall transmit a copy of the notice to the Director or to the Superior Court as indicated in the notice and shall record or attach a copy of the notice in the grand list book. The entry fee for an appeal to the Director is \$70.00; provided, however, that the Director may waive, reduce, or refund the entry fee in cases of hardship or to join appeals regarding the same parcel.

* * * Solar Energy Investment Income Tax Credit * * *

Sec. 4. 32 V.S.A. § 5822 is amended to read:

§ 5822. TAX ON INCOME OF INDIVIDUALS, ESTATES, AND TRUSTS

* * *

(c) The amount of tax determined under subsection (a) of this section shall be:

(1) increased by 24 percent of the taxpayer's federal tax liability for the taxable year for the following:

(A) additional taxes on qualified retirement plans, including individual retirement accounts and medical savings accounts and other tax-favored accounts;

(B) ~~recapture of the federal investment tax credit and increased by 76 percent of the Vermont property portion of the business solar energy investment tax credit component of the federal investment tax credit~~ recapture for the taxable year attributable to the Vermont portion of the investment;

(C) tax on qualified lump-sum distributions of pension income not included in federal taxable income; and

(2) decreased by 24 percent of the reduction in the taxpayer's federal tax liability due to farm income averaging.

(d)(1) A taxpayer shall be entitled to a credit against the tax imposed under this section of 24 percent of each of the credits allowed against the taxpayer's federal income tax for the taxable year as follows: credit for people who are elderly or permanently totally disabled, investment tax credit attributable to the Vermont-property portion of the investment, and child care and dependent care credits.

(2) Any unused ~~business~~ solar energy investment tax credit under this section may be carried forward for ~~no~~ not more than five years following the first year in which the credit is claimed.

* * *

* * * Annual Link to Federal Statutes * * *

Sec. 5. 32 V.S.A. § 5824 is amended to read:

§ 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

The statutes of the United States relating to the federal income tax, as in effect on December 31, ~~2017~~ 2018, but without regard to federal income tax rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the tax liability under this chapter.

Sec. 6. 32 V.S.A. § 7402(8) is amended to read:

(8) "Laws of the United States" means the U.S. Internal Revenue Code of 1986, as amended through December 31, ~~2015~~ 2018. As used in this chapter, "Internal Revenue Code" ~~shall have~~ has the same meaning as "laws of the United States" as defined in this subdivision.

* * * Corporate Tax; Minimum Corporate Tax * * *

Sec. 7. 32 V.S.A. § 5832 is amended to read:

§ 5832. TAX ON INCOME OF CORPORATIONS

A tax is imposed for each calendar year, or fiscal year ending during that calendar year, upon the income earned or received in that taxable year by every taxable corporation, reduced by any Vermont net operating loss allowed under section 5888 of this title, such tax being the greater of:

* * *

(2)(A) \$75.00 for small farm corporations. "Small farm corporation" means any corporation organized for the purpose of farming, which during the taxable year is owned solely by active participants in that farm business and receives less than \$100,000.00 Vermont gross receipts from that farm operation, exclusive of any income from forest crops; or

(B) An amount determined in accordance with section 5832a of this title for a corporation ~~which~~ that qualifies as and has elected to be taxed as a digital business entity for the taxable year; or

(C) For C corporations with Vermont gross receipts from \$0–\$2,000,000.00, the greater of the amount determined under subdivision (1) of this section or \$300.00; or

(D) For C corporations with Vermont gross receipts from \$2,000,001.00–\$5,000,000.00, the greater of the amount determined under subdivision (1) of this section or \$500.00; or

(E) For C corporations with Vermont gross receipts greater than \$5,000,000.00, the greater of the amount determined under subdivision (1) of this section or \$750.00.

* * * Corporate Tax; Apportionment * * *

Sec. 8. 32 V.S.A. § 5833 is amended to read:

§ 5833. ALLOCATION AND APPORTIONMENT OF INCOME

(a) If the income of a taxable corporation is derived from any trade, business, or activity conducted entirely within this State, the Vermont net income of the corporation shall be allocated to this State in full. If the income of a taxable corporation is derived from any trade, business, or activity conducted both within and outside this State, the amount of the corporation's Vermont net income ~~which~~ that shall be apportioned to this State, so as to allocate to this State a fair and equitable portion of that income, shall be determined by multiplying that Vermont net income by the arithmetic average of the following factors, with the sales factor described in subdivision (3) of this subsection double-weighted:

(1) The average of the value of all the real and tangible property within this State (A) at the beginning of the taxable year and (B) at the end of the taxable year (but the Commissioner may require the use of the average of such value on the 15th or other day of each month, in cases where he or she determines that such computation is necessary to more accurately reflect the average value of property within Vermont during the taxable year), expressed as a percentage of all such property both within and outside this State;

(2) The total wages, salaries, and other personal service compensation paid during the taxable year to employees within this State, expressed as a percentage of all such compensation paid whether within or outside this State;

(3) The gross sales, or charges for services performed, within this State, expressed as a percentage of such sales or charges whether within or outside this State.

(A) Sales of tangible personal property are made in this State if:

(i) the property is delivered or shipped to a purchaser, other than the United States U.S. government, who takes possession within this State, regardless of f.o.b. point or other conditions of sale; or

(ii) the property is shipped from an office, store, warehouse, factory, or other place of storage in this State; and

(A)(I) the purchaser is the United States U.S. government; or

(B)(II) the corporation is not taxable in the State in which the purchaser takes possession. Sales other than sales of tangible personal property are in this State if the income producing activity is performed in this State or the income producing activity is performed both in and outside this State and a greater proportion of the income producing activity is performed in this State than in any other state, based on costs of performance.

(B) Sales, other than the sale of tangible personal property, are in this State if the taxpayer's market for the sales is in this State. The taxpayer's market for sales is in this State:

(i) in the case of sale, rental, lease, or license of real property, if and to the extent the property is located in this State;

(ii) in the case of rental, lease, or license of tangible personal property, if and to the extent the property is located in this State;

(iii) in the case of sale of a service, if and to the extent the service is delivered to a location in this State; and

(iv) in the case of intangible property:

(I) that is rented, leased, or licensed, if and to the extent the property is used in this State, provided that intangible property utilized in marketing a good or service to a consumer is "used in this State" if that good or service is purchased by a consumer who is in this State; and

(II) that is sold, if and to the extent the property is used in this State, provided that:

(aa) a contract right, government license, or similar intangible property that authorizes the holder to conduct a business activity in a specific geographic area is "used in this State" if the geographic area includes all or part of this State;

(bb) receipts from intangible property sales that are contingent on the productivity, use, or disposition of the intangible property shall be treated as receipts from the rental, lease, or licensing of such intangible property under subdivision (iv)(I) of this subdivision (B); and

(cc) all other receipts from a sale of intangible property shall be excluded from the numerator and denominator of the receipts factor.

(C) If the state or states of assignment under subdivision (B) of this subsection cannot be determined, the state or states of assignment shall be reasonably approximated.

(D) If the taxpayer is not taxable in a state to which a receipt is assigned under subdivision (B) or (C) of this subsection, or if the state of assignment cannot be determined under subdivision (B) of this subsection or reasonably approximated under subdivision (C) of this subsection, such receipt shall be excluded from the denominator of the receipts factor.

(E) The Commissioner of Taxes shall adopt regulations as necessary to carry out the purposes of this section.

(b) If the application of the provisions of this section does not fairly represent the extent of the business activities of a corporation within this State, the corporation may petition for, or the Commissioner may require, with respect to all or any part of the corporation's business activity, if reasonable:

- (1) ~~Separate~~ separate accounting;
- (2) ~~The~~ the exclusion or modification of any or all of the factors;
- (3) ~~The~~ the inclusion of one or more additional factors ~~which~~ that will fairly represent the corporation's business activity in this State; or
- (4) the employment of any other method to effectuate an equitable allocation and apportionment of the corporation's income.

* * * Corporate Tax; Report * * *

Sec. 9. REPORT

As part of the General Assembly's continuing effort to modernize Vermont's corporate income tax code and to foster economic development in the State, the Department of Taxes, with the assistance of the Joint Fiscal Office and the Office of Legislative Council, shall provide the General Assembly with a report, not later than December 15, 2019, analyzing the following issues related to Vermont's corporate income tax. The report shall:

- (1) identify and analyze any fiscal, legal, distributional, and administrative issues related to moving Vermont from its current apportionment formula under 32 V.S.A. § 5833 to a single sales factor;
- (2) evaluate the impact of the current exclusion of overseas business organizations from an affiliated group, and identify and analyze any fiscal, legal, distributional, and administrative issues related to eliminating that exclusion;

(3) in consultation with the Vermont Banker's Association, compare the impact of the current bank franchise tax to the impact of a taxing regime where there is no bank franchise tax, and financial institutions pay the Vermont corporate tax based on Vermont's current apportionment factors with the market-based sourcing changes made in this act; and

(4) examine alternatives to Vermont's corporate income tax which could more accurately capture corporate economic activity within Vermont, focusing particularly on corporations who conduct business in the State, but who have little or no taxable income.

* * * Publicly Traded Partnerships * * *

Sec. 10. 32 V.S.A. § 5920(h) is amended to read:

(h)(1) Notwithstanding any provisions in this section, a publicly traded partnership as defined in 26 U.S.C. § 7704(b), that is treated as a partnership for the purposes of the Internal Revenue Code, is exempt from any income tax liability and any compliance and payment obligations under subsections (b) and (c) of this section, if information required by the Commissioner under subdivision (2) of this subsection is provided by the due date of the partnership's return. This information includes the name, address, taxpayer identification number, and annual Vermont source of income greater than \$500.00 for each partner who had an interest in the partnership during the tax year. This information shall be provided to the Commissioner in an electronic format, according to rules or procedures adopted by the Commissioner.

(2) Publicly traded partnerships shall provide to the Commissioner in an electronic format, according to rules or procedures adopted by the Commissioner, an annual return that includes the name, address, taxpayer identification number, and other information requested by the Commissioner for each partner with Vermont source income in excess of \$500.00.

(3) A lower-tier pass-through entity of a publicly traded partnership may request from the Commissioner an exemption from the compliance and payment obligations specified in subsections (b) and (c) of this section. The request for the exemption must be in writing and contain:

(A) the name, the address, and the account number or federal identification number of each of the lower-tier pass-through entity's partners, shareholders, members, or other owners; and

(B) information that establishes the ownership structure of the lower-tier pass-through entity and the amount of Vermont source income.

(4) The Commissioner may request additional documentation before granting an exemption to a lower-tier pass-through entity. As used in this subsection, a “lower-tier pass-through entity” means a pass-through entity for purposes of the Internal Revenue Code, which can include a partnership, S corporation, disregarded entity, or limited liability company and which allocates income, directly or indirectly, to a publicly traded partnership. The exemption under subdivision (3) of this subsection shall only apply to income allocated, directly or indirectly, to a publicly traded partnership.

(5) If granted, the exemption for the lower-tier pass-through entity shall be effective for three years following the date the exemption is granted. At the end of the three-year period, the lower-tier pass-through entity of a publicly traded partnership shall submit a new exemption request to continue the exemption. The Commissioner may revoke the exemption for the lower-tier pass-through entity if the Commissioner determines that the lower-tier pass-through entity is not satisfying its tax payment and reporting obligations to the State with respect to income allocated, directly or indirectly, to nonresident partners or members that are not publicly traded partnerships.

Sec. 11. 32 V.S.A. § 3102(e)(20) is added to read:

(20) To a publicly traded partnership as defined in subdivision 5920(h)(1) of this title and to lower-tier pass-through entities of a publicly traded partnership as defined in subdivision 5920(h)(4) of this title for the purpose of reviewing, granting, or denying exemption requests from the requirements of section 5920 of this title.

* * * Meals and Rooms; Resale * * *

Sec. 12. 32 V.S.A. § 9202(10)(D)(iii) is added to read:

(iii) Food or beverage purchased for resale, provided that at the time of sale the purchaser provides the seller an exemption certificate in a form approved by the Commissioner. However, when the food or beverage purchased for resale is subsequently resold, the subsequent purchase does not come within this exemption unless the subsequent purchase is also for resale and an exemption certificate is provided.

* * * Appeal to Superior Court; Security * * *

Sec. 13. 32 V.S.A. § 9275 is amended to read:

§ 9275. APPEALS

Any person aggrieved by the decision of the Commissioner upon petition provided for in section 9274 of this title may, within 30 days after notice thereof from the Commissioner, appeal ~~therefrom~~ to the Superior Court of any county in which ~~such~~ the person has a place of business subject to this chapter.

~~The appellant shall give security, approved by the Commissioner, conditioned to pay the tax levied, if it remains unpaid, with interest and costs. Such appeals shall be preferred cases for hearing on the docket of such Court. Such Court~~ The court may grant such relief as may be equitable and may order the State Treasurer to pay to the aggrieved taxpayer the amount of such relief with interest at the rate established pursuant to 32 V.S.A. § section 3108 of this title. Upon all such appeals ~~which may be~~ that are denied, costs may be taxed against the appellant at the discretion of the ~~Court~~ court but no costs shall be taxed against the State.

Sec. 14. 32 V.S.A. § 9817 is amended to read:

§ 9817. REVIEW OF COMMISSIONER'S DECISION

(a) Any aggrieved taxpayer may, within 30 days after any decision, order, finding, assessment or action of the Commissioner made under this chapter, appeal to the Washington Superior Court or the Superior Court of the county in which the taxpayer resides or has a place of business. ~~The appellant shall give security, approved by the Commissioner, conditioned to pay the tax levied, if it remains unpaid, with interest and costs, as set forth in subsection (c) of this section.~~

* * *

~~(c) Irrespective of any restrictions on the assessment and collection of deficiencies, the Commissioner may assess a deficiency after the expiration of the period specified in subsection (a) of this section, notwithstanding that a notice of appeal regarding the deficiency has been filed by the taxpayer, unless the taxpayer, prior to the time the notice of appeal is filed, has paid the deficiency, has deposited with the Commissioner the amount of the deficiency, or has filed with the Commissioner a bond (which may be a jeopardy bond) in the amount of the portion of the deficiency (including interest and other amounts) in respect of which review is sought and all costs and charges which may accrue against the taxpayer in the prosecution of the proceeding, including costs of all appeals, and with surety approved by the Superior Court, conditioned upon the payment of the deficiency (including interest and other amounts) as finally determined and all costs and charges. If as a result of a waiver of the restrictions on the assessment and collection of a deficiency any part of the amount determined by the Commissioner is paid after the filing of the appeal bond, the bond shall, at the request of the taxpayer, be proportionately reduced. [Repealed.]~~

* * * Report * * *

Sec. 15. TAX DATA ANALYSIS

(a) The Department of Taxes, with the cooperation of other executive

agencies, shall analyze how existing federal and State tax data could be used to identify opportunities for State executive agencies to maximize the eligibility of Vermonters for federal and State programs. For each opportunity, the Department shall identify:

(1) how existing tax data could be used to streamline eligibility criteria and application processes;

(2) any current restrictions on the use of federal and State tax data in the context of the opportunity; and

(3) any changes to current law or to current data practices that would be required to maximize the benefit to the Vermont beneficiary while ensuring taxpayer confidentiality.

(b) The Department of Taxes shall submit its analysis in the form of a report to the Senate Committee on Finance and the House Committee on Ways and Means no later than December 1, 2019.

* * * 529 Plans * * *

Sec. 16. 16 V.S.A. § 2876 is amended to read:

§ 2876. DEFINITIONS

As used in this subchapter, except where the context clearly requires another interpretation:

* * *

(5) “Postsecondary education costs” means the qualified costs of tuition and fees and other expenses for attendance at an ~~institution of postsecondary education, as defined in the Internal Revenue Code~~ approved postsecondary education institution.

(6) ~~“Institution of postsecondary education”~~ “Approved postsecondary education institution” means ~~an institution as defined in the Internal Revenue Code~~ a postsecondary education institution as defined in section 2822 of this title.

* * *

Sec. 17. 16 V.S.A. § 2879a(a) is amended to read:

(a) Any participant may cancel a participation agreement at will, and any return of funds from the participant’s account shall be subject to terms and conditions established by the Corporation, provided that any penalties levied as a result comply with the ~~Internal Revenue Code’s~~ provisions of the Internal Revenue Code or Title 32 relating to Investment Plans.

Sec. 18. 16 V.S.A. § 2879e is amended to read:

§ 2879e. CONSTRUCTION AND APPLICATION

This subchapter shall be construed liberally in order to effectuate its legislative intent. The purposes of this subchapter and all provisions of this subchapter with respect to powers granted shall be broadly interpreted to effectuate such intent and purposes and not as to any limitation of powers. This subchapter shall be interpreted and enforced in a manner that shall achieve this public purpose in compliance with the applicable provisions of the Internal Revenue Code, except to the extent the Code is inconsistent with the provisions of 32 V.S.A. § 5825a.

Sec. 19. 32 V.S.A. § 5825a(b) is amended to read:

(b) A taxpayer who has received a credit under subsection (a) of this section shall repay to the Commissioner 10 percent of any distribution from a higher education investment plan account, which distribution is not ~~excluded from gross income in the taxable year under 26 U.S.C. § 529, as amended,~~ used exclusively for costs of attendance at an approved postsecondary education institution as defined in 16 V.S.A. § 2822(6), up to a maximum of the total credits received by the taxpayer under subsection (a) of this section minus any amount of repayment of such credits in prior tax years. Repayments under this subsection shall be subject to assessment, notice, penalty and interest, collection, and other administration in the same manner as an income tax under this chapter.

Sec. 20. REPORT ON NONPOSTSECONDARY USE OF HIGHER
EDUCATION INVESTMENT PLAN FUNDS

As far as practicable, the Vermont Student Assistance Corporation shall report the amount of assets withdrawn by participants from the Vermont Higher Education Investment Plan in the preceding calendar year for education costs other than postsecondary education costs, as well as the total amount of assets withdrawn by participants in the preceding calendar year, to the House Committee on Ways and Means and the Senate Committee on Finance annually on or before January 15.

Sec. 21. REPEAL

Sec. 20 (report) of this act shall be repealed on July 1, 2022.

* * * Education Property Tax * * *

* * * Definitions; Homestead; Nonhomestead * * *

Sec. 22. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

* * *

(7) "Homestead":

(A) "Homestead" means the principal dwelling and parcel of land surrounding the dwelling, owned and occupied by a resident individual as the individual's domicile or owned and fully leased on April 1, provided the property is not leased for more than 182 days out of the calendar year, or for purposes of the renter property tax adjustment under subsection 6066(b) of this title, is rented and occupied by a resident individual as the individual's domicile.

* * *

(E)(i) A homestead also includes a dwelling on the homestead parcel owned by a farmer as defined under section 3752 of this title, and occupied as the permanent residence by a parent, sibling, child, grandchild of the farmer, or by a shareholder, partner, or member of the farmer-owner, provided that the shareholder, partner, or member owns more than 50 percent of the farmer-owner, including attribution of stock ownership of a parent, sibling, child, or grandchild.

(ii) A homestead further includes the principal dwelling of a widow or widower, provided the dwelling is owned by the estate of the deceased spouse and it is reasonably likely that the dwelling will pass to the widow or widower by law or valid will when the estate is settled.

* * *

* * * Definitions; Household Income * * *

Sec. 23. 32 V.S.A. § 6061 is amended to read:

§ 6061. DEFINITIONS

The following definitions shall apply throughout this chapter unless the context requires otherwise:

* * *

(4)(A) "Household income" means modified adjusted gross income, but not less than zero, received in a calendar year by:

(A)(i) all persons of a household while members of that household;
and

(B)(ii) the spouse of the claimant who is not a member of that household and who is not legally separated from the claimant in the taxable year as defined in subdivision (9) of this section, unless the spouse is at least 62 years of age and has moved to a nursing home or other care facility with no

reasonable prospect of returning to the homestead.

(B) “Household income” does not mean:

(i) the modified adjusted gross income of the spouse or former spouse of the claimant, for any period that the spouse or former spouse is not a member of the household, if the claimant is legally separated or divorced from the spouse in the taxable year as defined in subdivision (9) of this section;

(ii) the modified adjusted gross income of the spouse of the claimant, if the spouse is subject to a protection order as defined in 15 V.S.A. § 1101(5) that is in effect at the time the claimant reports household income to the Department of Taxes.

(5) “Modified adjusted gross income” means “federal adjusted gross income”:

* * *

(C) Without the inclusion of: any gifts from nongovernmental sources other than those described in subdivision (B) of this subdivision (5); surplus food or other relief in kind supplied by a governmental agency; or the first \$6,500.00 of income earned by a full-time student who qualifies as a dependent of the claimant under the federal Internal Revenue Code; the first \$6,500.00 of income received by a person who qualifies as a dependent of the claimant under the Internal Revenue Code and who is the claimant’s parent or adult child with a disability; any income attributable to cancellation of debt; or payments made by the State pursuant to 33 V.S.A. chapters 49 and 55 for foster care, or payments made by the State or an agency designated in 18 V.S.A. § 8907 for adult foster care or to a family for the support of a person who is eligible and who has a developmental disability. If the Commissioner determines, upon application by the claimant, that a person resides with a claimant who has a disability or was at least 62 years of age as of the end of the year preceding the claim, for the primary purpose of providing attendant care services (as defined in 33 V.S.A. § 6321) or homemaker or companionship services, with or without compensation, which allow the claimant to remain in his or her home or avoid institutionalization, the Commissioner shall exclude that person’s modified adjusted gross income from the claimant’s household income. The Commissioner may require that a certificate in a form satisfactory to him or her be submitted which supports the claim.

* * *

* * * Reappraisals * * *

Sec. 24. 32 V.S.A. § 4041a(b) is amended to read:

(b) If the Director of Property Valuation and Review determines that a municipality's education grand list is at a common level of appraisal below 80 85 percent or above 115 percent, or has a coefficient of dispersion greater than 20, the municipality shall reappraise its education grand list properties. If the Director orders a reappraisal, the Director shall send the municipality written notice of the decision. The municipality shall be given 30 days to contest the finding under procedural rules adopted by the Director, to develop a compliance plan, or both. If the Director accepts a proposed compliance plan submitted by the municipality, the Director shall not order commencement of the reappraisal until the municipality has had one year to carry out that plan.

* * * Common Level of Appraisal Districts * * *

Sec. 25. 32 V.S.A. § 5402 is amended to read:

§ 5402. EDUCATION PROPERTY TAX LIABILITY

* * *

(b) The statewide education tax shall be calculated as follows:

(1) The Commissioner of Taxes shall determine for each municipality the education tax rates under subsection (a) of this section, divided by the municipality's most recent common level of appraisal. The legislative body in each municipality shall then bill each property taxpayer at the homestead or nonresidential rate determined by the Commissioner under this subdivision, multiplied by the education property tax grand list value of the property, properly classified as homestead or nonresidential property and without regard to any other tax classification of the property. Tax Statewide education property tax bills shall show the tax due and the calculation of the rate determined under subsection (a) of this section, divided by the municipality's most recent common level of appraisal, multiplied by the current grand list value of the property to be taxed. Statewide education property tax bills shall also include language provided by the Commissioner pursuant to subsection 5405(g) of this title.

* * *

Sec. 26. 32 V.S.A. § 5403 is added to read:

§ 5403. ASSESSMENT DISTRICTS

(a) A municipality may vote at any regular or special meeting to merge with one or more other municipalities in the same unified union school district to create or join an assessment district for the purpose of standardized property valuation.

(b) All municipalities merged into an assessment district shall agree to implement standardized assessment procedures approved by the Commissioner. The Commissioner shall provide written guidance to municipalities relating to how they may receive approval under this subsection.

(c) A vote to merge with an assessment district shall be binding on a municipality for five years. After five years, a municipality may vote at any regular or special meeting to leave the assessment district, unless the assessment district has consolidated all administrative functions.

(d) All municipalities within an assessment district shall be treated as a single municipality for purposes of the equalization process established by section 5405 of this chapter.

(e) Municipalities within an assessment district shall maintain independent grand lists for municipal taxation, as well as independent processes for grievances, property valuation appeals, abatements, grand list filing, use value appraisal parcel management, reappraisal, and financial interaction with the Agency of Education, unless the Commissioner, in writing, authorizes the municipalities of an assessment district to consolidate all property valuation administrative functions.

Sec. 27. 32 V.S.A. § 5405 is amended to read:

§ 5405. DETERMINATION OF EQUALIZED EDUCATION PROPERTY
TAX GRAND LIST AND COEFFICIENT OF DISPERSION

* * *

(g) The Commissioner shall provide to municipalities for the front of property tax bills the district homestead property tax rate before equalization, the nonresidential tax rate before equalization, and the calculation process that creates the equalized homestead and nonresidential tax rates. The Commissioner shall further provide to municipalities for the back of property tax bills an explanation of the common level of appraisal, including its origin and purpose.

* * * Technical Correction * * *

Sec. 27a. 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.

* * *

* * * Distribution of Property Tax Adjustments * * *

Sec. 28. 32 V.S.A. § 6066a is amended to read:

§ 6066a. DETERMINATION OF PROPERTY TAX ADJUSTMENTS

(a) Annually, the Commissioner shall determine the property tax adjustment amount under section 6066 of this title, related to a homestead owned by the claimant. The Commissioner shall notify the municipality in which the housesite is located of the amount of the property tax adjustment for the claimant for homestead property tax liabilities, ~~on July 1 for timely filed claims and on November 1 for late claims filed by October 15~~ on a monthly basis. The tax adjustment of a claimant who was assessed property tax by a town ~~which~~ that revised the dates of its fiscal year, however, is the excess of the property tax ~~which~~ that was assessed in the last 12 months of the revised fiscal year, over the adjusted property tax of the claimant for the revised fiscal year as determined under section 6066 of this title, related to a homestead owned by the claimant.

* * *

(f) Property tax bills.

(1) For taxpayers and amounts stated in the notice to towns on or before July 1, municipalities shall create and send to taxpayers a homestead property tax bill, instead of the bill required under subdivision 5402(b)(1) of this title, providing the total amount allocated to payment of homestead education property tax liabilities and notice of the balance due. Municipalities shall apply the amount allocated under this chapter to current-year property taxes in equal amounts to each of the taxpayers' property tax installments that include education taxes. Notwithstanding section 4772 of this title, if a town issues a corrected bill as a result of the ~~November 1~~ notice sent by the Commissioner under subsection (a) of this section, issuance of ~~such~~ the corrected new bill does not extend the time for payment of the original bill, nor relieve the taxpayer of any interest or penalties associated with the original bill. If the corrected bill is less than the original bill, and there are also no unpaid ~~current year~~ current-year taxes, interest, or penalties and no ~~past-year~~ past-year delinquent taxes or penalties and interest charges, any overpayment shall be reflected on the corrected tax bill and refunded to the taxpayer.

* * *

(g) ~~Annually, on August 1 and on November 1, the~~ The Commissioner of Taxes shall pay monthly to each municipality the amount of property tax adjustment of which the municipality was last notified ~~on July 1 for the August 1 transfer, or November 1 for the November 1 transfer,~~ related to municipal property tax on homesteads within that municipality, as determined by the Commissioner of Taxes.

* * * Income Sensitivity * * *

Sec. 29. 32 V.S.A. chapter 154 is redesignated to read:

CHAPTER 154. HOMESTEAD PROPERTY TAX INCOME
SENSITIVITY ADJUSTMENT CREDIT

Sec. 30. 32 V.S.A. § 6061(1) is amended to read:

(1) “~~Adjustment Property tax credit~~” means ~~an adjustment a credit of the prior tax year’s~~ statewide or local share property tax liability or a homestead owner or renter credit, as authorized under section 6066 of this title, as the context requires.

Sec. 31. 32 V.S.A. § 6066 is amended to read:

§ 6066. COMPUTATION OF ~~ADJUSTMENT~~ PROPERTY TAX CREDIT

(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 a credit for the prior year’s homestead property tax liability~~ amount determined as follows:

* * *

Sec. 32. 32 V.S.A. § 6066a is amended to read:

§ 6066a. DETERMINATION OF PROPERTY TAX ~~ADJUSTMENTS~~
CREDITS

(a) Annually, the Commissioner shall determine the property tax ~~adjustment credit~~ amount under section 6066 of this title, related to a homestead owned by the claimant, based on the prior taxable year’s income and crediting property taxes paid in the prior year. The Commissioner shall notify the municipality in which the housesite is located of the amount of the property tax ~~adjustment credit~~ for the claimant for homestead property tax liabilities, on July 1 for timely filed claims and on November 1 for late claims filed by October 15. The tax ~~adjustment credit~~ of a claimant who was assessed property tax by a town which revised the dates of its fiscal year, however, is the excess of the property tax which was assessed in the last 12 months of the revised fiscal year, over the adjusted property tax of the claimant for the

revised fiscal year as determined under section 6066 of this title, related to a homestead owned by the claimant.

* * *

Sec. 33. CONFORMING REVISIONS

When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Council shall make the following revisions throughout the statutes as needed for consistency with Secs. 29–32 of this act, as long as the revisions have no other effect on the meaning of the affected statutes:

- (1) replace “property tax adjustment” with “property tax credit”;
- (2) replace “adjustment” with “credit”; and
- (3) revisions that are substantially similar to those described in subdivisions (1) and (2) of this section.

* * * Use Value Appraisals * * *

* * * Definitions * * *

Sec. 34. 32 V.S.A. § 3752 is amended to read:

§ 3752. DEFINITIONS

As used in this subchapter:

* * *

(5) “Development” means, for the purposes of determining whether a land use change tax is to be assessed under section 3757 of this chapter, the construction of any building, road, or other structure, or any mining, excavation, or landfill activity. “Development” also means the subdivision of a parcel of land into two or more parcels, regardless of whether a change in use actually occurs, where one or more of the resulting parcels contains less than 25 acres each; but if subdivision is solely the result of a transfer to one or more of a spouse, ~~ex-spouse in a divorce settlement~~, parent, grandparent, child, grandchild, niece, nephew, or sibling of the transferor, or to the surviving spouse of any of the foregoing, then “development” shall not apply to any portion of the newly created parcel or parcels ~~which qualifies~~ that qualify for enrollment and for which, within 30 days following the transfer, each transferee or transferor applies for reenrollment in the use value appraisal program. “Development” also means the cutting of timber on property appraised under this chapter at use value in a manner contrary to a forest or conservation management plan as provided for in subsection 3755(b) of this title during the remaining term of the plan, or contrary to the minimum acceptable standards for forest management if the plan has expired; or a

change in the parcel or use of the parcel in violation of the conservation management standards established by the Commissioner of Forests, Parks and Recreation. "Development" also means notification of the Director by the Secretary of Agriculture, Food and Markets under section 3756 of this title that the owner or operator of agricultural land or a farm building is violating the water quality requirements of 6 V.S.A. chapter 215 or is failing to comply with the terms of an order issued under 6 V.S.A. chapter 215, subchapter 10. The term "development" shall not include the construction, reconstruction, structural alteration, relocation, or enlargement of any building, road, or other structure for farming, logging, forestry, or conservation purposes, but shall include the subsequent commencement of a use of that building, road, or structure for other than farming, logging, or forestry purposes.

* * *

(10) "Owner" means the person who is the owner of record of any land or the lessee under a perpetual lease as defined in subsection 3610(a) of this title provided the term of the lease ~~exceeds~~ is for a minimum of 999 years exclusive of renewals. When enrolled land is mortgaged, the mortgagor shall be deemed the owner of the land for the purposes of this subchapter, until the mortgagee takes possession, either by voluntary act of the mortgagor or foreclosure, after which the mortgagee shall be deemed the owner.

* * *

* * * Insurance Taxes * * *

Sec. 35. 32 V.S.A. § 8557 is amended to read:

§ 8557. VERMONT FIRE SERVICE TRAINING COUNCIL

(a)(1) Sums for the expenses of the operation of training facilities and curriculum of the Vermont Fire Service Training Council not to exceed \$1,200,000.00 per year shall be paid to the Fire Safety Special Fund created by 20 V.S.A. § 3157 by insurance companies, ~~including surplus lines companies,~~ writing fire, homeowners multiple peril, allied lines, farm owners multiple peril, commercial multiple peril (fire and allied lines), private passenger and commercial auto, and inland marine policies on property and persons situated within the State of Vermont within 30 days after notice from the Commissioner of Financial Regulation of such estimated expenses. Captive companies shall be excluded from the effect of this section.

(2) The Commissioner shall annually, on or before July 1, apportion such charges among all such companies and shall assess them for the ~~same~~ charges on a fair and reasonable basis as a percentage of their gross direct written premiums on such insurance written during the second prior calendar year on property situated in the State. The Department of Taxes shall collect

all assessments under this section.

(3) An amount not less than \$100,000.00 shall be specifically allocated to the provision of what are now or formerly referred to as Level I, units I, II, and III (basic) courses for ~~entry-level~~ entry-level firefighters.

(4) An amount not less than \$150,000.00 shall be specifically allocated to the Emergency Medical Services Special Fund established under 18 V.S.A. § 908 for the provision of training programs for emergency medical technicians, advanced emergency medical technicians, and paramedics.

(5) The Department of Health shall present a plan to the Joint Fiscal Committee ~~which~~ that shall review the plan prior to the release of any funds.

(b) All administrative provisions of chapter 151 of this title, including those relating to the collection and enforcement of the income tax by the Commissioner, shall apply to this section.

Sec. 36. 8 V.S.A. § 5034 is amended to read:

§ 5034. QUARTERLY REPORTS; SUMMARY OF EXPORTED
BUSINESS

On or before the end of each month next following each calendar quarter, each surplus lines broker shall file with the Commissioner of Taxes, on forms prescribed by him or her, a verified report of all surplus lines insurance transacted during the preceding calendar quarter.

Sec. 37. 8 V.S.A. § 5035 is amended to read:

§ 5035. SURPLUS LINES TAX

* * *

(b) At the time of filing his or her quarterly report with the Commissioner of Taxes, each surplus lines broker shall ~~file a duplicate report and~~ remit the premium tax due thereon to the Commissioner of Taxes.

~~(c) If the tax collectible by a surplus lines broker under this section is not paid within the time prescribed, it shall be recoverable in a suit brought by the Commissioner against the surplus lines broker and the surety on the bond filed under section 4800 of this title~~ The Commissioner of Taxes shall collect the tax imposed by this section. All administrative provisions of 32 V.S.A. chapter 151, including those relating to the collection and enforcement of the income tax by the Commissioner of Taxes, shall apply to this section.

Sec. 38. 8 V.S.A. § 5036 is amended to read:

§ 5036. DIRECT PLACEMENT OF INSURANCE

(a) Every insured and every self-insurer in this State for whom this is their home state who procures or causes to be procured or continues or renews

insurance from any non-admitted insurer, covering a subject located or to be performed within this State, other than insurance procured through a surplus lines broker pursuant to this chapter, shall, before March 1 of the year after the year in which the insurance was procured, continued or renewed, file a written report with the Commissioner of Taxes on forms prescribed and furnished by the Commissioner of Taxes. The report shall show:

- (1) the name and address of the insured or insureds;
- (2) the name and address of the insurer or insurers;
- (3) the subject of the insurance;
- (4) a general description of the coverage;
- (5) the amount of premium currently charged for it; and
- (6) such additional pertinent information as may be reasonably requested by the Commissioner of Taxes.

* * *

(d) A tax at the rate of three percent of the gross amount of premium, less any return premium, in respect of risks located in this State, shall be levied upon an insured who procures insurance subject to subsection (a) of this section. Before March 1 of the year after the year in which the insurance was procured, continued, or renewed, the insured shall remit to the Commissioner of Taxes the amount of the tax. ~~The Commissioner before June 1 of each year shall certify and transmit to the Commissioner of Taxes the sums so collected.~~

~~(e) The tax shall be collectible from the insured by civil action brought by the Commissioner. All administrative provisions of 32 V.S.A. chapter 151, including those relating to the collection and enforcement of the income tax by the Commissioner of Taxes, shall apply to this section.~~

* * * Sales and Use Tax; Automotive Parts * * *

Sec. 39. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title.

* * *

(12) Motor vehicle purchases and use taxed under chapter 219 of this title and the transactions exempted therefrom which are listed in section 8911 of this title. Provided, however, that notwithstanding subdivision 8911(5), construction, earthmoving, logging, and motorized equipment ~~which~~ that has

not been registered as a motor vehicle is subject to tax under this chapter; and further provided that power take off and other auxiliary equipment on motor vehicles, whether attached prior to or subsequent to registration, is not exempt under this section. Motor vehicle parts purchased by a dealer registered under the provisions of 23 V.S.A. §§ 451–468 shall be exempt from the tax under this chapter when used to recondition a used motor vehicle owned by the dealer in its inventory for resale.

* * *

* * * Repeals * * *

Sec. 40. REPEALS

The following sections in Title 32 are repealed:

- (1) Section 5930z (business solar energy tax credit).
- (2) Section 8661 (taxation of electric generating plants).

* * * Effective Dates * * *

Sec. 41. EFFECTIVE DATES

This act shall take effect on passage, except:

(1) Notwithstanding 1 V.S.A. § 214, Secs. 4 (solar energy investment tax credit), 7 (minimum corporate income tax), 16–20 (Vermont higher education investment plan credit), and 41(1) (repeal of business solar energy tax credit) shall take effect retroactively on January 1, 2019 and apply to taxable years beginning on January 1, 2019 and thereafter.

(2) Notwithstanding 1 V.S.A. § 214, Secs. 5–6 (annual link-up to federal statutes) shall take effect retroactively on January 1, 2019 and apply to taxable years beginning on January 1, 2018 and thereafter.

(3) Sec. 8 (market-based sourcing) shall take effect on January 1, 2020, and apply to tax years starting after that date.

(4) Secs. 12 (taxable meal resale) and 39 (automotive parts) shall take effect on July 1, 2019.

(5) Secs. 22–33 (property tax sections) shall take effect on July 1, 2019 and apply to grand lists lodged after that date.

(6) Sec. 27a (technical correction) shall take effect July 2, 2019.

*ANN E. CUMMINGS
RANDOLPH D. BROCK
BRIAN A. CAMPION*

Committee on the part of the Senate

SAMUEL R. YOUNG
SCOTT L. BECK
JAMES W. MASLAND

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Report of Committee of Conference Accepted and Adopted on the Part of the Senate

H. 525.

Senator Collamore, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

An act relating to miscellaneous agricultural subjects.

H.525. An act relating to miscellaneous agricultural subjects.

Respectfully reports that it has met and considered the same and recommends that the House accede to the Senate's proposal of amendment and that the bill be further amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 6 V.S.A. § 648 is amended to read:

§ 648. INSPECTIONS

* * *

(g) For seeds sold in Vermont that contain genetically engineered material, the manufacturer or processor distributing such seed in Vermont shall report annually on January or before February 15 to the Secretary on forms supplied by the Secretary regarding sales during the previous calendar year.

(h) For agricultural seeds sold in Vermont, the manufacturer or processor distributing the seed in Vermont shall report annually on or before February 15 to the Secretary on forms supplied by the Secretary regarding the quantity of treated article seed and the quantity of untreated seed sold in Vermont during the previous calendar year.

* * * Dairy Operations * * *

Sec. 2. 6 V.S.A. § 2722 is amended to read:

§ 2722. APPLICATION

Applications shall be completely filled out and sworn to by the applicant or a partner or officer thereof and in case of renewal shall be filed with the Secretary on or before July 15 of each year. New handlers may apply for a license at any time. Renewal applications not received on or before August 15 shall be assessed a late fee of \$100.00. The application for a handler's license shall provide the following information and such other information as the Secretary by regulation shall reasonably require:

* * *

* * * Raw Milk * * *

Sec. 3. 6 V.S.A. §§ 2777 and 2778 are amended to read:

§ 2777. STANDARDS FOR THE SALE OF UNPASTEURIZED (RAW) MILK

(a) Unpasteurized milk shall be sold directly from the producer to the consumer for personal consumption only and shall not be resold.

(b) Unpasteurized milk shall be sold only from the farm on which it was produced except when ~~delivery is arranged in conformance with~~ sale or delivery off the farm is allowed under section 2778 of this chapter. Unpasteurized milk shall not be sold or offered as free samples at any location other than on the farm on which the milk was produced.

(c) Unpasteurized milk operations shall conform to reasonable sanitary standards, including:

(1)(A) Unpasteurized milk shall be derived from healthy animals ~~which~~ that are subject to appropriate veterinary care, including rabies vaccination according to accepted vaccination standards established by the Agency.

(B) A producer shall ensure that all ruminant animals are tested for brucellosis and tuberculosis, according to accepted testing standards established by the Agency, prior to the sale of unpasteurized milk.

(C) A producer shall ensure that dairy animals entering the producer's milking herd, including those born on the farm, are tested for brucellosis and tuberculosis, according to accepted testing standards established by the Agency, prior to the animal's milk being sold to consumers, unless:

(i) The dairy animal has a negative U.S. Department of Agriculture approved test for brucellosis within 30 days prior to importation into the State, in which case a brucellosis test shall not be required;

(ii) The dairy animal has a negative U.S. Department of Agriculture approved tuberculosis test within 60 days prior to importation into the State, in which case a tuberculosis test shall not be required;

(iii) The dairy animal leaves and subsequently reenters the producer's herd from a state or Canadian province that is classified as "certified free" of brucellosis and "accredited free" of tuberculosis or an equivalent classification, in which case a brucellosis or tuberculosis test shall not be required.

(D) A producer shall post test results and verification of vaccinations on the farm in a prominent place and make results available to customers and the Agency.

(d) Unpasteurized milk shall conform to the following production and marketing standards:

(1) Record keeping and reporting.

(A) A producer shall collect one composite sample of unpasteurized milk each day and keep the previous 14 days' samples frozen. The producer shall provide samples to the Agency if requested.

(B) A producer shall maintain a current list of all customers, including addresses, telephone numbers, and, when available, e-mail addresses.

(C) The producer shall maintain a list of transactions for at least one year ~~which~~ that shall include customer names, the date of each purchase, and the amount purchased.

(2) Labeling. Unpasteurized (raw) milk shall be labeled as such, and the label shall contain:

(A) The date the milk was obtained from the animal.

(B) The name, address, zip code, and telephone number of the producer.

(C) The common name of the type of animal producing the milk, such as cattle, goat, sheep, or an image of the animal.

(D) The words "Unpasteurized (Raw) Milk. ~~Not pasteurized.~~ Keep Refrigerated." on the container's principal display panel, and these words shall

be clearly readable in letters at least one-eighth inch in height and prominently displayed.

(E) ~~The words “This product has not been pasteurized and therefore may contain harmful bacteria that can cause illness particularly in children, elders, and persons with weakened immune systems and in pregnant women can cause illness, miscarriage, or fetal death, or death of a newborn.”~~ “Consuming raw unpasteurized milk may cause illness, particularly in children, seniors, persons with weakened immune systems, and pregnant women.” on the container’s principal display panel and clearly readable in letters at least one-sixteenth inch in height.

(3) Temperature. Unpasteurized milk shall be cooled to 40 degrees Fahrenheit or lower within two hours of the finish of milking and so maintained until it is obtained by the consumer. All farms shall be able to demonstrate to the Agency’s inspector that they have the capacity to keep the amount of milk sold on the highest volume day stored and kept at 40 degrees Fahrenheit or lower in a sanitary and effective manner.

(4) Storage. An unpasteurized milk bulk storage container shall be cleaned and sanitized after each emptying. Each container shall be emptied within 24 hours of the first removal of milk for packaging. Milk may be stored for up to 72 hours, but all storage containers ~~must~~ shall be emptied and cleaned at least every 72 hours. Unless milk storage containers are cleaned and sanitized daily, a written log of dates and times when milking, cleaning, and sanitizing occur shall be posted in a prominent place and be easily visible to customers.

(5) Shelf life. Unpasteurized milk shall not be transferred to a consumer after four days from the date on the label.

(6) Customer inspection and notification.

(A) The producer shall provide the customer with the opportunity to tour the farm and any area associated with the milking operation. The producer shall permit the customer to return to the farm at a reasonable time and at reasonable intervals to reinspect any areas associated with the milking operation.

(B)(i) A sign, provided by the Agency of Agriculture, Food and Markets, that is 8 and one half inches by 11 inches in size with the words “Unpasteurized (Raw) Milk. Not pasteurized. Keep Refrigerated.” and “This product has not been pasteurized and therefore may contain harmful bacteria that can cause illness particularly in children, elders, and persons with weakened immune systems and in pregnant women can cause illness, miscarriage, or fetal death, or death of a newborn.” “Consuming raw

unpasteurized milk may cause illness, particularly in children, seniors, persons with weakened immune systems, and pregnant women.” shall be displayed prominently on the farm in a place where it can be easily seen by customers. The lettering shall be at least one inch in height and shall be clearly readable. The text of the sign required under this subdivision shall be clearly visible and easily readable to consumers on the farm or at a farmers’ market.

(ii) The Secretary of Agriculture, Food and Markets shall post a copy of the sign required under subdivision (6)(B)(i) of this section to the website of the Agency of Agriculture, Food and Markets for use by producers.

(e) A producer selling 87.5 or fewer gallons (350 quarts) of unpasteurized milk per week shall meet the requirements of subsections (a) through (d) of this section and shall sell unpasteurized milk ~~only~~ from the farm on which it was produced. A producer selling 87.5 or fewer gallons of unpasteurized milk may choose to meet the requirements of subsection (f) of this section, in which case the producer may deliver or sell in accordance with section 2778 of this title.

(f) A producer selling more than 87.5 gallons to 350 gallons (more than 350 to 1,400 quarts) of unpasteurized milk per week shall meet the requirements of subsections (a) through (d) of this section as well as the following standards:

(1) Inspection. The Agency shall annually inspect the producer’s facility and determine that the producer is in compliance with the sanitary standards listed in subsection (c) of this section.

(2) Bottling. Unpasteurized milk shall be sold in containers ~~which~~ that have been filled by the producer. Containers shall be cleaned by the producer except that the producer may allow customers to clean their own containers only if each customer’s container is labeled with the customer’s name and address and the customers use their own containers. Producers shall ensure that only clean bottles are filled and distributed.

(3) Testing.

(A) A producer shall have unpasteurized milk tested twice per month by a U.S. Food and Drug Administration accredited laboratory using accredited lab approved testing containers. Milk shall be tested for the following and the results shall be below these limits:

(i) total bacterial (aerobic) count: 15,000 cfu l (cattle and goats);

(ii) total coliform count: 10 cfu l (cattle and goats); and

(iii) somatic cell count: 225,000 l (cattle); 500,000 l (goats).

(B) The producer shall ensure that all test results are forwarded to the Agency, by the laboratory, upon completion of testing or within five days of receipt of the results by the producer.

(C) The producer shall keep test results on file for one year and shall post results on the farm in a prominent place that is easily visible to customers. The producer shall provide test results to the farm's customers if requested.

(D) The Secretary shall issue a warning to a producer when any two out of four consecutive, monthly tests exceed the limits. The Secretary shall have the authority to suspend unpasteurized milk sales if any three out of five consecutive, monthly tests exceed the limits until an acceptable sample result is achieved. The Secretary shall not require a warning to the consumer based on a high test result.

(4) Registration. Each producer operating under this subsection shall register with the Agency.

(5) Reporting. On or before March 1 of each year, each producer shall submit to the Agency a statement of the total gallons of unpasteurized milk sold in the previous 12 months.

(6) Off-farm sale and delivery. The sale and delivery of unpasteurized milk is permitted and shall be in compliance with as provided for under section 2778 of this title.

(g) The sale of more than 350 gallons (1,400 quarts) of unpasteurized milk in any one week is prohibited.

§ 2778. SALE OR DELIVERY OF UNPASTEURIZED (RAW) MILK

(a) ~~Delivery~~ Sale or delivery of unpasteurized milk off the farm is permitted only within the State of Vermont and only of milk produced by a producer meeting the requirements of subsection 2777(f) of this chapter.

(b) ~~Delivery~~ Sale or delivery of unpasteurized milk off the farm shall conform to the following requirements:

(1) ~~Delivery shall be to a customer who has purchased milk in advance either by a one-time payment or through a subscription. Milk is purchased in advance of delivery when payment is provided prior to delivery at the customer's home or prior to commencement of the farmers' market where the customer receives delivery. Vendors shall verbally inform each customer of the need to keep milk refrigerated.~~

(2) A producer may sell or deliver unpasteurized milk directly to the customer:

(A) at the customer's home or may deliver it to the customer's home when delivery is into a refrigerated unit at the customer's home if such unit is capable of maintaining the unpasteurized milk at 40 degrees Fahrenheit or lower until obtained by the customer; or

(B) at a farmers' market, as that term is defined in section 5001 of this title, where the producer is a vendor.

(3) During delivery or storage prior to sale, unpasteurized milk shall be protected from exposure to direct sunlight.

(4) During delivery or storage prior to sale, unpasteurized milk shall be kept at 40 degrees Fahrenheit or lower at all times.

(c) A producer may contract with another individual to deliver the unpasteurized milk in accordance with this section. The producer shall be jointly and severally liable for the delivery of the unpasteurized milk in accordance with this section.

(d) Prior to delivery or sale at a farmers' market under this section, a producer shall submit to the Agency of Agriculture, Food and Markets written or electronic notice of intent to deliver or sell unpasteurized milk at a farmers' market. The notice shall:

(1) include the producer's name and proof of registration;

(2) identify the farmers' market or markets where the producer will deliver milk; and

(3) specify the day or days of the week on which delivery or sale will be made at a farmers' market.

(e) A producer selling or delivering unpasteurized milk at a farmers' market under this section shall display the registration required under subdivision 2777(f)(4) of this title and the sign required under subdivision 2777(d)(6) on the farmers' market stall or stand in a prominent manner that is clearly visible to consumers.

* * * Farm-to-School; Local Food Grants * * *

Sec. 4. 6 V.S.A. § 4721 is amended to read:

§ 4721. LOCAL FOODS GRANT PROGRAM

(a) There is created in the Agency of Agriculture, Food and Markets the Rozo McLaughlin Farm-to-School Program to execute, administer, and award local grants for the purpose of helping Vermont schools develop farm-to-school programs that will sustain relationships with local farmers and

producers, enrich the educational experience of students, improve the health of Vermont children, and enhance Vermont's agricultural economy.

(b) A school, a school district, a consortium of schools, a consortium of school districts, ~~or a~~ registered or licensed child care ~~providers~~ provider, or an organization administering or assisting the development of farm-to-school programs may apply to the Secretary of Agriculture, Food and Markets for a grant award to:

(1) fund equipment, resources, training, and materials that will help to increase use of local foods in child nutrition programs;

(2) fund items, including local food products, gardening supplies, field trips to farms, gleanings on farms, and stipends to visiting farmers, that will help educators to use hands-on educational techniques to teach children about nutrition and farm-to-school connections;

(3) fund professional development and technical assistance, in partnership with the Agency of Education and farm-to-school technical service providers, to help teachers, child nutrition personnel, organizations administering or assisting the development of farm-to-school programs, and members of the farm-to-school community educate students about nutrition and farm-to-school connections and assist schools and licensed or registered child care providers in developing a farm-to-school program; and

(4) fund technical assistance or support strategies to increase participation in federal child nutrition programs that increase the viability of sustainable meal programs.

(c) The Secretaries of Agriculture, Food and Markets and of Education and the Commissioner of Health, in consultation with farmers, child nutrition staff, educators, organizations administering or assisting the development of farm-to-school programs, and farm-to-school technical service providers jointly shall adopt procedures relating to the content of the grant application and the criteria for making awards.

(d) The Secretary shall determine that there is significant interest in the school community before making an award and shall give priority consideration to schools, school districts, and registered or licensed child care providers that are developing farm-to-school connections and education, that indicate a willingness to make changes to their child nutrition programs to increase student access and participation, and that are making progress toward the implementation of the Vermont School Wellness Policy Guidelines developed by the Agency of Agriculture, Food and Markets, the Agency of Education, and the Department of Health, updated in June 2015 or of the successor of these guidelines.

(e) No award shall be greater than ~~\$15,000.00~~ 20 percent of the total annual amount available for granting except that a grant award to the following entities may, at the discretion of the Secretary of Agriculture, Food and Markets, exceed the cap:

(1) Farm-to-School service providers; or

(2) school districts or consortiums of school districts that completed merger under 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and Resolves No. 46 on or before July 1, 2019, provided that the grant is used for the purpose of expanding Farm-to-School projects to additional schools within the new school district.

* * * Agricultural Water Quality * * *

Sec. 5. 6 V.S.A. § 4802 is amended to read:

§ 4802. DEFINITIONS

As used in this chapter:

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

(2) “Farming” ~~shall have~~ has the same meaning as used in 10 V.S.A. § 6001(22).

(3) “Good standing” means a participant in a program administered under this chapter:

(A) does not have an active enforcement violation that has reached a final order with the Secretary; and

(B) is in compliance with all terms of a current grant agreement or contract with the Agency.

~~(3)~~(4) “Healthy soil” means soil that has a well-developed, porous structure, is chemically balanced, supports diverse microbial communities, and has abundant organic matter.

~~(4)~~(5) “Manure” means livestock waste in solid or liquid form that may also contain bedding, spilled feed, water, or soil.

~~(5)~~(6) “Secretary” means the Secretary of Agriculture, Food and Markets.

~~(6)~~(7) “Top of bank” means the point along the bank of a stream where an abrupt change in slope is evident, and where the stream is generally able to overflow the banks and enter the adjacent floodplain during an annual flood event. Annual flood event shall be determined according to the Agency of Natural Resources’ Flood Hazard Area and River Corridor Protection Procedure.

~~(7)~~(8) “Waste” or “agricultural waste” means material originating or emanating from a farm that is determined by the Secretary or the Secretary of Natural Resources to be harmful to the waters of the State, including: sediments; minerals, including heavy metals; plant nutrients; pesticides; organic wastes, including livestock waste, animal mortalities, compost, feed and crop debris; waste oils; pathogenic bacteria and viruses; thermal pollution; silage runoff; untreated ~~milkhouse~~ milk house waste; and any other farm waste as the term “waste” is defined in 10 V.S.A. § 1251(12).

~~(8)~~(9) “Water” ~~shall~~ has have the same meaning as used in 10 V.S.A. § 1251(13).

Sec. 6. 6 V.S.A. § 4810a is amended to read:

§ 4810a. REQUIRED AGRICULTURAL PRACTICES; REVISION

(a) ~~On or before September 15, 2016, the~~ The Secretary of Agriculture, Food and Markets shall ~~file under 3 V.S.A. § 841 a final proposal of a rule amending~~ maintain the required agricultural practices in order to improve water quality in the State, assure practices on all farms eliminate adverse impacts to water quality, and implement the small farm certification program required by section 4871 of this title. At a minimum, the ~~amendments to the~~ required agricultural practices shall:

* * *

(b) ~~On or before January 15, 2018, the~~ The Secretary of Agriculture, Food and Markets shall ~~amend by rule~~ maintain the required agricultural practices in order to include requirements for reducing nutrient contribution to waters of the State from subsurface tile drainage. Upon adoption of requirements for subsurface tile drainage, the Secretary may require an existing subsurface tile drain to comply with the requirements of the RAPs for subsurface tile drainage upon a determination that compliance is necessary to reduce adverse impacts to water quality from the subsurface tile drain.

(c) The Secretary shall amend the required agricultural practices to include requirements for activities occurring in areas that are excluded from regulation by the Agency of Natural Resources under 10 V.S.A. § 902 because the area is used to grow food or crops in connection with farming activities.

Sec. 7. 6 V.S.A. § 4811 is amended to read:

§ 4811. POWERS OF SECRETARY

The Secretary of Agriculture, Food and Markets in furtherance of the purposes of this chapter may:

(1) Make, adopt, revise, and amend reasonable rules ~~which~~ that define practices described in section 4810 of this title as well as other rules deemed necessary to carry out the provisions of this chapter.

(2) Appoint assistants, subject to applicable laws, to perform or assist in the performance of any duties or functions of the Secretary under this chapter.

(3) Enter any lands, public or private, and review and copy any land management records as may be necessary to carry out the provisions of this chapter.

(4) Sign memorandums of understanding between agencies when the Secretary of Agriculture, Food and Markets agrees it is necessary for the success of the program.

(5) Solicit and receive federal or private funds.

(6) Cooperate fully with the federal government or other agencies in the operation of any joint federal-state programs concerning the regulation of agricultural non-point source pollution.

(7) Establish programs to improve agricultural water quality.

(8) Provide grants or contracts from agricultural water quality programs established under this chapter, or by the Secretary of Agriculture, Food and Markets for the purpose of providing technical and financial assistance in preventing agricultural pollution from entering groundwater and waters of the State, provided that the Secretary shall only use capital funding available to the Agency for water quality programs or projects that are eligible for capital assistance.

Sec. 8. 6 V.S.A. § 4820 is amended to read:

§ 4820. DEFINITIONS

As used in this subchapter:

* * *

(6) “Good standing” means the participant:

~~(A) does not have an active enforcement violation that has reached a final order with the Secretary; or~~

~~(B) is in compliance with all terms of a current grant agreement or contract with the Agency. [Repealed.]~~

Sec. 9. 6 V.S.A. § 4828 is amended to read:

§ 4828. CAPITAL EQUIPMENT ASSISTANCE PROGRAM

(a) It is the purpose of this section to provide assistance to ~~contract applicators, nonprofit organizations, and farms~~ to purchase or use innovative equipment that will aid in the reduction of surface runoff of agricultural wastes to State waters, improve water quality of State waters, reduce odors from manure application, separate phosphorus from manure, decrease greenhouse gas emissions, and reduce costs to farmers.

(b) The capital equipment assistance program is created in the Agency of Agriculture, Food and Markets to provide ~~farms, nonprofit organizations, and custom applicators in Vermont~~ with State financial assistance for the purchase of new or innovative equipment to improve manure application, separation of phosphorus from manure, or nutrient management plan implementation.

(c) Assistance under this section shall in each fiscal year be allocated according to the following priorities and as further defined by the Secretary:

~~(1) First priority. Priority shall be given to capital equipment to be used on farm sites that are serviced by custom applicators, multiple farms; equipment to be used for phosphorus reduction, separation, or treatment equipment providers; and projects managed by nonprofit organizations and projects that are located in descending order within the boundaries of:~~

- ~~(A)(1) the Lake Champlain Basin;~~
- ~~(B)(2) the Lake Memphremagog Basin;~~
- ~~(C)(3) the Connecticut River Basin; and~~
- ~~(D)(4) the Hudson River Basin.~~

~~(2) Next priority shall be given to capital equipment to be used at a farm site that is located in descending order within the boundaries of:~~

- ~~(A) the Lake Champlain Basin;~~
- ~~(B) the Lake Memphremagog Basin;~~
- ~~(C) the Connecticut River Basin; and~~
- ~~(D) the Hudson River Basin.~~

(d) An applicant for a State grant under this section to purchase or implement phosphorus ~~removal~~ reduction, separation, or treatment technology or equipment shall pay 10 percent of the total eligible project cost. The dollar amount of a State grant to purchase or implement phosphorus ~~removal~~ reduction, separation, or treatment technology or equipment shall be equal to

the total eligible project cost, less 10 percent of the total as paid by the applicant, and shall not exceed \$300,000.00.

Sec. 10. 6 V.S.A. § 4989 is amended to read:

§ 4989. CERTIFICATION OF NUTRIENT MANAGEMENT PLAN
TECHNICAL SERVICE PROVIDERS

(a) ~~On or before July 1, 2019, the~~ The Secretary of Agriculture, Food and Markets shall adopt by rule a process by which a nutrient management technical service provider shall be certified to operate within the State. The certification process shall require a nutrient management technical service provider to complete eight hours of training over each five-year period regarding:

- (1) calculating manure and agricultural waste generation;
- (2) taking soil and manure samples;
- (3) identifying and creating maps of all natural resource features;
- (4) use of erosion calculation tools;
- (5) reconciling plans using records;
- (6) use of nutrient index tools; and

(7) requirements within the Required Agricultural Practices, Medium Farm Operation rules and general permit, and Large Farm Operation rules.

(b) ~~Beginning on July 1, 2019, a nutrient management technical service provider shall not create a nutrient management plan for a farm unless certified by the Secretary of Agriculture, Food and Markets~~ Beginning 45 days after the effective date of the rule adopted by the Secretary of Agriculture, Food and Markets under subsection (a) of this section to regulate nutrient management technical service providers, a nutrient management technical service provider shall not create a nutrient management plan for a farm unless certified by the Secretary of Agriculture, Food and Markets.

* * * Environmental Stewardship Program * * *

Sec. 11. 6 V.S.A. chapter 215, subchapter 7A is added to read:

Subchapter 7A. Regenerative Farming

§ 4961. PURPOSE

The purposes of this subchapter are to:

- (1) enhance the economic viability of farms in Vermont;
- (2) improve the health and productivity of the soils of Vermont;

- (3) encourage farmers to implement regenerative farming practices;
- (4) reduce the amount of agricultural waste entering the waters of Vermont;
- (5) enhance crop resilience to rainfall fluctuations and mitigate water damage to crops, land, and surrounding infrastructure;
- (6) promote cost-effective farming practices;
- (7) reinvigorate the rural economy; and
- (8) help the next generation of Vermont farmers learn regenerative farming practices so that farming remains integral to the economy, landscape, and culture of Vermont.

§ 4962. DEFINITIONS

As used in this subchapter:

(1) “Certified Vermont Environmental Steward” means an owner or operator of a farm who has achieved the thresholds for the Vermont Environmental Stewardship Program to be certified as a farm that improves soil health and contributes to improving water quality.

(2) “Regenerative farming” means a series of cropland management practices that:

(A) contributes to generating or building soils and soil fertility and health;

(B) increases water percolation, increases water retention, and increases the amount of clean water running off farms;

(C) increases biodiversity and ecosystem health and resiliency; and

(D) sequesters carbon in agricultural soils.

§ 4963. REGENERATIVE FARMING; VERMONT ENVIRONMENTAL STEWARDSHIP PROGRAM

(a) Establishment of program. There is created within the Agency of Agriculture, Food and Markets the Vermont Environmental Stewardship Program (VESP) to provide technical and financial assistance to Vermont farmers seeking to implement regenerative farming practices to achieve certification as a Certified Vermont Environmental Steward.

(b) Program standards; application. The Secretary of Agriculture, Food and Markets shall establish by procedure standards for certification as a Certified Environmental Steward. Application for certification shall be made in the manner required by the Secretary of Agriculture, Food and Markets.

(c) Program services. The VESP shall provide the following services to farmers voluntarily seeking to transition to achieve certification as a Certified Vermont Environmental Steward:

(1) information and education regarding the requirements for certification, including the method, timeline, and process of certification;

(2) technical assistance in completing any required application for certification;

(3) technical assistance in developing plans and implementing practices to achieve certification from the VESP; and

(4) technical assistance in complying with the requirements of the VESP after a farm is certified.

(d) Financial assistance; eligibility. An owner or operator of a farm participating in the VESP shall be eligible for financial assistance from existing Agency of Agriculture, Food and Markets financial assistance programs for costs incurred in implementing any of the practices required for certification as a Certified Environmental Steward.

(e) Revocation of certification. The Secretary may, after due notice and hearing, revoke a certification issued under this section when the owner or operator of a certified farm fails to comply with the standards for certification established under subsection (b) of this section.

(f) Administrative penalty; falsely advertising. The Secretary may assess an administrative penalty of up to \$1,000.00 against the owner or operator of a farm who knowingly advertises as a Certified Environmental Steward when not certified by the Secretary.

Sec. 12. FUNDING VERMONT ENVIRONMENTAL STEWARDSHIP PROGRAM

In addition to the existing capital and noncapital financial assistance that may be available to a farmer from the Agency of Agriculture, Food and Markets, the Agency of Agriculture, Food and Markets separately may use funds available to the Agency and eligible for use for water quality programs or projects to provide noncapital financial incentives to Vermont farmers participating in the Vermont Environmental Stewardship Program to implement regenerative farming practices to achieve certification as a Certified Vermont Environmental Steward.

* * * Conservation Reserve Enhancement Program * * *

Sec. 13. 6 V.S.A. § 4829 is added to read:

§ 4829. CONSERVATION RESERVE ENHANCEMENT PROGRAM

(a) The Conservation Reserve Enhancement Program is created in the Agency of Agriculture, Food and Markets to provide the farms of Vermont with State or federal financial assistance for the implementation of alternative nutrient reduction practices that improve soil quality, improve nutrient retention, and reduce agricultural waste discharges. The Agency of Agriculture, Food and Markets may approve one or more of the following practices for participation in the program:

(1) riparian forest buffers;

(2) grassed waterways;

(3) grassed filter strips; or

(4) other practices approved by the Secretary and administered through a memorandum of understanding with the Commodity Credit Corporation.

(b) Grant agreements entered into under this section shall at a minimum have a term of 15 years in duration and can include permanent easements.

(c)(1) The Agency of Agriculture, Food and Markets shall use capital funding available to the Agency and eligible for use for water quality programs or projects to provide financial assistance to Vermont farmers to complete practices approved by the Agency for participation in the program under subdivisions (a)(1)–(3) of this section.

(2) The Agency shall use noncapital funds eligible for use for water quality programs or projects to provide financial assistance to Vermont farmers to complete practices approved by the Agency for participation in the program under subdivision (a)(4) of this section.

* * * Agriculture Environmental Management Program * * *

Sec. 14. 6 V.S.A. § 4830 is added to read:

§ 4830. AGRICULTURAL ENVIRONMENTAL MANAGEMENT PROGRAM

(a) The Agricultural Environmental Management Program is created in the Agency of Agriculture, Food and Markets to provide the farms of Vermont with State financial assistance to alternatively manage their farmstead, cropland, and pasture in a manner that will address identified water quality concerns that, traditionally, would have been wholly or partially addressed through federal, State, and landowner investments in BMP infrastructure, in

agronomic practices, or both. The Agency of Agriculture, Food and Markets may approve one or more of the following practices for participation in the program:

- (1) conservation easements;
- (2) land acquisition;
- (3) farm structure decommissioning;
- (4) site reclamation; or

(5) issue a grant as an in-lieu payment not to exceed \$200,000.00 as an alternative to the best management practice program implementation to otherwise address the same conservation issues for an equivalent or longer term.

(b) The Agency of Agriculture, Food and Markets shall use funds available to the Agency and eligible for use for water quality programs or projects to provide financial assistance to Vermont farmers, provided that the Agency may use capital funds to provide financial assistance for practices approved under subdivisions (a)(1)–(4) of this section if the practice is:

(1) performed in conjunction with a term agreement of not less than 15 years in duration or a permanent easement protecting the investment; and

(2) abating a water quality resource concern on a farm; and

(3) the Agency may use capital funds to provide financial assistance for a practice approved under subdivision (a)(5) of this section only upon the approval of the State Treasurer.

* * * Emergency Environmental Remediation * * *

Sec. 15. 6 V.S.A. § 21 is amended to read:

§ 21. AUTHORITY TO ADDRESS PUBLIC HEALTH HAZARDS AND
FOOD SAFETY ISSUES

(a) As used in this section:

(1) “Adulterated” ~~shall have~~ has the same meaning as in 18 V.S.A. § 4059 and shall include adulteration under rules adopted under 18 V.S.A. chapter 82.

(2) “Emergency” means any natural disaster, weather-related incident, health- or disease-related incident, resource shortage, plant pest outbreak, accident, or fire that poses a threat or may pose a threat, as determined by the Secretary, to health, safety, the environment, or property in Vermont.

(3) “Farm” means a site or parcel on which farming is conducted.

(4) “Farming” shall ~~have~~ has the same meaning as in 10 V.S.A. § 6001(22).

(5) “Public health hazard” means the potential harm to the public health by virtue of any condition or any biological, chemical, or physical agent. In determining whether a health hazard is public or private, the Secretary shall consider at least the following factors:

(A) the number of persons at risk;

(B) the characteristics of the person or persons at risk;

(C) the characteristics of the condition or agent that is the source of potential harm;

(D) the availability of private remedies;

(E) the geographical area and characteristics thereof where the condition or agent that is the source of the potential harm or the receptors exists; and

(F) the policy of the Agency of Agriculture, Food and Markets as established by rule or procedure.

(6) “Raw agricultural commodity” means any food in its raw or natural state, including all fruits or vegetables that are washed, colored, or otherwise treated in their unpeeled natural form prior to marketing.

(7) “Secretary” means the Secretary of Agriculture, Food and Markets.

(b) The Secretary shall have the authority to:

(1) respond to and remediate incidences of mass animal death, agricultural structure fires, or other emergencies on a farm in order to prevent a public health hazard or protect the environment, including:

(A) Expending up to \$25,000.00 in funding from the Agency of Agriculture, Food and Markets’ budget to remediate the issue when there are no other financial resources available, and the Secretary has determined the expenditure is necessary for either public health or the environment.

(B) The Secretary may attempt to recover monies expended under subdivision (b)(1)(A) of this subsection from the responsible party;

(2) condemn, confiscate, or establish restrictions on the use, sale, or distribution of adulterated raw agricultural commodities or animal feed; and

(3) cooperate with the Department of Health and other State and federal agencies regarding:

(A) the prevention or remediation of the adulteration of raw agricultural commodities, food, or animal feed on farms; and

(B) application of the FDA Food Safety Modernization Act, Pub. L. No. 111-353, to farms, farm products, or value-added products produced in the State.

* * * Slaughter Facilities; Records * * *

Sec. 16. 6 V.S.A. § 1152 is amended to read:

§ 1152. ADMINISTRATION; INSPECTION; TESTING; RECORDS

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

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

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

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

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

(f) Any commercial slaughterhouse operating in the State shall maintain and retain for three years records of the number of animals slaughtered at the facility, the physical address of origination of each animal, the date of slaughter of each animal, and all official identification numbers of slaughtered

animals. A commercial slaughterhouse shall make the records required under this subsection available to the Agency upon request.

(g) Records produced or acquired by the Secretary under this chapter shall be available to the public, except that:

(1) the Secretary may withhold from inspection and copying records that are confidential under federal law; and

(2) the Secretary may withhold or redact a record to the extent needed to avoid disclosing directly or indirectly the identity of individual persons, households, or businesses.

Sec. 17. 6 V.S.A. § 1470 is added to read:

§ 1470. RECORDS

(a) A commercial slaughter facility operating in the State shall maintain and retain for three years records of the number of animals slaughtered at the facility, the physical address of origination of each animal, the date of slaughter of each animal, and all official identification numbers of slaughtered animals. A commercial slaughterhouse shall make the records required under this subsection available to the Agency upon request.

(b) Records produced or acquired by the Secretary under this chapter shall be available to the public for inspection and copying, except that:

(1) the Secretary may withhold from inspection and copying records that are confidential under federal law; and

(2) the Secretary may withhold or redact a record to the extent needed to avoid disclosing directly or indirectly the identity of individual persons, households, or businesses.

* * * Commercial Feed; Raw Milk * * *

Sec. 18. 6 V.S.A. § 329 is amended to read:

§ 329. RULES

(a) The Secretary is authorized to adopt rules establishing procedures or standards, or both, for product registration, labeling, adulteration, reporting, inspection, sampling, guarantees, product analysis, or other conditions necessary for the implementation and enforcement of this chapter. Where appropriate, the rules shall be consistent with the model rules developed by the Association of American Feed Control Officials and regulations adopted by the federal Food, Drug and Cosmetic Act (21 U.S.C. § 301 et seq.).

(b) The official definitions of feed ingredients and official feed terms adopted by the Association of American Feed Control Officials and published

in the official publication of that organization, together with any regulation promulgated pursuant to the authority of the federal Food, Drug and Cosmetic Act (21 U.S.C. § 301 et seq.), relevant to the subject matter of this chapter, are hereby adopted as rules under this chapter, together with all subsequent amendments. The Secretary may, by rule, amend or repeal any rule adopted under this subsection.

(c) A person shall not manufacture or distribute raw milk as a commercial feed in the State for any species unless all of the following conditions are satisfied:

(1) the raw milk shall be decharacterized using a sufficient method to render it distinguishable from products packaged for human consumption;

(2) raw animal feed or pet food product shall be packaged in containers that are labeled “not for human consumption”;

(3) raw animal feed or pet food products shall not be stored or placed for retail sale with, or in the vicinity of, milk or milk products intended for human consumption; and

(4) notwithstanding any rule adopted under subsection (b) of this section to the contrary of the provisions of this subsection, the manufacture and distribution of raw animal feed or pet food products shall comply with the requirements of this chapter.

* * * Clean Water Fund Audit * * *

Sec. 19. 10 V.S.A. § 1389b is amended to read:

§ 1389b. CLEAN WATER FUND AUDIT

(a) On or before January 15, 2021, the Secretary of Administration shall submit to the House and Senate Committees on Appropriations, the Senate Committee on Finance, the House Committee on Ways and Means, the Senate Committee on Agriculture, the House Committee on Agriculture and Forestry, the Senate Committee on Natural Resources and Energy, and the House Committee on Natural Resources, Fish, and Wildlife a program audit of the Clean Water Fund. The audit shall include:

(1) a summary of the expenditures from the Clean Water Fund, including the water quality projects and programs that received funding;

(2) an analysis and summary of the efficacy of the water quality projects and programs funded from the Clean Water Fund or implemented by the State;

(3) an evaluation of whether water quality projects and programs funded or implemented by the State are achieving the intended water quality benefits;

(4) an assessment of the capacity of the Agency of Agriculture, Food and Markets to effectively administer and enforce agricultural water quality requirements on farms in the State; ~~and~~

(5) an assessment of the capacity of the Department of Environmental Conservation to effectively administer and enforce agricultural water quality requirements on farms in the State; and

(6) a recommendation of whether the General Assembly should authorize the continuation of the Clean Water Fund and, if so, at what funding level.

(b) The audit required by this section shall be conducted by a qualified, independent environmental consultant or organization with knowledge of the federal Clean Water Act, State water quality requirements and programs, the Lake Champlain Total Maximum Daily Load plan, and the program elements of the State clean water initiative.

(c) Notwithstanding provisions of section 1389 of this title to the contrary, the Secretary of Administration shall pay for the costs of the audit required under this section from the Clean Water Fund, established under section 1388 of this title.

* * * Pumpout Tank * * *

Sec. 20. 10 V.S.A. § 1979(b) is amended to read:

(b)(1) The Secretary shall approve the use of sewage holding and pumpout tanks for existing or proposed buildings or structures that are owned by a charitable, religious, or nonprofit organization when he or she determines that:

(A) the plan for construction and operation of the holding tank will not result in a public health hazard or environmental damage;

(B) a designer demonstrates that an economically feasible means of meeting current standards is significantly more costly than the construction and operation of sewage holding and pumpout tanks, based on a projected 20-year life of the project; and

(C) the design flows do not exceed 600 gallons per day or the existing or proposed building or structure shall not be used to host events on more than 28 days in any calendar year.

(2) Before constructing a holding tank permitted under this subsection, the applicant shall post a bond or other financial surety sufficient to finance maintenance of the holding tank for the life of the system, which shall be at least 20 years.

(3)(A) A permit issued under this subsection shall run with the land for the duration of the permit and shall apply to all subsequent owners of the property being served by the holding tank regardless of whether the owner is a charitable, religious, or nonprofit organization.

(B) All permit conditions, including the financial surety requirement of subdivision (2) of this subsection (b), shall apply to a subsequent owner.

(C) A subsequent owner shall not increase the design flows of the holding and pumpout tank system without approval from the Secretary.

* * * Wetlands * * *

Sec. 21. LEGISLATIVE STUDY COMMITTEE ON WETLANDS;
REPORT

(a) Creation. There is created the Legislative Study Committee on Wetlands to clarify State wetlands statutes and permitting under the statutes.

(b) Membership. The Legislative Study Committee on Wetlands shall be composed of the following members:

(1) two current members of the Senate Committee on Agriculture, who shall be appointed by the Committee on Committees;

(2) two current members of the Senate Committee on Natural Resources and Energy, who shall be appointed by the Committee on Committees;

(3) two current members of the House Committee on Agriculture and Forestry, who shall be appointed by the Speaker of the House; and

(4) two current members of the House Committee on Natural Resources, Fish and Wildlife, who shall be appointed by the Speaker of the House.

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

(d) Report. On or before January 15, 2020, the Legislative Study Committee on Wetlands shall submit a written report to the General Assembly to update and clarify the requirements for the regulation of wetlands under State statute. The Study Committee shall submit the report in the form of draft legislation and shall include:

(1) whether the definition of “wetlands” should be amended, including whether the definition of wetlands under State wetlands law should be based on objective criteria such as size or location;

(2) the standard by which the State shall review a permit application for the disturbance of a wetland or wetland buffer;

(3) proposed exemptions from regulation under State wetlands law for specific activities, including:

(A) whether land on which farming or a subset of farming is conducted should be excluded from the definition of "wetlands" subject to State regulation or should be exempt from wetlands permitting under State law; and

(B) whether the exemptions under State wetlands law should be consistent or similar to the exemptions under federal wetlands law; and

(4) proposed permitting fees for wetlands permits.

(f) Meetings.

(1) The Office of Legislative Council shall call the first meeting of the Legislative Study Committee on Wetlands to occur on or before August 1, 2019.

(2) The Legislative Study Committee on Wetlands shall select a chair from among its members at the first meeting.

(3) A majority of the Legislative Study Committee on Wetlands shall constitute a quorum.

(4) The Legislative Study Committee on Wetlands shall cease to exist on January 15, 2020.

(g) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Legislative Study Committee on Wetlands shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than six meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 22. 3 V.S.A. § 2822(j) is amended to read:

(j) In accordance with subsection (i) of this section, the following fees are established for permits, licenses, certifications, approvals, registrations, orders, and other actions taken by the Agency of Natural Resources.

* * *

(26) For individual conditional use determinations, for individual wetland permits, for general conditional use determinations issued under 10 V.S.A. § 1272, or for wetland authorizations issued under a general permit,

an administrative processing fee assessed under subdivision (2) of this subsection and an application fee of:

(A) \$0.75 per square foot of proposed impact to Class I or II wetlands.

(B) \$0.25 per square foot of proposed impact to Class I or II wetland buffers.

* * *

(H) Maximum fee, for the construction of any water quality improvement project in any Class II wetland or buffer, \$200.00 per application. As used in this subdivision, “water quality improvement project” means projects specifically designed and implemented to reduce pollutant loading in accordance with the requirements of a Total Maximum Daily Load Implementation Plan or Water Quality Remediation Plan, or pursuant to a plan for reducing pollutant loading to a waterbody. These projects include:

(i) the retrofit of impervious surfaces in existence as of January 1, 2019 for the purpose of addressing stormwater runoff;

(ii) the replacement of stream-crossing structures necessary to improve aquatic organism passage, stream flow, or flood capacity;

(iii) construction of the following conservation practices on farms, when constructed and maintained in accordance with Natural Resources Conservation Service Conservation Practice Standards for Vermont and the Agency of Agriculture, Food and Markets’ Required Agricultural Practices:

(I) construction of animal trails and walkways;

(II) construction of access roads;

(III) designation and construction of a heavy-use protection area;

(IV) construction of artificial wetlands; and

(V) the relocation of structures, when necessary, to allow for the management and treatment of agricultural waste, as defined in the Required Agricultural Practices Rule.

(I) Maximum fee for the construction of a permanent structure used for farming, \$5,000.00, provided that the maximum fee for waste storage facility or bunker silo shall be \$200.00 when constructed and maintained in accordance with Natural Resources Conservation Service Conservation Practice Standards for Vermont and the Agency of Agriculture, Food and Markets’ Required Agricultural Practices.

Sec. 23. WETLAND SCIENTIST LICENSURE REQUIREMENTS

The Agency of Natural Resources shall commence a study of potential approaches to licensing and certifying qualified wetlands scientists, including developing a set of standard qualifications required for all professional wetland scientists. On or before January 1, 2024, the Agency shall submit a report to the Legislature summarizing its findings and providing recommendations for the development of a professional certification program for wetland scientists.

* * * Effective Dates * * *

Sec. 24. EFFECTIVE DATES

(a) This section and Secs. 22 (wetlands permit fees) and 23 (wetlands scientist licensing) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2019.

*BRIAN P. COLLAMORE
ANTHONY POLLINA
ROBERT A. STARR*

Committee on the part of the Senate

*CAROLYN W. PARTRIDGE
RODNEY P. GRAHAM
TERRY E. NORRIS*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Rules Suspended; Bills Messaged

On motion of Senator Ashe, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 63, H. 135, H. 514, H. 525.

Rules Suspended; Bills Delivered

On motion of Senator Ashe, the rules were suspended, and the following bills were severally ordered delivered to the Governor forthwith:

S. 18, S. 73, S. 134, S. 160.

Adjournment

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

Afternoon

The Senate was called to order by the President.

Senate Resolution Adopted

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

By Senators Cummings, Perchlik and Pollina,

S.R. 7. Senate resolution relating to congratulating the Village Harmony choral music organization on its 30th anniversary.

Whereas, for the past three decades, Vermonters have enjoyed the choral performances of Village Harmony ensembles, featuring historical and contemporary shape note singing as well as a diversity of American and international musical genres, and

Whereas, in 1988, choral music director Larry Gordon assembled the first small ensemble of central Vermont high school singers known as Village Harmony, and in 1990, Village Harmony held its first teen summer camp, spawning a schedule of camps that has brought the joy of singing to youth and adult campers, and

Whereas, in 1994, Village Harmony launched a more daring venture when the teen camp traveled to Russia, initiating an exciting overseas program, and

Whereas, also in 1994, Patty Cuyler assumed the position of Village Harmony's co-director, and her leadership has been essential to the organization's activities, especially those beyond the nation's borders, and

Whereas, the Village Harmony family of ensembles now includes Boston Harmony, the Brooklyn World Music Chorus, the Chicago World Music Chorus, and its top-level group that has performed to acclaim both locally and internationally, Northern Harmony, and

Whereas, through its camps and tours, Village Harmony has become Vermont's musical ambassador to much of Europe, including the Balkans, the Baltics, and the Caucasus, as well as to Ghana and South Africa, and

Whereas, Village Harmony's international musicianship involves far more than performances for appreciative audiences, as a wonderful exchange of musical ideas and traditions occurs, and

Whereas, on Labor Day weekend 2019, the Village Harmony 30th Anniversary Reunion weekend will celebrate three decades of "international understanding, youth empowerment, and peacebuilding through the arts," *now therefore be it*

Resolved by the Senate:

That the Senate of the State of Vermont congratulates the Village Harmony choral music organization on its 30th anniversary and wishes it continued success in its artistic endeavors, *and be it further*

Resolved: That the Secretary of the Senate be directed to send a copy of this resolution to Village Harmony, Larry Gordon, and Patty Cuyler.

Recess

On motion of Senator Ashe the Senate recessed until the fall of the gavel.

Called to Order

The Senate was called to order by the President.

Senate Resolution Adopted

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

By the Committee on Rules,

S.R. 8. Senate resolution relating to amending the permanent rules of the Senate.

First: In Rule 24, in the last paragraph by striking out the last sentence in its entirety.

Second: In Rule 28, after the word “request” by striking the words “of the clerk”

Third: Rule 39 amended to read:

39. During the regular session held in the first year of the biennium bills may be introduced by a senator or a standing committee at any time.

During any adjourned session of the biennium (excluding the customary weekend adjournments), no bill may be introduced by a senator unless it has previously been filed with the Legislative Council on or before the first weekday of December preceding the opening of the session, and approved for printing as to contents by the sponsor no less than twenty-five calendar days preceding the opening of the session and approved for printing with any cosponsors on or before the second Friday after the commencement of the adjourned session or unless it is introduced by or with the consent of the Rules Committee. During any adjourned session, a standing committee may introduce a bill on or before January 31 or with the consent of the Rules Committee.

Fourth: In Rule 83, in the first sentence after the words “direction given” by striking out the words “by the Committee on Judiciary or”

Report of Committee of Conference Accepted and Adopted on the Part of the Senate

H. 527.

Senator Balint, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

H.527. An act relating to Executive Branch and Judicial Branch fees.

Respectfully reports that it has met and considered the same and recommends that the House accede to the Senate proposal of amendment and that the bill be further amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Department of Financial Regulation * * *

* * * Financial and Related Services; Licensees * * *

Sec. 1. 8 V.S.A. 2102 is added to read:

§ 2102. APPLICATION FOR LICENSE

(a) Application for a license or registration shall be in writing, under oath, and in the form prescribed by the Commissioner, and shall contain the legal name, any fictitious name or trade name, and the address of the residence and place of business of the applicant, and if the applicant is a partnership or an association, of every member thereof, and if a corporation, of each officer and director thereof; also the county and municipality with street and number, if any, where the business is to be conducted and such further information as the Commissioner may require.

(b) At the time of making an application, the applicant shall pay to the Commissioner a fee for investigating the application and a license or registration fee for a period terminating on the last day of the current calendar year. The following fees are imposed on applicants:

(1) For an application for a lender license under chapter 73 of this title, \$1,000.00 as a license fee and \$1,000.00 as an application and investigation fee for the initial license. For each additional lender license from the same applicant, \$500.00 as a license fee and \$500.00 as an application and investigation fee.

(2) For an application for a lender license under chapter 73 of this title for a lender only making commercial loans, \$500.00 as a license fee and \$500.00 as an application and investigation fee.

(3) For an application for a mortgage broker license under chapter 73 of this title, other than a mortgage broker that meets each of the requirements of subdivisions (b)(4)(A)–(B) of this section, \$500.00 as a license fee and \$500.00 as an application and investigation fee.

(4) For an application for a mortgage broker license under chapter 73 of this title that meets each of the following requirements, \$250.00 as a license fee and \$250.00 as an application and investigation fee:

(A) the applicant is an individual sole proprietor; and

(B) no person, other than the applicant, shall be authorized to act as a mortgage broker under the applicant's license.

(5) For an application for a mortgage loan originator license under chapter 73 of this title, \$50.00 as a license fee and \$50.00 as an application and investigation fee.

(6) For an application for a sales finance company license under chapter 73 of this title, \$350.00 as a license fee and \$350.00 as an application and investigation fee.

(7) For an application for a loan solicitation license under chapter 73 of this title, \$500.00 as a license fee and \$500.00 as an application and investigation fee.

(8) For an application for any combination of lender license under chapter 73 of this title, mortgage broker license under chapter 73 of this title, loan solicitation license under chapter 73 of this title, or loan servicer license under chapter 85 of this title, \$1,500.00 as a license fee and \$1,500.00 as an application and investigation fee.

(9) For an application for a consumer litigation funding company registration under chapter 74 of this title, \$200.00 as a registration fee and \$300.00 as an application and investigation fee.

(10) For an application for a money transmission license under chapter 79 of this title, \$1,000.00 as a license fee, \$1,000.00 as an application and investigation fee, and \$25.00 as a license fee for each authorized delegate location.

(11) For an application for a check cashing and currency exchange license under chapter 79 of this title, \$500.00 as a license fee and \$500.00 as an application and investigation fee.

(12) For an application for a debt adjuster license under chapter 83 of this title, \$250.00 as a license fee and \$500.00 as an application and investigation fee.

(13) For an application for a loan servicer license under chapter 85 of this title, \$1,000.00 as a license fee and \$1,000.00 as an application and investigation fee.

Sec. 1a. 8 V.S.A. 2109 is added to read:

§ 2109. ANNUAL RENEWAL OF LICENSE

(a) On or before December 1 of each year, every licensee shall renew its license or registration for the next succeeding calendar year and shall pay to the Commissioner the applicable renewal of license or registration fee. At a minimum, the licensee or registree shall continue to meet the applicable standards for licensure or registration. At the same time, the licensee or registree shall maintain with the Commissioner any required bond in the amount and of the character as required by the applicable chapter. The annual license or registration renewal fee shall be:

(1) For a lender license under chapter 73 of this title, \$1,200.00.

(2) For a lender license under chapter 73 of this title for a lender only making commercial loans, \$500.00.

(3) For a mortgage broker license under chapter 73 of this title, other than a mortgage broker that meets each of the requirements of subdivisions (4)(A)–(C) of this section, \$500.00.

(4) For a mortgage broker license under chapter 73 of this title that meets each of the following requirements, \$250.00:

(A) the mortgage broker license is held by an individual sole proprietor;

(B) no person, other than the individual sole proprietor, shall be authorized to act as a mortgage broker under this license; and

(C) the mortgage broker originated five or fewer loans within the last calendar year.

(5) For a mortgage loan originator license under chapter 73 of this title, \$100.00.

(6) For a sales finance company license under chapter 73 of this title, \$350.00.

(7) For a loan solicitation license under chapter 73 of this title, \$500.00.

(8) For any combination of lender license under chapter 73 of this title, mortgage broker license under chapter 73 of this title, loan solicitation license under chapter 73 of this title, or loan servicer license under chapter 85 of this title, \$1,700.00.

(9) For a consumer litigation funding company registration under chapter 74 of this title, \$200.00.

(10) For a money transmission license under chapter 79 of this title, \$1,000.00, plus an annual renewal fee of \$25.00 for each authorized delegate, provided that the total renewal fee of all authorized delegate locations shall not exceed \$3,500.00.

(11) For a check cashing and currency exchange license under chapter 79 of this title, \$500.00.

(12) For a debt adjuster license under chapter 83 of this title, \$250.00.

(13) For a loan servicer license under chapter 85 of this title, \$1,000.00.

* * * Insurance * * *

* * * Term of License * * *

Sec. 2. 8 V.S.A. § 4798 is amended to read:

§ 4798. TERM OF LICENSE

(a) Except as provided by ~~subsection~~ subsections (b) and (d) of this section, all licenses issued pursuant to this subchapter shall continue in force not longer than 24 months.

* * *

(d) Producer appointments shall expire as of 12:01 a.m. on the first day of June ~~of the odd-numbered year next~~ following the date of issuance. ~~Biennially~~ Annually, before the expiration of producer appointments, the Commissioner shall provide each insurer with an alphabetical appointment renewal list of the names for all of its producers in the State. Each insurer shall return the list and identify the producer appointments to be renewed in a manner and time specified by the Commissioner. Payment of the ~~biennial~~ annual producer appointment renewal fee, as specified in section 4800 of this title, shall be made in a manner and time specified by the Commissioner.

* * * License Requirements * * *

Sec. 3. 8 V.S.A. § 4800(2)(A) is amended to read:

(2)(A) All license applications shall be accompanied by a \$30.00 fee plus the applicable fees as follows:

* * *

(iii) Except as provided in subdivisions (I) and (II) of this subdivision, initial and biennial producer appointment fees for each qualification set forth in section 4813g of subchapter 1A of this chapter for resident and nonresident producers acting as agents of foreign insurers, ~~\$60.00~~ \$120.00:

(I) the Commissioner may charge one fee for a qualification in “property and casualty” insurance; and

(II) the Commissioner may charge one fee for a qualification in “life and accident and health or sickness” insurance.

(iv) Initial 24-month appointment and biennial renewal appointment fee for limited lines producers, ~~\$60.00~~ \$90.00.

(v) Initial 24-month license and biennial renewal fee for resident and nonresident adjusters, and appraisers licenses, ~~\$60.00~~ \$120.00, and public adjusters, \$200.00.

* * *

Sec. 3a. 8 V.S.A. § 4800(2)(A) is amended to read:

(2)(A) All license applications shall be accompanied by a \$30.00 fee plus the applicable fees as follows:

* * *

(iii) Except as provided in subdivisions (I) and (II) of this subdivision, initial and ~~biennial~~ annual producer appointment fees for each qualification set forth in section 4813g of subchapter 1A of this chapter for resident and nonresident producers acting as agents of foreign insurers, ~~\$120.00~~ \$60.00:

(I) the Commissioner may charge one fee for a qualification in “property and casualty” insurance; and

(II) the Commissioner may charge one fee for a qualification in “life and accident and health or sickness” insurance.

* * *

* * * Securities Act * * *

* * * Agents, Investment Advisers, Investment Adviser Representatives,
and Federal Covered Investment Advisers * * *

Sec. 4. 9 V.S.A. § 5410(b) is amended to read:

(b) The fee for an individual is ~~\$90.00~~ \$120.00 when filing an application for registration as an agent, ~~\$90.00~~ \$120.00 when filing a renewal of registration as an agent, and ~~\$90.00~~ \$120.00 when filing for a change of registration as an agent. If the filing results in a denial or withdrawal, the Commissioner shall retain the fee.

* * * Department of Fish and Wildlife * * *

* * * License Fees * * *

Sec. 5. 10 V.S.A. § 4255 is amended to read:

(a) Vermont residents may apply for licenses on forms provided by the Commissioner. Fees for each license shall be:

(1) Fishing license	\$26.00 <u>\$28.00</u>
(2) Hunting license	\$26.00 <u>\$28.00</u>
(3) Combination hunting and fishing license	\$42.00 <u>\$47.00</u>

* * *

(b) Nonresidents may apply for licenses on forms provided by the Commissioner. Fees for each license shall be:

(1) Fishing license	\$52.00 <u>\$54.00</u>
(4) Hunting license	\$100.00 <u>\$102.00</u>
(5) Combination hunting and fishing license	\$138.00 <u>\$143.00</u>

* * *

* * * Lifetime Licenses * * *

Sec. 6. 10 V.S.A. § 4279(f) is amended to read:

(f) Fees for lifetime licenses shall be the appropriate multiplication factor for the child's or adult's age multiplied by the fee for the appropriate license. Appropriate license fees are those in subdivisions 4255(a)(1), (2), and (3) of this title for residents and subdivisions 4255(b)(1), (4), and (5) of this title for nonresidents. Multiplication factors are as follows:

(1) for children under 1 year of age	<u>6</u> <u>8</u>
--------------------------------------	-------------------

* * *

* * * Department of Labor * * *

* * * Workers' Compensation Fund * * *

Sec. 7. WORKERS' COMPENSATION RATE OF CONTRIBUTION

For fiscal year 2020, after consideration of the formula in 21 V.S.A. § 711(b) and historical rate trends, the General Assembly determines that the rate of contribution for the direct calendar year premium for workers' compensation insurance shall remain at the rate of 1.4 percent. The contribution rate for self-insured workers' compensation losses and workers' compensation losses of corporations approved under 21 V.S.A. chapter 9 shall remain at one percent.

* * * Department of Motor Vehicles * * *

* * * All-Terrain Vehicles * * *

Sec. 8. 23 V.S.A. § 3504(a) is amended to read:

(a) The registration fee for all-terrain vehicles other than as provided for in subsection (b) of this section is ~~\$35.00~~ \$45.00. Duplicate registration certificates may be obtained upon payment of \$6.00 to the Department.

* * * Department of Public Service and Public Utility Commission * * *

* * * Gross Receipts Tax * * *

Sec. 9. 30 V.S.A. § 22 is amended to read:

§ 22. TAX TO FINANCE DEPARTMENT AND COMMISSION

(a) For the purpose of maintaining the Department of Public Service and Public Utility Commission, including expenses related to maintaining an adequate engineering, legal, and administrative force in the Department of Public Service and paying all the expenses incident thereof, including rents, each person, partnership, association, or private or municipal corporation conducting a business subject to the supervision of the Department of Public Service and Public Utility Commission, including electric cooperatives, shall pay into the State Treasury on or before April 15 annually, in addition to the taxes now required by law to be paid, a tax, at the rate hereinafter named, according to the nature of the public service business engaged in by such person, partnership, association, or private or municipal corporation, based on the gross operating revenue received by such person, partnership, association, or private or municipal corporation in the conduct of such business in the State during the year next preceding, as shown by the annual report filed on or before such date with the Department of Public Service on the form prescribed by it and containing such information as may be necessary to enable the Department to determine the amount of the tax payable.

(1) The rate of tax for each type of public service company, for the purpose of maintaining the Department of Public Service, shall be the following:

(1)(A) for companies, cooperative, municipal or privately owned, generating, distributing, selling, or transmitting electric energy, ~~0.0050~~ 0.00320 of gross operating revenue;

(2)(B) for telephone companies, ~~0.0050~~ 0.003 of gross operating revenue or ~~\$500.00~~ \$300.00, whichever is greater;

(3)(C) for gas companies, ~~0.0030~~ 0.00320 of gross operating revenue;

(4)(D) for water companies, ~~0.001~~ 0.0006 of gross operating revenue or ~~\$5.00~~ \$3.00, whichever is greater;

(5)(E) for companies owning or operating a cable television system, ~~0.005~~ 0.003 of gross operating revenue or ~~\$25.00~~ \$15.00, whichever is greater, \$25,000.00 of which shall be used each year by the Department for special planning functions relating to cable television systems;

(6)(F) for companies whose sole telephone business consists of owning customer-owned, coin-operated telephones with total annual revenues of less than \$5,000.00, the choice of either ~~0.0050~~ 0.003 of gross operating revenue from telephone revenues or the amount of ~~\$20.00~~ \$12.00; and

(7)(G) for all other companies named in section 203 of this title, ~~0.001~~ 0.0006 of gross operating revenues.

(2) The rate of tax for each type of public service company, for the purpose of maintaining the Public Utility Commission, shall be the following:

(A) for companies, cooperative, municipal or privately owned, generating, distributing, selling, or transmitting electric energy, 0.00205 of gross operating revenue;

(B) for telephone companies, 0.002 of gross operating revenue or \$200.00, whichever is greater;

(C) for gas companies, 0.00205 of gross operating revenue;

(D) for water companies, 0.0004 of gross operating revenue or \$2.00, whichever is greater;

(E) for companies owning or operating a cable television system, 0.002 of gross operating revenue or \$10.00, whichever is greater;

(F) for companies whose sole telephone business consists of owning customer-owned, coin-operated telephones with total annual revenues of less than \$5,000.00, the choice of either 0.002 of gross operating revenue from telephone revenues or the amount of \$8.00; and

(G) for all other companies named in section 203 of this title, 0.0004 of gross operating revenues.

(b) The ~~tax taxes~~ levied under this section shall not apply to sales of electrical power for resale.

(c) ~~Of the revenue deposited into the special fund for the maintenance of engineering and accounting forces, 40 percent shall be allocated to the Public Utility Commission and 60 percent shall be allocated to the Department of Public Service. [Repealed.]~~

(d)(1) ~~On June 30 of each year, any balance in the amount allocated to received by the Public Utility Commission from the special fund for the maintenance of engineering and accounting forces, after accounting for expenditures and encumbrances, in excess of 20 percent of the Commission's allocation funds received by the Commission for that year shall be used in the manner provided by subdivision (3) of this subsection.~~

(2) ~~On June 30 of each year, any balance in the amount allocated to received by the Department of Public Service from the special fund for the maintenance of engineering and accounting forces, after accounting for expenditures and encumbrances, in excess of 20 percent of the Department's allocation funds received by the Department for that year shall be used in the manner provided by subdivision (3) of this subsection.~~

* * *

* * * Certificates of Public Good for New Gas and Electric Purchases,
Investments, and Facilities * * *

Sec. 10. 30 V.S.A. § 248c is added to read:

§ 248c. FEES; DEPARTMENT OF PUBLIC SERVICE AND PUBLIC
UTILITY COMMISSION; PARTICIPATION IN CERTIFICATION
AND SITING PROCEEDINGS

(a) Establishment. This section establishes fees for the purpose of supporting the role of the Department of Public Service (Department) and the Public Utility Commission (Commission) in reviewing applications for in-state facilities under section 248 of this title. Companies that pay the gross receipts tax as provided in section 22 of this title shall not be subject to the fees established in this section.

(b) Payment. The applicant shall pay the fee into the State Treasury at the time the application for a certificate of public good is filed with the Commission in an amount calculated in accordance with this section. The fee shall be deposited into the gross revenue fund. Of the fees deposited into the gross revenue fund, 60 percent shall be allocated to the Department and 40 percent shall be allocated to the Commission.

(c) Definitions. As used in this section, “kW” and “plant capacity” have the same meaning as in section 8002 of this title.

(d) Electric and natural gas facilities. This subsection sets fees for applications under section 248 of this title.

(1) There shall be a registration fee of \$100.00 for each electric generation facility less than or equal to 50 kW in plant capacity, or for a rooftop project, or for a hydroelectric project filing a net metering registration, or for an application filed under subsection 248(n) of this title.

(2) There shall be a fee of \$25.00 for modifications for each electric generation facility less than or equal to 50 kW in plant capacity, or for a rooftop project, or for a hydroelectric project filing a net metering registration, or for an application filed under subsection 248(n) of this title.

(3) There shall be a fee for electric generation facilities that do not qualify for the lower fees in subdivisions (1) and (2) of this subsection, calculated as follows:

(A) \$5.00 per kW; and

(B) \$100.00 for modifications.

(e) Report. On or before the third Tuesday of each annual legislative session, the Department and Commission shall jointly submit a report to the General Assembly by electronic submission. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to this report. The report shall list the fees collected and refunds approved, if any, under this section and under section 248d of this title during the preceding fiscal year.

Sec. 11. 30 V.S.A. § 248d is added to read:

§ 248d. FEE REFUND

If an applicant withdraws an application and seeks a fee refund, then a written request for an application fee refund shall be submitted to the Public Utility Commission (Commission) within 90 days of the withdrawal of the application.

(1) As used in this section, “agency” means the Agency of Natural Resources, the Department of Public Service, or the Commission.

(2) In the event that an application is withdrawn before any agency has filed comments expressing a position on any part of the application, filed testimony, or filed a stipulated agreement with the Commission in the context of a certificate of public good proceeding, the Commission shall, upon request of the applicant, refund 50 percent of the fee paid to each agency above the

first \$100.00; however, in no instance shall the agency retain more than \$20,000.00.

(3) In the event that an application is withdrawn after any agency has filed comments expressing a position on any part of the application, filed testimony, or filed a stipulated agreement with the Commission in the context of a certificate of public good proceeding, the Commission shall, upon request of the applicant, refund 25 percent of the fee paid to each agency above the first \$100.00.

(4) Commission decisions regarding application fee refunds may be appealed to the Vermont Supreme Court.

(5) In no event may an application fee or a portion thereof be refunded after the Commission has issued a final decision on the merits of an application, whether the decision is to grant or deny the application in whole or in part.

(6) No interest will be due or payable on any money refunded under this section.

Sec. 12. EVALUATION OF FEES

The Department of Public Service (Department), in consultation with the Public Utility Commission (Commission), shall evaluate the feasibility of using billback mechanisms to recover the costs related to reviewing applications for in-state facilities under section 248 of this title for projects that produce five megawatts or more of electricity. The Department shall, on or before January 15, 2020, submit electronically a report to the House Committees on Ways and Means and on Energy and Technology and to the Senate Committee on Finance with their findings.

* * * Secretary of State * * *

* * * Professional Regulation * * *

Sec. 13. 3 V.S.A. § 125 is amended to read:

§ 125. FEES

(a) In addition to the fees otherwise authorized by law, a board or adviser profession may charge the following fees:

* * *

(4) Continuing, qualifying, or prelicensing education course approval:

(A) Provider, \$100.00.

(B) Individual, \$25.00.

(b) Unless otherwise provided by law, the following fees shall apply to all professions regulated by the Director in consultation with advisor appointees under Title 26:

* * *

(2) Application for licensure or certification, \$100.00, except application for:

* * *

(C) Application for real estate appraisers, \$275.00.

(D) Temporary real estate appraiser license, \$150.00.

(E) Appraisal management company registration, \$600.00.

* * *

(4) Biennial renewal, ~~\$200.00~~ \$240.00, except biennial renewal for:

* * *

(C) Physical therapists and assistants, ~~\$100.00~~ \$150.00.

* * *

(J) Appraisal management company registration, \$600.00.

(K) Radiologic therapist, radiologic technologist, nuclear medicine technologist, \$150.00.

(L) Certified alcohol and drug abuse counselor, certified apprentice addiction professional, and licensed alcohol and drug abuse counselor, \$225.00.

* * *

(6) Radiologic evaluation, \$125.00.

* * *

* * * Board of Public Accountancy * * *

Sec. 14. 26 V.S.A. § 56 is amended to read:

§ 56. FEES

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

- | | |
|---------------------------------|---------------------------------------|
| (1) Application for license | \$ 75.00 <u>\$ 100.00</u> |
| (2) Biennial renewal of license | \$ 120.00 <u>\$ 220.00</u> |

(3) Firm registration and biennial renewal
of registration ~~\$ 120.00~~ \$ 200.00

* * *

(5) Firm biennial renewal of registration \$ 400.00

(6) Sole proprietor firm biennial renewal of registration \$ 200.00

* * * Board of Dental Examiners * * *

Sec. 15. 26 V.S.A. § 662(a) is amended to read:

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

(1) Application

(A) Dentist ~~\$ 225.00~~ \$ 250.00

(B) Dental therapist \$ 185.00

(C) Dental hygienist ~~\$ 150.00~~ \$ 175.00

(D) Dental assistant ~~\$ 60.00~~ \$ 70.00

(2) Biennial renewal

(A) Dentist ~~\$ 355.00~~ \$ 575.00

(B) Dental therapist ~~\$ 225.00~~ \$ 270.00

(C) Dental hygienist ~~\$ 125.00~~ \$ 215.00

(D) Dental assistant ~~\$ 75.00~~ \$ 90.00

* * * Board of Professional Engineering * * *

Sec. 16. 26 V.S.A. § 1176 is amended to read:

§ 1176. FEES

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

(1) Application for engineering license or application to add additional specialty discipline ~~\$ 80.00~~ \$ 100.00

* * *

(3) Biennial license renewal ~~\$ 100.00~~ \$ 150.00

* * *

* * * State Board of Nursing * * *

Sec. 17. 26 V.S.A. § 1577 is amended to read:

§ 1577. FEES

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

(1) Nursing Assistants

* * *

(B) Biennial renewal ~~\$ 45.00~~ \$ 55.00

(2) Practical Nurses and Registered Nurses

(A) Application by exam ~~\$ 60.00~~ \$ 75.00

(B) ~~Registered nurse application~~ Application by endorsement
\$ 150.00

(C) Biennial renewal for Practical Nurses ~~\$ 140.00~~ \$ 175.00

(D) Biennial renewal for Registered Nurses \$ 190.00

(3) Advanced Practice Registered Nurses

(A) Initial endorsement of advanced practice registered nurses
~~\$ 75.00~~ \$ 100.00

(B) Biennial renewal of advanced practice registered nurses
~~\$ 75.00~~ \$ 125.00

* * * Board of Pharmacy * * *

* * * Licensing Fees * * *

Sec. 18. 26 V.S.A. § 2046 is amended to read:

§ 2046. FEES

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

(1) Initial application:

* * *

(C) Institutional drug outlets ~~\$ 300.00~~ \$ 400.00

(D) Manufacturing drug outlet ~~\$ 300.00~~ \$ 400.00

(E) Wholesale drug outlet ~~\$ 600.00~~ \$ 700.00

* * *

<u>(H) Outsourcing drug outlet</u>	<u>\$ 700.00</u>
<u>(I) Nuclear drug outlet</u>	<u>\$ 700.00</u>
<u>(J) Compounding drug outlet</u>	<u>\$ 700.00</u>
<u>(K) Home infusion drug outlet</u>	<u>\$ 700.00</u>
<u>(L) Third-party logistics</u>	<u>\$ 700.00</u>
<u>(M) Pharmacy interns</u>	<u>\$ 20.00</u>

(2) Biennial renewal:

(A) Pharmacists	\$ 100.00 <u>\$ 125.00</u>
(B) Retail drug outlets	\$ 300.00 <u>\$ 400.00</u>
(C) Institutional drug outlets	\$ 300.00 <u>\$ 500.00</u>
(D) Manufacturing drug outlet	\$ 300.00 <u>\$ 500.00</u>
(E) Wholesale drug outlet	\$ 300.00 <u>\$ 500.00</u>

* * *

<u>(H) Outsourcing drug outlet</u>	<u>\$ 500.00</u>
<u>(I) Nuclear drug outlet</u>	<u>\$ 500.00</u>
<u>(J) Compounding drug outlet</u>	<u>\$ 500.00</u>
<u>(K) Home infusion drug outlet</u>	<u>\$ 500.00</u>
<u>(L) Third-party logistics</u>	<u>\$ 500.00</u>
<u>(M) Pharmacy interns</u>	<u>\$ 45.00</u>

* * *

* * * Wholesale Distributors and Manufacturers * * *

Sec. 19. 26 V.S.A. § 2076(c) is amended to read:

(c) If the Board determines it is necessary to inspect a certain premises under the same ownership more than once in any two-year period, the Board may charge a reinspection fee of ~~\$100.00~~ not more than \$500.00.

* * * Real Estate Commission * * *

Sec. 20. 26 V.S.A. § 2255 is amended to read:

§ 2255. FEES

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

(1) Application	
(A) Broker license	\$ 50.00 <u>\$ 100.00</u>
(B) Salesperson license	\$ 50.00 <u>\$ 100.00</u>
(C) Brokerage firm registration	\$ 50.00 <u>\$ 200.00</u>
(D) Branch office registration	\$ 50.00 <u>\$ 200.00</u>
(2) Biennial renewal of broker or salesperson license	\$ 200.00 <u>\$ 240.00</u>
(3) Biennial brokerage firm or branch office registration renewal	\$ 200.00 <u>\$ 400.00</u>

* * *

* * * Board of Radiologic Technology * * *

Sec. 21. 26 V.S.A. § 2814 is amended to read:

§ 2814. FEES

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

(1) Application for primary licensure	\$ 100.00
(2) Biennial renewal	
(A) Renewal of a single primary license	\$ 110.00
(B) Renewal of each additional primary license	\$ 15.00
(3) Initial competency endorsement under section 2804 of this title	\$ 100.00
(4) Biennial renewal of competency endorsement under section 2804 of this title	\$ 110.00
(5) Evaluation	\$ 125.00

those fees set forth in 3 V.S.A. § 125(b).

* * * Board of Allied Mental Health Practitioners * * *

* * * Clinical Mental Health Counselors * * *

Sec. 22. 26 V.S.A. § 3270a is amended to read:

§ 3270a. FEES

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

(1) Application for licensure	\$125.00 <u>\$150.00</u>
-------------------------------	-------------------------------------

(2) Biennial renewal \$150.00 \$200.00

* * * Board of Real Estate Appraisers * * *

Sec. 23. 26 V.S.A. § 3316 is amended to read:

§ 3316. LICENSING AND REGISTRATION FEES

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

- ~~(1) Application \$125.00~~
- ~~(2) Initial license \$150.00~~
- ~~(3) Biennial renewal \$200.00~~
- ~~(4) Temporary license \$150.00~~
- ~~(5) Prelicensing course review \$100.00~~
- ~~(6) Continuing education course review \$100.00~~
- ~~(7) Appraiser trainee annual registration \$100.00~~
- ~~(8) Appraisal management company registration application \$125.00~~
- ~~(9) Appraisal management company registration renewal \$400.00~~

In addition to the fees otherwise authorized by law, the Director may charge the fees for professions regulated by the Director as set forth in 3 V.S.A. § 125(b).

* * * Board of Allied Mental Health Practitioners * * *

* * * Marriage and Family Therapists * * *

Sec. 24. 26 V.S.A. § 4041a is amended to read:

§ 4041a. FEES

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

- (1) Application for licensure \$125.00 \$150.00
- (2) Biennial renewal \$150.00 \$250.00

* * * Roster of Psychotherapists Who Are Nonlicensed
and Noncertified * * *

Sec. 25. 26 V.S.A. § 4089a is amended to read:

§ 4089a. FEES

A person who seeks entry on the roster shall pay the following fees:

(1) Initial roster entry	\$75.00 <u>\$80.00</u>
(2) Biennial roster reentry	\$90.00 <u>\$150.00</u>

* * * Electrologists * * *

Sec. 26. 26 V.S.A. § 4412 is amended to read:

§ 4412. FEES

In addition to examination fees, applicants and licensees regulated under this chapter shall be subject to the fees set forth in 3 V.S.A. § 125(b) ~~and the following fees:~~

- (1) ~~Initial electrology office license \$100.00;~~
- (2) ~~Biennial office license renewal \$ 50.00.~~

* * * Judiciary * * *

* * * Supreme and Superior Courts * * *

Sec. 27. 32 V.S.A. § 1431 is amended to read:

§ 1431. FEES IN SUPREME AND SUPERIOR COURTS

* * *

(d) Prior to the entry of any subsequent pleading which sets forth a claim for relief in the Supreme Court or the Superior Court, there shall be paid to the clerk of the court for the benefit of the State a fee of \$120.00 for every ~~appeal,~~ cross-claim, or third-party claim and a fee of \$90.00 for every counterclaim in the Superior Court in lieu of all other fees not otherwise set forth in this section. The fee for an appeal of a magistrate's decision or the appeal of a small claims decision in the Superior Court shall be \$120.00. The filing fee for civil suspension proceedings filed pursuant to 23 V.S.A § 1205 shall be \$90.00, which shall be taxed in the bill of costs in accordance with sections 1433 and 1471 of this title. This subsection does not apply to filing fees in the Family Division, except with respect to the fee for an appeal of a magistrate's decision.

(e) Prior to the filing of any postjudgment motion in the Civil, Criminal, or Environmental Division of the Superior Court, including motions to reopen civil suspensions and motions for sealing or expungement in the Criminal Division pursuant to 13 V.S.A. § 7602, or motions to reopen existing cases in the Probate Division of the Superior Court, there shall be paid to the clerk of the court for the benefit of the State a fee of \$90.00 except for small claims actions, ~~and estates, and motions to confirm the sale of property in foreclosure.~~ A filing fee of \$90.00 shall be paid to the clerk of the court for a civil petition for minor settlements.

* * *

* * * Probate Cases * * *

Sec. 28. 32 V.S.A. § 1434 is amended to read:

§ 1434. PROBATE CASES

(a) The following entry fees shall be paid to the Probate Division of the Superior Court for the benefit of the State, except for subdivisions (18) and (19) of this subsection, which shall be for the benefit of the county in which the fee was collected:

* * *

(26) Petitions for license to sell or convey real estate
\$100.00

(27) Petition for license to sell or convey personal property \$100.00

* * *

(31) ~~Requests for findings regarding motor vehicle title pursuant to 23 V.S.A. § 2023(e)(2) \$50.00 [Repealed.]~~

(32) Petitions to obtain a birth order pursuant to 15C V.S.A. § 708(a) or § 804(a) \$100.00

(33) Petitions to appeal the State Registrar's denial of an application to amend a birth or death certificate pursuant to 18 V.S.A. § 5073(b) \$150.00

* * *

* * * Prescription Drug Cost Containment * * *

* * * Manufacturer Fees * * *

Sec. 29. 33 V.S.A. § 2004(a) is amended to read:

(a) Annually, each pharmaceutical manufacturer or labeler of prescription drugs that are paid for by the Department of Vermont Health Access for individuals participating in Medicaid, Dr. Dynasaur, or VPharm shall pay a fee to the Agency of Human Services. The fee shall be ~~1.5~~ 1.75 percent of the previous calendar year's prescription drug spending by the Department and shall be assessed based on manufacturer labeler codes as used in the Medicaid rebate program.

* * * Effective Dates * * *

Sec. 30. EFFECTIVE DATES

(a) Secs. 2 (insurance term of license) and 3a (insurance license requirements) shall take effect on June 1, 2021.

(b) Secs. 5 (Department of Fish and Wildlife license fees) and 6 (Department of Fish and Wildlife lifetime licenses) shall take effect on January 1, 2020.

(c) All remaining sections shall take effect on July 1, 2019.

*REBECCA A. BALINT
BRIAN A. CAMPION
MARK A. MACDONALD*

Committee on the part of the Senate

*ROBIN P. SCHEU
PATRICK M. BRENNAN
CYNTHIA M. BROWNING*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Report of Committee of Conference Accepted and Adopted on the Part of the Senate

H. 536.

Senator Cummings, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

An act relating to education finance.

H.536. An act relating to education finance.

Respectfully reports that it has met and considered the same and recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Definitions; Homestead; Nonhomestead * * *

Sec. 1. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

* * *

(10) “~~Nonresidential~~ Nonhomestead property” means all property except:

* * *

Sec. 2. CONFORMING REVISIONS

When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Council shall make the following revisions throughout the statutes as needed for consistency with Sec. 1 of this act, as long as the revisions have no other effect on the meaning of the affected statutes:

(1) replace “nonresidential” with “nonhomestead” in Title 32 and Title 16; and

(2) make revisions that are substantially similar to those described in subdivision (1) of this subsection in other titles of the Vermont Statutes Annotated.

* * * Sales and Use Tax; Marketplace Facilitators * * *

Sec. 3. 32 V.S.A. § 9701 is amended to read:

§ 9701. DEFINITIONS

Unless the context in which they occur requires otherwise, the following terms when used in this chapter mean:

* * *

(9) “Vendor” means:

* * *

(J) A marketplace facilitator who has facilitated sales by marketplace sellers to destinations within this State of at least \$100,000.00, or totaling at least 200 individual sales transactions, during any 12-month period preceding the monthly period with respect to which that person’s liability for tax under this chapter is determined.

(K) A marketplace seller who has combined sales to a destination within this State and sales through a marketplace to a destination within this State of at least \$100,000.00, or totaling at least 200 individual sales transactions, during any 12-month period preceding the monthly period with respect to which that person’s liability for tax under this chapter is determined.

* * *

(14) “Persons required to collect tax” or “persons required to collect any tax imposed by this chapter” means every vendor of taxable tangible personal property or services, and every recipient of amusement charges. These terms

also include marketplace facilitators with respect to retail sales made on behalf of a marketplace seller. These terms shall also include any officer or employee of a corporation or other entity or of a dissolved entity who as that officer or employee is under a duty to act for the corporation or entity in complying with any requirement of this chapter.

* * *

(56) “Marketplace facilitator” means a person who contracts with marketplace sellers to facilitate for consideration, regardless of whether deducted as fees from the transaction, the sale of the marketplace sellers products through a physical or electronic marketplace operated by the person and engages:

(A) directly or indirectly through one or more affiliated persons, in any of the following:

(i) transmitting or otherwise communicating the offer or acceptance between purchasers and marketplace sellers;

(ii) owning or operating the infrastructure, electronic or physical, or technology that brings purchasers and marketplace sellers together;

(iii) providing a virtual currency that purchasers are allowed or required to use to purchase products from marketplace sellers; or

(iv) software development or research and development activities related to any of the activities described in subdivision (B) of this subdivision (56), if such activities are directly related to a physical or electronic marketplace operated by the person or an affiliated person; and

(B) in any of the following activities with respect to the marketplace sellers products:

(i) payment processing services;

(ii) fulfillment or storage services;

(iii) listing products for sale;

(iv) setting prices;

(v) branding sales as those of the marketplace facilitator;

(vi) order taking;

(vii) advertising or promotion; or

(viii) providing customer service or accepting or assisting with returns or exchanges.

(57) “Marketplace seller” means a person who has an agreement with a marketplace facilitator and makes retail sales of tangible personal property, taxable services, or digital goods through a marketplace owned, operated, or controlled by a marketplace facilitator, even if the person would not be required to collect and remit the sales tax had the sale not been made through the facilitated marketplace.

(58) “Marketplace” means the physical or electronic processes, systems, places, and infrastructure, including a website, through which a marketplace facilitator engages in any of the activities described in subdivision (56) of this section.

(59) “Affiliated person” means a person who, with respect to another person:

(A) has an ownership interest of more than five percent, whether direct or indirect, in the other person; or

(B) is related to the other person because a third person, or group of third persons who are affiliated persons with respect to each other, holds an ownership interest of more than five percent, whether direct or indirect, in the related persons.

Sec. 4. 32 V.S.A. § 9713 is added to read:

§ 9713. MARKETPLACE FACILITATORS AND MARKETPLACE SELLERS

(a) Marketplace facilitators shall collect and remit the sales tax on retail sales by marketplace sellers through a marketplace. Marketplace sellers shall collect and remit the sales tax on any retail sales within this State that are not made through a marketplace.

(b) A marketplace facilitator shall certify to its marketplace sellers that it will collect and remit the sales tax under this chapter on the sale of taxable items made through its marketplace. A marketplace seller that accepts a certification from a marketplace facilitator in good faith shall exclude sales made through the marketplace from its obligation as a vendor under this chapter.

(c) A marketplace facilitator is relieved from liability under this chapter if it can demonstrate to the Commissioner that its failure to collect the correct amount of tax was due to incorrect information given to the marketplace facilitator by the marketplace seller.

* * * Sales Tax; Veterinary Supplies * * *

Sec. 5. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title.

* * *

(3) Agriculture feeds, seed, plants, baler twine, silage bags, agricultural wrap, sheets of plastic for bunker covers, liming materials, breeding and other livestock, semen breeding fees, baby chicks, turkey poults, agriculture chemicals other than pesticides, ~~veterinary supplies~~, and bedding; and fertilizers and pesticides for use and consumption directly in the production for sale of tangible personal property on farms, including stock, dairy, poultry, fruit and truck farms, orchards, nurseries, or in greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities for sale.

* * *

(53) Prescription drugs intended for animal use, and durable medical equipment and prosthetics intended for animal use, and veterinary supplies intended for animal use. As used in this subdivision, “prescription drugs intended for animal use” means a drug dispensed only by or upon the lawful written order of a licensed veterinarian, and “veterinary supplies” mean tangible personal property therapeutic in nature, not normally used absent illness or injury, and not intended for repeated usage.

* * * Statewide Education Property Tax Yields and Nonresidential Rate * * *

Sec. 6. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME
DOLLAR EQUIVALENT YIELD, AND NONRESIDENTIAL
RATE FOR FISCAL YEAR 2020

(a) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2020 only, the property dollar equivalent yield shall be \$10,648.00.

(b) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2020 only, the income dollar equivalent yield shall be \$13,081.00.

(c) Notwithstanding any other provision of law, the nonresidential rate for fiscal year 2020 shall be \$1.594 per \$100.00 of equalized education property value under 32 V.S.A. § 5402(a)(1).

(d) Notwithstanding any other provision of law, when making recommendations for fiscal year 2021 under 32 V.S.A. § 5402b, the Commissioner shall disregard any undesignated surplus in the Education Fund.

* * * Effective Dates * * *

Sec. 7. EFFECTIVE DATES

(a) This section shall take effect on passage.

(b) Secs. 1–2 (nonhomestead) shall take effect on January 1, 2020 and apply to grand lists lodged after that date.

(c) Secs. 3–4 (marketplace facilitators) shall take effect on June 1, 2019.

(d) Sec. 5 (veterinary supplies) shall take effect July 1, 2019.

(e) Sec. 6 (yields and nonresidential rate) shall take effect on July 1, 2019 and apply to fiscal year 2020.

*ANN E. CUMMINGS
MARK A. MACDONALD
BRIAN A. CAMPION*

Committee on the part of the Senate

*JANET ANCEL
WILLIAM P. CANFIELD
JOHANNAH L. DONOVAN*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Recess

On motion of Senator Ashe the Senate recessed until 4:00 P.M.

Called to Order

The Senate was called to order by the President.

Rules Suspended; Bills Messaged

On motion of Senator Ashe, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 527, H. 536.

Recess

On motion of Senator Ashe the Senate recessed until 5:30 P.M.

Called to Order

The Senate was called to order by the President.

Message from the House No. 83

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

Mr. President:

I am directed to inform the Senate that:

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

H. 135. An act relating to the authority of the Agency of Digital Services.

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

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment Concurred In**H. 135.**

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

An act relating to the authority of the Agency of Digital Services.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment with further proposal of amendment as follows:

By striking out Sec. 13, information technology and telecommunications; governance structure; report, in its entirety and by renumbering the remaining sections to be numerically correct.

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

Adjournment

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

FRIDAY, MAY 24, 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. 84

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

Mr. President:

I am directed to inform the Senate that:

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

H. 292. An act relating to miscellaneous natural resources and energy subjects.

And has severally concurred therein.

The Governor has informed the House that on May 23, 2019, he approved and signed bills originating in the House of the following titles:

H. 540. An act relating to approval of the amendments to the charter of the Town of Williston.

H. 544. An act relating to approval of amendments to the charter of the City of Burlington.

H. 549. An act relating to approval of the dissolution of Rutland Fire District No. 10.

H. 539. An act relating to approval of amendments to the charter of the Town of Stowe and to the merger of the Town and the Stowe Fire District No. 3.

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

H. 460. An act relating to sealing and expungement of criminal history records.

H. 82. An act relating to the taxation of timber harvesting equipment.

H. 133. An act relating to miscellaneous energy subjects.

H. 104. An act relating to professions and occupations regulated by the Office of Professional Regulation.

Rules Suspended; Bills on Notice Calendar for Immediate Consideration

On motion of Senator Mazza, the rules were suspended, and the following bills, appearing on the Calendar for notice, were ordered to be brought up for immediate consideration:

H. 132, H. 541.

Report of Committee of Conference Accepted and Adopted on the Part of the Senate

H. 132.

Senator Balint, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

H. 132. An act relating to adopting protections against housing discrimination for victims of domestic and sexual violence.

Respectfully reports that it has met and considered the same and recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Housing Discrimination; Domestic and Sexual Violence * * *

Sec. 1. REDESIGNATION

(a) 9 V.S.A. chapter 138 (campgrounds) is redesignated as 9 V.S.A. chapter 136.

(b) 9 V.S.A. § 4470 (campgrounds; removal) is redesignated as 9 V.S.A. § 4410.

Sec. 2. 9 V.S.A. chapter 137 is amended to read:

CHAPTER 137. RESIDENTIAL RENTAL AGREEMENTS

Subchapter 1. General

§ 4451. DEFINITIONS

* * *

Subchapter 2. Residential Rental Agreements

§ 4455. TENANT OBLIGATIONS; PAYMENT OF RENT

* * *

Subchapter 3. Farm Employee Housing

§ 4469. [Reserved.]

§ 4469a. TERMINATION OF OCCUPANCY OF FARM EMPLOYEE HOUSING

* * *

Subchapter 4. Housing Discrimination; Domestic and Sexual Violence

§ 4471. DEFINITIONS

As used in this subchapter:

(1) “Abuse” has the same meaning as in 15 V.S.A. § 1101.

(2) “Protected tenant” means a tenant who is:

(A) a victim of abuse, sexual assault, or stalking;

(B) a parent, foster parent, legal guardian, or caretaker with at least partial physical custody of a victim of abuse, sexual assault, or stalking.

(3) “Sexual assault” and “stalking” have the same meaning as in 12 V.S.A. § 5131.

§ 4472. RIGHT TO TERMINATE RENTAL AGREEMENT

(a) Notwithstanding a contrary provision of a rental agreement or of subchapter 2 of this chapter, a protected tenant may terminate a rental agreement pursuant to subsection (b) of this section without penalty or liability if he or she reasonably believes it is necessary to vacate a dwelling unit:

(1) based on a fear of imminent harm to any protected tenant due to abuse, sexual assault, or stalking; or

(2) if any protected tenant was a victim of sexual assault that occurred on the premises within the six months preceding the date of his or her notice of termination.

(b) Not less than 30 days before the date of termination, the protected tenant shall provide to the landlord:

(1) a written notice of termination; and

(2) documentation from one or more of the following sources supporting his or her reasonable belief that it is necessary to vacate the dwelling unit:

(A) a court, law enforcement, or other government agency;

(B) an abuse, sexual assault, or stalking assistance program;

(C) a legal, clerical, medical, or other professional from whom the tenant, or the minor or dependent of the tenant, received counseling or other assistance concerning abuse, sexual assault, or stalking; or

(D) a self-certification of a protected tenant's status as a victim of abuse, sexual assault, or stalking, signed under penalty of perjury, on a standard form adopted for that purpose by:

(i) a federal or State government entity, including the federal Department of Housing and Urban Development or the Vermont Department for Children and Families; or

(ii) a nonprofit organization that provides support services to protected tenants.

(c) A notice of termination provided pursuant to subsection (b) of this section may be revoked and the rental agreement shall remain in effect if:

(1)(A) the protected tenant provides a written notice to the landlord revoking the notice of termination; and

(B) the landlord has not entered into a rental agreement with another tenant prior to the date of the revocation; or

(2)(A) the protected tenant has not vacated the premises as of the date of termination; and

(B) the landlord has not entered into a rental agreement with another tenant prior to the date of termination.

§ 4473. RIGHT TO CHANGE LOCKS; OTHER SECURITY MEASURES

Notwithstanding any contrary provision of a rental agreement or of subchapter 2 of this chapter:

(1) Subject to subdivision (2) of this subsection, a protected tenant may request that a landlord change the locks of a dwelling unit within 48 hours following the request:

(A) based on a fear of imminent harm to any protected tenant due to abuse, sexual assault, or stalking; or

(B) if any protected tenant was a victim of sexual assault that occurred on the premises within the six months preceding the date of his or her request.

(2) If the perpetrator of abuse, sexual assault, or stalking is also a tenant in the dwelling unit, the protected tenant shall include with his or her request a copy of a court order that requires the perpetrator to leave the premises.

(3) If the landlord changes the locks as requested, the landlord shall provide a key to the new locks to each tenant of the dwelling unit, not including the perpetrator of the abuse, sexual assault, or stalking who is subject to a court order to leave the premises.

(4) If the landlord does not change the locks as requested, the protected tenant may change the locks without the landlord's prior knowledge or permission, provided that the protected tenant shall:

(A) ensure that the new locks, and the quality of the installation, equal or exceed the quality of the original;

(B) notify the landlord of the change within 24 hours of installation;
and

(C) provide the landlord with a key to the new locks.

(5) Unless otherwise agreed to by the parties, a protected tenant is responsible for the costs of installation of new locks pursuant to this section.

(6)(A) A protected tenant may request permission of a landlord to install additional security measures on the premises, including a security system or security camera.

(B) A protected tenant:

(i) shall submit his or her request not less than seven days prior to installation;

(ii) shall ensure the quality and safety of the security measures and of their installation;

(iii) is responsible for the costs of installation and operation of the security measures; and

(iv) is liable for damages resulting from installation.

(C) A landlord shall not unreasonably refuse a protected tenant's request to install additional security measures pursuant to this subdivision (6).

§ 4474. CONFIDENTIALITY

An owner, landlord, or housing subsidy provider who possesses documentation or information concerning a protected tenant's status as a victim of abuse, sexual assault, or stalking shall keep the documentation or information confidential and shall not allow or provide access to another person unless:

(1) authorized by the protected tenant;

(2) required by a court order, government regulation, or governmental audit requirement; or

(3) required as evidence in a court proceeding, provided:

(A) the documentation or information remains under seal; and

(B) use of the documentation or information is limited to a claim brought pursuant to section 4472 or 4473 of this title.

§ 4475. LIMITATION OF LIABILITY; ENFORCEMENT

Except in the case of gross negligence or willful misconduct, a landlord is immune from liability for damages to a protected tenant if he or she acts in good faith reliance on:

(1) the provisions of this subchapter; or

(2) information provided or action taken by a protected tenant pursuant to the provisions of this subchapter.

Sec. 3. PROTECTED TENANT SELF-CERTIFICATION; FORM

(a) The Vermont Network Against Domestic and Sexual Violence, in collaboration with the Vermont Apartment Owners Association and other interested parties, shall:

(1) develop and make available a standard self-certification form for use by protected tenants pursuant to 9 V.S.A. § 4472(b);

(2) provide the self-certification form to the Department for Children and Families, once developed; and

(3) provide a status report regarding the form, its availability, and its use to the Senate Committee on Economic Development, Housing and General Affairs and to the House Committee on General, Housing, and Military Affairs on or before January 15, 2020.

Sec. 4. 9 V.S.A. chapter 139 is amended to read:

CHAPTER 139. DISCRIMINATION; PUBLIC ACCOMMODATIONS;
RENTAL AND SALE OF REAL ESTATE

* * *

§ 4501. DEFINITIONS

As used in this chapter:

* * *

(11) “Abuse,” “sexual assault,” and “stalking” have the same meaning as in section 4471 of this title.

* * *

§ 4503. UNFAIR HOUSING PRACTICES

(a) It shall be unlawful for any person:

(1) To refuse to sell or rent, or refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling or other real estate to any person because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

(2) To discriminate against, or to harass any person in the terms, conditions, ~~or privileges,~~ and protections of the sale or rental of a dwelling or other real estate, or in the provision of services or facilities in connection therewith, because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

(3) To make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling or other real estate that indicates any preference, limitation, or discrimination based on race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

(4) To represent to any person because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking, that any dwelling or other real estate is not available for inspection, sale, or rental when the dwelling or real estate is in fact so available.

(5) To disclose to another person information regarding or relating to the status of a tenant or occupant as a victim of abuse, sexual assault, or stalking for the purpose or intent of:

(A) harassing or intimidating the tenant or occupant;

(B) retaliating against a tenant or occupant for exercising his or her rights;

(C) influencing or coercing a tenant or occupant to vacate the dwelling; or

(D) recovering possession of the dwelling.

(6) To discriminate against any person in the making or purchasing of loans or providing other financial assistance for real-estate-related transactions or in the selling, brokering, or appraising of residential real property, because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

(7) To engage in blockbusting practices, for profit, which may include inducing or attempting to induce a person to sell or rent a dwelling by representations regarding the entry into the neighborhood of a person or persons of a particular race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

(8) To deny any person access to or membership or participation in any multiple listing service, real estate brokers' organization, or other service, organization, or facility relating to the business of selling or renting dwellings, or to discriminate against any person in the terms or conditions of such access, membership, or participation, on account of race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

* * *

(12) To discriminate in land use decisions or in the permitting of housing because of race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, disability, the presence of one or more minor children, income, or because of the receipt of public assistance, or because a person is a victim of abuse, sexual assault, or stalking, except as otherwise provided by law.

* * *

* * * Housing Health and Safety; Rental Housing
Health Code Enforcement * * *

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

§ 5. DUTIES OF DEPARTMENT OF HEALTH

The Department of Health shall:

(1) Conduct studies, develop State plans, and administer programs and State plans for hospital survey and construction, hospital operation and maintenance, medical care, and treatment of substance abuse.

(2) Provide methods of administration and such other action as may be necessary to comply with the requirements of federal acts and regulations as relate to studies, development of plans and administration of programs in the fields of health, public health, health education, hospital construction and maintenance, and medical care.

(3) Appoint advisory councils, with the approval of the Governor.

(4) Cooperate with necessary federal agencies in securing federal funds ~~which~~ that become available to the State for all prevention, public health, wellness, and medical programs.

(5) Seek accreditation through the Public Health Accreditation Board.

(6) Create a State Health Improvement Plan and facilitate local health improvement plans in order to encourage the design of healthy communities and to promote policy initiatives that contribute to community, school, and workplace wellness, which may include providing assistance to employers for wellness program grants, encouraging employers to promote employee engagement in healthy behaviors, and encouraging the appropriate use of the health care system.

(7) Serve as the leader on State rental housing health laws.

(8) Provide policy assistance and technical support to municipalities concerning the implementation and enforcement of State rental housing health and safety laws.

Sec. 6. 18 V.S.A. § 603 is amended to read:

§ 603. RENTAL HOUSING SAFETY; INSPECTION REPORTS

(a)(1) When conducting an investigation of rental housing, a local health officer shall issue a written inspection report on the rental property using the protocols for implementing the Rental Housing Health Code of the Department or the municipality, in the case of a municipality that has established a code enforcement office.

(2) A written inspection report shall:

(A) contain findings of fact that serve as the basis of one or more violations;

(B) specify the requirements and timelines necessary to correct a violation;

(C) provide notice that the landlord is prohibited from renting the affected unit to a new tenant until the violation is corrected; and

(D) provide notice in plain language that the landlord and agents of the landlord must have access to the rental unit to make repairs as ordered by the health officer consistent with the access provisions in 9 V.S.A. § 4460.

(3) A local health officer shall:

(A) provide a copy of the inspection report to the landlord and any tenants affected by a violation by delivering the report electronically, in person, by first class mail, or by leaving a copy at each unit affected by the deficiency; and

(B)(i) if a municipality has established a code enforcement office, provide information on each inspection according to a schedule and in a format adopted by the Department in consultation with municipalities that have established code enforcement offices; or

(ii) if a municipality has not established a code enforcement office, provide information on each inspection to the Department within seven days of issuing the report using an electronic system designed for that purpose, or within 14 days by mail if the municipality is unable to utilize the electronic system.

(4) If an entire property is affected by a violation, the local health officer shall post a copy of the inspection report in a common area of the property and include a prominent notice that the report shall not be removed until authorized by the local health officer.

(5) A municipality shall make an inspection report available as a public record.

(b)(1) A local health officer may impose a ~~fine~~ civil penalty of not more than ~~\$100.00~~ \$200.00 per day for each violation that is not corrected by the date provided in the written inspection report, or when a unit is re-rented to a new tenant prior to the correction of a violation.

(2)(A) If the cumulative amount of penalties imposed pursuant to this subsection is \$800.00 or less, the local health officer, Department of Health, or State's Attorney may bring a civil enforcement action in the Judicial Bureau pursuant to 4 V.S.A. chapter 29.

(B) The waiver penalty for a violation in an action brought pursuant to this subsection is 50 percent of the full penalty amount.

(3) If the cumulative amount of penalties imposed pursuant to this subsection is more than \$800.00, or if injunctive relief is sought, the local health officer, Department of Health, or State's Attorney may commence an action in the Civil Division of the Superior Court for the county in which a violation occurred.

(c) If a local health officer fails to conduct an investigation pursuant to section 602a of this title or fails to issue an inspection report pursuant to this section, a landlord or tenant may request that the Department, at its discretion, conduct an investigation or contact the local board of health to take action.

Sec. 7. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

(a) The Judicial Bureau is created within the Judicial Branch under the supervision of the Supreme Court.

(b) The Judicial Bureau shall have jurisdiction of the following matters:

* * *

(21) Violations of State or municipal rental housing health and safety laws when the amount of the cumulative penalties imposed pursuant to 18 V.S.A. § 603 is \$800.00 or less.

* * *

(c) The Judicial Bureau shall not have jurisdiction over municipal parking violations.

(d) Three hearing officers appointed by the Court Administrator shall determine waiver penalties to be imposed for violations within the Judicial Bureau's jurisdiction, except:

~~(1) Municipalities~~ municipalities shall adopt full and waiver penalties for civil ordinance violations pursuant to 24 V.S.A. § 1979. For purposes of municipal violations, the issuing law enforcement officer shall indicate the appropriate full and waiver penalty on the complaint.

Sec. 8. RENTAL HOUSING HEALTH AND SAFETY ENFORCEMENT SYSTEM; RECOMMENDATIONS; REPORT

(a) On or before January 15, 2020, in collaboration with the Rental Housing Advisory Board, the Department of Health and the Department of Public Safety shall develop recommendations for the design and implementation of a comprehensive system for the professional enforcement of State rental housing health and safety laws, which shall include:

(1) an outline of options, including an option for a State government-run system, with a timeline and budget for each;

(2) a needs assessment outlining the demand for inspections based on inspection information collected pursuant to 18 V.S.A. § 603(a)(3) and subsection (c) of this section and other stakeholders and relevant sources; and

(3) any additional recommendations from the Rental Housing Advisory Board, the Department of Public Safety, the Department of Housing and Community Development, or other executive branch agencies.

(b) On or before September 30, 2019, the Department of Health shall provide an interim progress report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General, Housing, and Military Affairs.

(c) On or before August 1, 2019, each municipality in this State shall provide to the Department of Health summary information on its inspection activity from July 1, 2018 through June 30, 2019 in order to assist the Department in completing the needs assessment pursuant to subdivision (a)(2) of this section.

Sec. 9. STATE TREASURER RECOMMENDATION FOR FINANCING OF AFFORDABLE HOUSING INITIATIVE

(a) Evaluation. On or before January 15, 2020, the State Treasurer shall evaluate and report on options for funding and financing affordable housing in the State. The evaluation shall include:

(1) a plan to build upon the success of the affordable housing bond, created in 10 V.S.A. § 315, formed in coordination with the Vermont Housing and Conservation Board, the Vermont Housing Finance Agency, the Vermont Department of Housing and Community Development, and the Vermont Affordable Housing Coalition, for the creation or preservation of 1,000 housing units over five years for Vermonters with incomes up to 120 percent of the area median income as determined by the U.S. Department of Housing and Urban Development. In creating the plan, the State Treasurer and the other entities listed in this subdivision (a)(1) shall also consult with the business community, public and private housing developers, and experts in housing finance and affordable housing initiatives both in Vermont and nationwide;

(2) alternatives for financing the plan that take into consideration the use of appropriations, general obligation bonds, revenue bonds, investments, new revenues, and other financing mechanisms, including initiatives undertaken by other states;

(3) the plan shall assume that the 1,000 units shall be in addition to what would otherwise have been created or preserved by State funding through the Vermont Housing and Conservation Board equal to its FY 2019 base general fund and capital appropriations, and the other resources it typically leverages; and

(4) provisions for meeting housing needs consistent with publicly developed plans such as Vermont's Consolidated Plan, the 2017 Vermont Roadmap to End Homelessness, and Vermont Housing Finance Agency's Qualified Action Plan in the following areas:

(A) creating new multifamily and single-family homes;

(B) addressing blighted properties and other existing housing stock requiring reinvestment, including in mobile home parks;

(C) providing service-supported housing in coordination with the Agency of Human Services, including for those who are elderly, homeless, in recovery, experiencing severe mental illness or other disability, or leaving incarceration; and

(D) providing for the housing needs of households with extremely low income.

(b) Cooperation. In conducting the evaluation described in subsection (a) of this section, the State Treasurer shall have the cooperation of the Agency of Commerce and Community Development and the Department of Taxes.

(c) Report. The State Treasurer shall submit the report with recommendations based on the evaluation described in subsection (a) of this section to the Senate Committees on Economic Development, Housing and General Affairs, on Appropriations, and on Finance and the House Committees on General, Housing, and Military Affairs, on Appropriations, and on Ways and Means. The report shall also include a legislative proposal to implement the recommendations proposed in the report.

* * * Effective Date * * *

Sec. 10. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

*REBECCA A. BALINT
ALISON CLARKSON
MICHAEL D. SIROTKIN*

Committee on the part of the Senate

*THOMAS S. STEVENS
MARIANNA R. GAMACHE
RANDALL D. SZOTT*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

House Proposal of Amendment Concurred In with Amendment

S. 162.

House proposal of amendment to Senate bill entitled:

An act relating to promoting economic development.

Was taken up.

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

* * * New Remote Worker Grant Program * * *

Sec. 1. 2018 Acts and Resolves No. 197, Sec. 1 is amended to read:

Sec. 1. NEW REMOTE WORKER GRANT PROGRAM

(a) As used in this section:

(1) "New remote worker" means an individual who:

(A) is a full-time employee of a business with its domicile or primary place of business within or outside Vermont;

(B) becomes a full-time resident of this State on or after January 1, 2019; and

(C) performs the majority of his or her employment duties remotely from a home office or a co-working space located in this State.

(2) "Qualifying remote worker expenses" means actual costs a new remote worker incurs for one or more of the following that are necessary to perform his or her employment duties:

(A) relocation to this State;

(B) computer software and hardware;

(C) broadband access or upgrade; and

(D) membership in a co-working or similar space.

(b)(1) The Agency of Commerce and Community Development shall design and implement the New Remote Worker Grant Program, which shall

include a simple certification process to certify new remote workers and certify qualifying expenses for a grant under this section.

(2) A new remote worker may be eligible for a grant under the Program for qualifying remote worker expenses in the amount of not more than \$5,000.00 per year, not to exceed a total of \$10,000.00 per individual new remote worker over the life of the Program.

(3) The Agency shall award grants under the Program on a first-come, first-served basis, subject to available funding, as follows:

~~(A) not more than \$125,000.00 in calendar year 2019;~~

~~(B) not more than \$250,000.00 in calendar year 2020;~~

~~(C) not more than \$125,000.00 in calendar year 2021; and~~

~~(D) not more than \$100,000.00 per year in each subsequent calendar year, to the extent funding remains available.~~

(c) The Agency shall:

(1) adopt procedures for implementing the Program;

(2) promote awareness of the Program, including through coordination with relevant trade groups and by integration into the Agency's economic development marketing campaigns; and

(3) adopt measurable goals, performance measures, and an audit strategy to assess the utilization and performance of the Program.

(d) On or before October 1, 2019, the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including:

(1) a description of the procedures adopted pursuant to subdivision (c)(1) of this section;

(2) the promotion and marketing of the Program pursuant to subdivision (c)(2) of this section; and

(3) any additional recommendations for qualifying remote worker expenses or qualifying workers that should be eligible under the Program, and any recommendations for the maximum amount of the grant.

* * * Vermont Employment Growth Incentive Program * * *

Sec. 2. REPEAL

32 V.S.A. § 3336 (enhanced incentive for workforce training) is repealed.

Sec. 3. VERMONT ECONOMIC PROGRESS COUNCIL; ECONOMIC DEVELOPMENT; STUDY

(a) The Agency of Commerce and Community Development, in consultation with the Vermont Economic Progress Council and other interested stakeholders, shall study the creation of statewide economic development tools that achieve the goals of our current economic development programs, including the Vermont Employment Growth Incentive Program, the Tax Increment Financing Program, and the Vermont Training Program. The study shall include options that do not utilize resources from the Education Fund and options for how to sustain economic development in towns with both small and large populations.

(b) On or before January 15, 2020, the Agency shall submit a report to the House Committees on Commerce and Economic Development and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs and on Finance with recommendations on the feasibility of the tools described in subsection (a) of this section, and if feasible, how they would be implemented.

* * * Permitting and State-Owned Airports * * *

Sec. 4. FINDINGS

The General Assembly finds:

(1) On January 15, 2019, the Secretary of Commerce and Community Development and the Secretary of Transportation updated the State's Economic Development and Economic Development Marketing Plans to incorporate the marketing of State-owned airports as an important tool for attracting and retaining businesses, enhancing workforce development, spearheading crucial technology advancements, and growing commerce essential to Vermont's future.

(2) On January 15, 2019, the Secretary of Transportation submitted to the General Assembly its Feasibility Evaluation of Electric Vehicle Charging Stations, Electric Aircraft Charging Stations, and Renewable Energy Generating Plants at State-Owned Airports Pursuant to Act 108 of 2018. The Evaluation noted that State-owned airports are suitable sites for electric vehicle charging stations and electric aircraft charging stations, and that solar photovoltaic installations can be compatible with airport operations.

Sec. 5. DEFINITIONS

As used in this act:

(1) "State-owned airport master permit" means all permits necessary to construct infrastructure, buildings, runway access, and related assets in support

of general aviation and aviation-focused commercial and manufacturing enterprises at State-owned airports, excluding activities associated with runway expansion and infrastructure required for general airport operations. Permits included in the State-owned airport master permit include any applicable Act 250 permit, any applicable permits issued by the Agencies of Natural Resources and of Transportation, the Division of Fire Safety, the Natural Resources Board, and the Public Utility Commission.

(2) “State-owned airport permit master plan” means a comprehensive plan to construct infrastructure, buildings, runway access, and related assets in support of general aviation and aviation-focused commercial and manufacturing enterprises at State-owned airports, excluding activities associated with runway expansion and infrastructure required for general airport operations. State-owned airport permit master plans may be developed by the Agency of Transportation, in consultation with the Agency of Commerce and Community Development, for the review and approval by the Agency of Natural Resources, the Department of Public Safety, the Natural Resources Board, and the Public Utility Commission prior to the submission of applications for permits in the State-owned airport master permit.

(3) “Renewable energy” has the same meaning as in 30 V.S.A. § 8002.

(4) “Renewable energy generating plant” means real and personal property, including any equipment, structure, or facility used for or directly related to the generation of electricity from renewable energy.

Sec. 6. APPLICATIONS FOR MASTER PERMITS

(a) The Agency of Transportation, in consultation with the Agency of Commerce and Community Development, is encouraged to obtain, as swiftly as practicable, all permits in the State-owned master airport permit necessary for growth, development, and facility upgrades at each State-owned airport. State-owned airport permit master plans shall include charging stations for electrified aircraft and, when practical, renewable energy generating plants that advance the State’s preference to utilize all roof space for photovoltaic installations.

(b) In processing permits in the State-owned airport master permit sought by the Agency of Transportation, State agencies, departments, commissions, and boards may waive permit fees for all permits in the State-owned airport master permit provided that a State-owned airport permit master plan was reviewed and approved prior to the submission of any applications for permits in the State-owned master airport permit.

* * * Delivery of Vermont Technical College
Degree Programs at CTE Centers; Study; Pilot Programs * * *

Sec. 7. DELIVERY OF VERMONT TECHNICAL COLLEGE DEGREE PROGRAMS AT CAREER TECHNICAL EDUCATION CENTERS IN VERMONT; STUDY; PILOT PROGRAMS

(a) Study by Vermont Technical College. The Vermont Technical College (VTC) shall study how to best deliver all or a portion of fully accredited VTC associate degree programs at CTE centers in Vermont. The study shall explore the viability of a new program to provide a locally convenient and financially affordable option to high school students and adult learners who want, while still enrolled with their CTE centers, to also enroll in a high-demand, high-skill, industry-specific associate degree offering. VTC shall collaborate with the CTE centers and the Agency of Education in conducting the study. In structuring the study, VTC shall consider:

(1) alignment of degree programs with workforce priority needs and career pathways identified by the Agency of Education;

(2) prevailing industry wages and gender equity in each identified career pathway;

(3) coherence with existing, State-supported postsecondary programs for secondary students, such as dual enrollment and early college programs under the flexible pathways laws, including potential impacts to, and alignment with, those programs;

(4) sustainable funding models, including costs for students, institutions, and adults;

(5) the financial risks of programmatic and funding model changes, with the goals of not negatively impacting the accreditation status or the financial status of any institution; and

(6) management of class scheduling and CTE partnerships to ensure access and programmatic success.

(b) Reports.

(1) On or before December 15, 2019, VTC shall submit a written report to the House and Senate Committees on Education and the State Board of Education with its findings and recommendations from the study required under subsection (a) of this section.

(2) If VTC recommends from its study that all or a portion of fully accredited VTC associate degree programs should be offered at CTE centers in Vermont, then VTC shall, in the fall 2020 semester, conduct up to two pilot

programs that offer these degree programs in at least two CTE centers. If these pilot programs are conducted, on or before January 15, 2021, VTC shall submit a supplemental written report to the House and Senate Committees on Education and the State Board of Education with its findings and recommendations from the pilot programs.

* * * Workforce Training;
Vermont Training Program; Weatherization * * *

Sec. 8. VERMONT TRAINING PROGRAM; WORKFORCE TRAINING ALLOCATIONS

(a) In an effort to promote access to training opportunities for Vermont small businesses, and to increase the resources available for employees to obtain credentials of value or apprenticeships, of the amounts appropriated to the Agency of Commerce and Community Development for the Vermont Training Program in fiscal year 2020:

(1) the Agency, working in partnership with the Department of Labor to identify appropriate opportunities, shall employ its best efforts to allocate 25 percent of Program funding to provide training that results in a credential of value or apprenticeship; and

(2) the Agency shall employ its best efforts to allocate 25 percent of Program funding to provide training for businesses with 50 or fewer employees.

(b) In its annual report submitted pursuant to 10 V.S.A. § 531(k) the Agency shall specifically address:

(1) whether it was able to achieve the allocations specified in subsection (a) of this section, and if not, the reasons therefor;

(2) the distribution of training funds by the number of employees of each business that benefitted from training;

(3) the distribution of training funds that resulted in an employee obtaining a credential of value or apprenticeship; and

(4) the extent to which the Program benefitted businesses with 50 or fewer employees.

Sec. 9. 10 V.S.A. § 531 is amended to read:

§ 531. THE VERMONT TRAINING PROGRAM

* * *

(d) In order to avoid duplication of programs or services and to provide the greatest return on investment from training provided under this section, the

Secretary of Commerce and Community Development shall:

(1) consult with the Commissioner of Labor regarding whether the grantee has accessed, or is eligible to access, other workforce education and training resources;

(2) disburse grant funds only for training hours that have been successfully completed by employees; ~~provided that,~~ subject to the following:

(A) except for an award under an enhanced incentive for workforce training as provided in 32 V.S.A. § 3336, a grant for on-the-job training shall:

(i) for a business with 50 or fewer employees, either provide not more than 75 percent of wages for each employee in training or not more than 75 percent of trainer expense, but not both; and

(ii) for all other businesses, either provide not more than 50 percent of wages for each employee in training or not more than 50 percent of trainer expense, but not both, and further provided that; and

(B) training shall be performed in accordance with a training plan that defines the subject of the training, the number of training hours, and how the effectiveness of the training will be evaluated; and

(3) use funds under this section only to supplement training efforts of employers and not to replace or supplant training efforts of employers.

* * *

(k) Annually on or before January 15, the Secretary shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs. In addition to the reporting requirements under section 540 of this title, the report shall identify:

(1) all active and completed contracts and grants;

(2) from among the following, the category the training addressed:

(A) preemployment training or other training for a new employee to begin a newly created position with the employer;

(B) preemployment training or other training for a new employee to begin in an existing position with the employer;

(C) training for an incumbent employee who, upon completion of training, assumes a newly created position with the employer;

(D) training for an incumbent employee who, upon completion of training, assumes a different position with the employer;

(E) training for an incumbent employee to upgrade skills;

-
- (3) for the training identified in subdivision (2) of this subsection whether the training is ~~onsite~~ on-site or classroom-based;
 - (4) the number of employees served;
 - (5) the average wage by employer;
 - (6) any waivers granted;
 - (7) the identity of the employer, or, if unknown at the time of the report, the category of employer;
 - (8) the identity of each training provider;
 - (9) whether training results in a wage increase for a trainee, and the amount of increase; ~~and~~
 - (10) the aggregated median wage of employees invoiced for training during the reporting period;
 - (11) the percentage growth in wages for all wage earners in the State during the reporting period; and
 - (12) the number, type, and description of grants for work-based learning programs and activities awarded pursuant to subsection (e) of this section.

Sec. 10. WORKFORCE TRAINING; WEATHERIZATION

(a) In fiscal year 2020 the Office of Economic Opportunity within the Department for Children and Families shall provide grant funding to the five Home Weatherization Assistance Programs for the purpose of recruiting and training individuals in the home weatherization industry.

(b) Grantees may use the funding for:

(1) recruiting Vermonters who are eligible for funding under the federal Workforce Innovation Opportunity Act;

(2) operations for weatherization training programs, including training coordinators across the State; and

(3) stipends and wage subsidies for training participants.

(c) The Home Weatherization Assistance Programs are also encouraged to apply for the federal Workforce Innovation Opportunity Act grant funds through the Department of Labor to supplement and enhance the weatherization training programs.

(d) On or before January 15, 2020, the Departments of Labor and for Children and Families shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic

Development, Housing and General Affairs with recommendations on best practices for recruiting, training, and retaining the weatherization workforce in this State.

Sec. 11. 16 V.S.A. § 2846 is amended to read:

§ 2846. NONDEGREE ADVANCEMENT GRANTS

(a) The Corporation may establish ~~grant programs~~ an advancement grant program for residents pursuing nondegree education and training opportunities who do not meet the definition of student in subdivision 2822(3) of this title, and who may not meet the requirements of this subchapter.

(b) ~~Nondegree grants~~ Advancement grants may be used at institutions that are not approved postsecondary education institutions.

(c) The Corporation may adopt rules or establish policies, procedures, standards, and forms for ~~nondegree~~ advancement grants, including the requirements for applying for and using the grants and the eligibility requirements for the institutions where the grants may be used.

Sec. 12. 10 V.S.A. § 546 is added to read:

§ 546. STATE POSTSECONDARY ATTAINMENT GOAL

(a) It is the policy of the State of Vermont to:

(1) grow awareness of postsecondary pathways and the individual and public value of continued education after high school;

(2) expand postsecondary access so that students of all ages and backgrounds can pursue postsecondary education and training;

(3) increase postsecondary success by ensuring that Vermonters have the supports they need to complete a credential of value; and

(4) maximize partnerships across and within sectors to achieve State workforce development and education goals.

(b) In order to meet workforce and labor market demands, the State of Vermont shall take steps necessary to achieve a postsecondary attainment goal that not less than 70 percent of working-age Vermonters possess a degree or credential of value, as defined by the State Workforce Development Board, by the year 2025.

* * * Adult Career and Technical Education System * * *

Sec. 13. ADULT CTE SYSTEM

(a) Findings; purpose.

(1) Findings. The General Assembly finds:

(A) Like many rural states, Vermont faces demographic realities that have resulted in an historically low unemployment rate and created obstacles for employers that seek to hire and retain enough fully trained employees.

(B) Notwithstanding this high employer demand, due to rapidly changing technology and evolving business needs, potential employees may lack the particular skills and training necessary to qualify for available jobs.

(C) In order to assist employers and employees in matching demand to requisite skills, Vermont has a broad diversity of adult workforce education and training programs offered by multiple providers, including programs administered or funded by State government, educational institutions, business and industry, and private professionals.

(2) Purpose. Consistent with the goals and purposes of 2018 Acts and Resolves No. 189, pursuant to which the State Workforce Development Board and other stakeholders are currently engaged in planning the design and implementation of a fully integrated workforce development system, it is the purpose of the General Assembly to explore the creation of a fully integrated adult career and technical education system that:

(A) provides Vermonters throughout the State with high quality programs that are standardized, replicable, and offered with regularity and consistency;

(B) coordinates, or integrates where appropriate, the many programs and providers to maximize the efficient use of training resources; and

(C) features a governance structure that provides consistency across the system whenever appropriate, but also provides the flexibility necessary to respond to local and regional workforce demands.

(b) Adult CTE System.

(1) The Department of Labor, in collaboration with the Agency of Education, the Vermont State Colleges, and the Vermont Adult Technical Education Association, shall issue a request for proposals for consulting services, the purpose of which shall be to consider and report to the General Assembly on the design, implementation, and costs of an integrated adult career and technical education system that achieves the results specified in subdivision (a)(2) of this section.

(2) In performing his or her work, the consultant shall conduct a broad-based stakeholder engagement process to solicit input from interested parties, and State agencies and departments shall provide the consultant with

necessary information and assistance within their relative areas of expertise.

(c) Report. On or before January 15, 2020 the Department of Labor shall submit a report on the work of the consultant selected and any recommendations for legislative action to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

* * * Workforce Recruitment; Military Base Recruitment * * *

Sec. 14. RELOCATION SUPPORT SYSTEM

(a) The Department of Labor shall:

(1) collaborate with key employers and nongovernmental organizations to ensure that appropriate expertise is available to program staff and individuals looking to enter Vermont's job market, through referrals or other information sharing mechanisms;

(2)(A) coordinate available information for each region that includes labor market information, housing and education information, recreation information, and other relevant resources; and

(B) make the information easily accessible for interested individuals to assist in aspects of preliminary decision making; and

(3) convene regional, multidisciplinary teams that:

(A) comprise partners with expertise from relevant sectors, including housing, transportation, education, health, child care, recreation, and economic development; and

(B) provide community-level knowledge, support, and services to best meet the needs of prospective employees.

(b) State agencies and State-funded programs shall coordinate with the Department to ensure that services and information that could assist a person in relocating to Vermont are made available through an integrated, employee-centered system.

Sec. 15. ON-BASE RECRUITMENT PILOT PROGRAM

(a) The Department of Labor shall work with the Vermont National Guard and public and private employers in health care, construction, manufacturing, business services, transportation, and human services to pilot an on-base recruitment effort that encourages service members separating from military service to relocate to Vermont.

(b) The Department shall coordinate with the Agency of Commerce and Community Development to direct available marketing and outreach funds to support targeted recruitment events held on military bases.

(c) The Department shall provide limited organizational support to employers interested in participating in private-pay travel to military bases in conjunction with other employers, representatives of the Vermont National Guard, and State officials for the purpose of promoting employment and relocation to Vermont.

(d) Not more than \$25,000.00 in General Funds may be allocated to the Department to support staff time, supplies, necessary travel, and other related costs.

(e) On or before January 15, 2020, the Department shall report to the House Committees on Commerce and Economic Development and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs and on Appropriations concerning implementation and outcomes of this pilot program.

* * * Workforce Training and Credentialing; Nurse Educators;
New Americans; Workers with Barriers to Employment * * *

Sec. 16. OFFICE OF PROFESSIONAL REGULATION; REPORT

(a) The Office of Professional Regulation, in consultation with the Vermont Board of Nursing, Vermont State Colleges, the University of Vermont, Norwich University, and other interested stakeholders, shall review statutory, regulatory, and accreditation standards for nursing programs within the State and nationally with the purpose of identifying barriers to recruitment and retention of nurse educators in nursing education programs.

(b) The Office of Professional Regulation shall evaluate the appropriateness of the level of credential and experience currently required for nurse educators in clinical settings.

(c) On or before December 15, 2019, the Office of Professional Regulation shall report its findings, including recommendations for any statutory or regulatory changes to facilitate recruitment and retention of nurse faculty, 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.

Sec. 17. STUDY; WORKFORCE DEVELOPMENT OPPORTUNITIES FOR REFUGEES, IMMIGRANTS, AND ASYLUM SEEKERS

(a) Creation. There is created a task force on workforce development opportunities for refugees, immigrants, and asylum seekers living in Vermont.

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

- (1) the State Refugee Coordinator;
 - (2) a member with expertise in new American workforce development issues appointed by the Agency of Human Services Secretary;
 - (3) the executive director of AALV or designee;
 - (4) the president of Vermont's U.S. Committee for Refugees and Immigrants or designee;
 - (5) the director of CVOEO's financial futures program or designee;
 - (6) a representative of Burlington's Community Economic Development Office's Sustainability, Housing, and Economic Development department;
 - (7) two Vermont employers, one of whom is engaged in business in the agricultural sector and one of whom is engaged in business in another sector, with experience hiring and cultivating new American workers appointed by the Chair of the State Workforce Development Board;
 - (8) two members of Vermont's refugee, immigrant, and immigrant communities, one appointed by each of AALV and Vermont's U.S. Committee for Refugees and Immigrants;
 - (9) an appointee of the University of Vermont with research expertise in refugee and New American migration in Vermont;
 - (10) a member appointed by the Vermont Migrant Education Project;
 - (11) a member appointed by the Community Asylum Seekers Project;
and
 - (12) a member appointed by Rutland Welcomes.
- (c) Powers and duties. The task force shall study the following:
- (1) recommendations identified in relevant studies and reports;
 - (2) cultural competency support needed in Vermont's employment settings;
 - (3) training, apprenticeship, and mentorship needs and opportunities;
 - (4) tools and supports needed for refugees to effectively apply preexisting educational and professional credentials in Vermont settings; and
 - (5) additional supports needed to ensure employment opportunities, including child care and transportation.
- (d) Meetings.
- (1) The State Refugee Coordinator shall call the first meeting of the task force to occur on or before September 1, 2019.

(2) The task force shall select a chair from among its members at the first meeting.

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

(4) The task force shall meet not more than six times and shall cease to exist on January 15, 2020.

(e) Report. On or before December 1, 2019, the task force shall report to the House Committees on Commerce and Economic Development, on Government Operations, and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs, on Government Operations, and on Appropriations concerning its findings, recommendations for proposed legislation, and investments in order of priority.

Sec. 18. DEPARTMENT OF LABOR; FIDELITY BONDS

Of the amounts appropriated to the Department of Labor in fiscal year 2020 from the Workforce Education and Training Fund, the Department shall allocate not more than \$3,000.00 to purchase fidelity bonds through the Federal Bonding Program to provide insurance against theft or loss for insurers to hire workers with barriers to employment.

Sec. 19. REGISTRY OF EMPLOYERS

(a) The Department of Labor shall create and maintain on its website a registry of employers who accept applications and are willing to hire workers with barriers to employment, including workers in recovery from addiction and workers with past incarceration.

(b) On or before January 15, 2020, the Department shall report to the House Committees on Commerce and Economic Development and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs and on Appropriations concerning the creation of the registry and the extent the registry assisted employers and employees with barriers to employment.

Sec. 20. CORRECTIONS; WORKFORCE TRAINING

(a)(1) On or before October 10, 2019, the Department of Corrections and the Department of Labor shall execute a memorandum of understanding regarding a standardized program of education and training for all new and existing probation and parole officers that includes components related to:

(A) minimizing barriers for offenders to obtaining and maintaining employment; and

(B) minimizing the impact of program and supervision requirements on the offender's employment, including monitoring and facilitating

compliance with Department of Corrections case plan goals based on best practices and consistent with public safety.

(2) The Departments shall provide written notice when the memorandum of understanding is executed to the chairs of the House Committees on Commerce and Economic Development and on Corrections and Institutions and to the Senate Committees on Economic Development, Housing and General Affairs and on Institutions.

(3) The Departments shall ensure that all incumbent probation and parole officers receive the education and training under the program on or before July 1, 2020.

(b) The Department of Corrections shall collaborate with the Department of Motor Vehicles and other partners as necessary to ensure that a sentenced inmate is provided with at least one form of government-issued identification, not to include an inmate identification card, upon release from incarceration.

(c)(1) On or before August 15, 2019, the Departments of Corrections and Labor shall report to the Joint Legislative Justice Oversight Committee concerning the Departments' progress towards developing the memorandum of understanding as required by this section.

(2) On or before December 15, 2020, the Departments of Corrections and Labor shall report to the House Committees on Commerce and Economic Development and on Corrections and Institutions and to the Senate Committees on Economic Development, Housing and General Affairs and on Institutions concerning the implementation of this section.

* * * Vermont Talent Pipeline Management Project * * *

Sec. 21. VERMONT TALENT PIPELINE MANAGEMENT PROJECT

(a) The Vermont Talent Pipeline Management Project brings value to Vermont's workforce and economic development initiatives by:

(1) convening employers by sector to create industry specific partnerships and employer informed initiatives aimed at addressing skill gaps;

(2) engaging education partners to develop and align programs that meet employer and incumbent needs; and

(3) highlighting policy, practice, and funding challenges that prevent access to training or that inhibit advancement of workers within high need areas of Vermont's economy.

(b) The Vermont Talent Pipeline Management Project is encouraged to collaborate in Vermont's workforce and economic development systems by:

(1) organizing, convening, and maintaining employer collaboratives in key sectors of the economy, identified by available labor market information;

(2) broadly sharing competency and credential requirements learned from employer collaboratives, and specifically engaging training and education partners in the development of new or modification of existing programs; and

(3) using a continuous improvement process to ensure employer needs are met.

* * * International Trade and Development * * *

Sec. 22. INTERNATIONAL TRADE, EDUCATION, AND CULTURAL EXCHANGE

On or before December 15, 2019, the Agency of Commerce and Community Development shall review and report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs on effective mechanisms to collaborate with regional partners and form formal partnerships that will promote international trade, as well as educational and cultural exchanges, between and among Vermont, the New England states, and foreign nations.

* * * Agency of Commerce and Community Development;
Structure and Organization * * *

Sec. 23. AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT; STRUCTURE AND ORGANIZATION; REPORT

On or before January 15, 2020, the Secretary of Commerce and Community Development shall review and report to the House Committees on Commerce and Economic Development and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs and on Appropriations concerning one or more proposals to amend the structure and organization of the Agency in order to enhance its ability to achieve its purposes and perform its duties.

* * * Ski Tramways * * *

Sec. 24. 31 V.S.A. § 707 is amended to read:

§ 707. REGISTRATION AND FEES

* * *

(e)(1) All fees collected under this section shall be credited to a special fund for the Department to be expended for carrying out its duties under this chapter and may also be expended as provided pursuant to subdivision (2) of this subsection.

(2) The Passenger Tramway Board may expend amounts that it determines to be appropriate from the special fund established pursuant to subdivision (1) of this subsection for the purpose of contributing to ski lift mechanic education, job training, and apprenticeship programs.

* * * State Workforce Development Board * * *

Sec. 25. 10 V.S.A. § 541a(d) is amended to read:

(d) Operation of Board.

(1) Member representation.

(A) A member of the State Board may send a designee that meets the requirements of subdivision (B) of this subdivision (1) to any State Board meeting who shall count toward a quorum and shall be allowed to vote on behalf of the Board member for whom he or she serves as a designee.

(B) Members of the State Board or their designees who represent organizations, agencies, or other entities shall be individuals with optimum policymaking authority or relevant subject matter expertise within the organizations, agencies, or entities.

(C) The members of the Board shall represent diverse regions of the State, including urban, rural, and suburban areas.

(2) Chair. The Governor shall select a chair for the Board from among the business representatives appointed pursuant to subdivision (c)(18) of this section.

(3) Meetings. The Board shall meet at least three times annually and shall hold additional meetings upon call of the Chair.

(4) ~~Work groups; task forces~~ Committees; work groups; ad hoc committees. The Chair, in consultation with the Commissioner of Labor, may:

(A) assign one or more members or their designees to standing committees, ad hoc committees, or work groups to carry out the work of the Board; and

(B) appoint one or more ~~members of the Board, or nonmembers of the Board, or both, to one or more task forces for a discrete purpose and duration~~ to a standing committee, ad hoc committee, or work group and determine whether the individual serves as an advisory or voting member,

provided that the number of voting nonmembers on a standing committee shall not exceed the number of Board members or their designees.

(5) Quorum meetings; voting.

(A) A majority of the sitting members of the Board shall constitute a quorum, and to be valid any action taken by the Board shall be authorized by a majority of the members present and voting at any regular or special meeting at which a quorum is present.

(B) The Board may permit one or more members to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication, including an electronic, telecommunications, and video- or audio-conferencing conference telephone call, by which all members participating may simultaneously or sequentially communicate with each other during the meeting. A member participating in a meeting by this means is deemed to be present in person at the meeting.

(C) The Board shall deliver electronically the minutes for each of its meetings to each member of the Board and to the Chairs of the House Committees on Education and on Commerce and Economic Development, and to the Senate Committees on Education and on Economic Development, Housing and General Affairs.

(D) The Board may adopt in its bylaws the quorum, membership, and procedural requirements for standing committees.

(6) Reimbursement.

(A) Legislative members of the Board shall be entitled to compensation and expenses as provided in 2 V.S.A. § 406.

(B) Unless otherwise compensated by his or her employer for performance of his or her duties on the Board, a nonlegislative member of the Board shall be eligible for per diem compensation of \$50.00 per day for attendance at a meeting of the Board, and for reimbursement of his or her necessary expenses, which shall be paid through funds available for that purpose under the Workforce Innovation and Opportunity Act of 2014.

(7) Conflict of interest. A member of the Board shall not:

(A) vote on a matter under consideration by the Board:

(i) regarding the provision of services by the member, or by an entity that the member represents; or

(ii) that would provide direct financial benefit to the member or the immediate family of the member; or

(B) engage in any activity that the Governor determines constitutes a conflict of interest as specified in the State Plan required under 29 U.S.C. § 3112 or 3113.

(8) Sunshine provision. The Board shall make available to the public, on a regular basis through open meetings, information regarding the activities of the Board, including information regarding the State Plan adopted pursuant to 29 U.S.C. § 3112 or 3113 and prior to submission of the State Plan to the U.S. Secretary of Labor, information regarding membership, and, on request, minutes of formal meetings of the Board.

* * * Appropriations * * *

Sec. 26. APPROPRIATIONS

The amounts appropriated from the General Fund in Sec. B.1101(23) of H.542 (2019) for economic development initiatives shall be allocated as follows:

(1) \$450,000.00 to the Agency of Commerce and Community Development as follows:

(A) \$225,000.00 for economic development marketing pursuant to its authority in 3 V.S.A. § 2476(c) to execute the State's core Economic Development Marketing Plan through paid, owned, and earned media, utilizing technology, data, and analysis tools; and

(B) \$225,000.00 to identify, recruit, and provide relocation assistance to workers, including:

(i) identifying target audiences;

(ii) targeting through digital and social media; and

(iii) implementing strategies that convert visitors to residents and awarding grants for regional partnerships to help recruitment efforts at the local and regional levels.

(2) \$1,145,000.00 to the Department of Labor as follows:

(A) \$275,000.00 to implement a relocation support system and provide services pursuant to Sec. 14 of this act; and

(B) \$870,000.00 for workforce development and training as follows:

(i) \$350,000.00 for grants to provide weatherization training pursuant to Sec. 10 of this act;

(ii) \$50,000.00 for a grant to the Community College of Vermont to purchase equipment to provide robotics training at its Rutland location; and

(iii) \$470,000.00 to the workforce education and training fund created in 10 V.S.A. § 543 to expand opportunities for apprenticeships, training, and adult career and technical education, which may include funding to replicate in additional locations the robotics training program at the Rutland location of the Community College of Vermont.

* * * Effective Dates * * *

Sec. 27. EFFECTIVE DATES

This act shall take effect on July 1, 2019, except that Secs. 5–6 (State-owned airports) shall take effect on passage.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Brock, Sirotkin and Bray moved that the Senate concur in the House proposal of amendment with an amendment as follows:

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

* * * State-Owned Airport Permitting * * *

Sec. 1. FINDINGS

The General Assembly finds:

(1) On January 15, 2019, the Secretary of Commerce and Community Development and the Secretary of Transportation updated the State’s Economic Development and Economic Development Marketing Plans to incorporate the marketing of State-owned airports as an important tool for attracting and retaining businesses, enhancing workforce development, spearheading crucial technology advancements, and growing commerce essential to Vermont’s future.

(2) On January 15, 2019, the Secretary of Transportation submitted to the General Assembly its Feasibility Evaluation of Electric Vehicle Charging Stations, Electric Aircraft Charging Stations, and Renewable Energy Generating Plants at State-Owned Airports Pursuant to Act 108 of 2018. The Evaluation noted that State-owned airports are suitable sites for electric vehicle charging stations and electric aircraft charging stations, and that solar photovoltaic installations can be compatible with airport operations.

Sec. 2. DEFINITIONS

As used in this act:

(1) “State-owned airport master permit” means all permits necessary to construct infrastructure, buildings, runway access, and related assets in support

of general aviation and aviation-focused commercial and manufacturing enterprises at State-owned airports, excluding activities associated with runway expansion and infrastructure required for general airport operations. Permits included in the State-owned airport master permit include any applicable Act 250 permit, any applicable permits issued by the Agencies of Natural Resources and of Transportation, the Division of Fire Safety, the Natural Resources Board, and the Public Utility Commission.

(2) “State-owned airport permit master plan” means a comprehensive plan to construct infrastructure, buildings, runway access, and related assets in support of general aviation and aviation-focused commercial and manufacturing enterprises at State-owned airports, excluding activities associated with runway expansion and infrastructure required for general airport operations. State-owned airport permit master plans may be developed by the Agency of Transportation, in consultation with the Agency of Commerce and Community Development, for the review and approval by the Agency of Natural Resources, the Department of Public Safety, the Natural Resources Board, and the Public Utility Commission prior to the submission of applications for permits in the State-owned airport master permit.

(3) “Renewable energy” has the same meaning as in 30 V.S.A. § 8002.

(4) “Renewable energy generating plant” means real and personal property, including any equipment, structure, or facility used for or directly related to the generation of electricity from renewable energy.

Sec. 3. APPLICATIONS FOR MASTER PERMITS

(a) The Agency of Transportation, in consultation with the Agency of Commerce and Community Development, is encouraged to obtain, as swiftly as practicable, all permits in the State-owned airport master permit necessary for growth, development, and facility upgrades at each State-owned airport. State-owned airport permit master plans shall include charging stations for electrified aircraft and, when practicable, renewable energy generating plants that advance the State’s preference to utilize all roof space for photovoltaic installations.

(b) In processing permits in the State-owned airport master permit sought by the Agency of Transportation, State agencies, departments, commissions, and boards may waive permit fees for all permits in the State-owned airport master permit provided that a State-owned airport permit master plan was reviewed and approved prior to the submission of any applications for permits in the State-owned master airport permit.

* * * Effective Date * * *

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

Which was agreed to.

**Report of Committee of Conference Accepted and Adopted on the Part of
the Senate**

H. 541.

Senator Cummings, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

H.541. An act relating to changes that affect the revenue of the State.

Respectfully reports that it has met and considered the same and recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Income Taxes * * *

* * * Capital Gains Exclusion * * *

Sec. 1. 32 V.S.A. § 5811 is amended to read:

§ 5811. DEFINITIONS

The following definitions shall apply throughout this chapter unless the context requires otherwise:

* * *

(21) "Taxable income" means, in the case of an individual, federal adjusted gross income determined without regard to 26 U.S.C. § 168(k) and:

* * *

(B) Decreased by the following items of income (to the extent such income is included in federal adjusted gross income):

* * *

(ii) with respect to adjusted net capital gain income as defined in 26 U.S.C. § 1(h) reduced by the total amount of any qualified dividend income: either the first \$5,000.00 of such adjusted net capital gain income; or 40 percent of adjusted net capital gain income from the sale of assets held by

the taxpayer for more than three years, except not adjusted net capital gain income from:

(I) the sale of any real estate or portion of real estate used by the taxpayer as a primary or nonprimary residence; or

(II) the sale of depreciable personal property other than farm property and standing timber; or stocks or bonds publicly traded or traded on an exchange, or any other financial instruments; regardless of whether sold by an individual or business; and provided that the total amount of decrease under this subdivision (21)(B)(ii) shall not exceed 40 percent of federal taxable income or \$350,000.00, whichever is less;

* * *

(28) "Taxable income" means, in the case of an estate or a trust, federal taxable income determined without regard to 26 U.S.C. § 168(k) and:

* * *

(B) decreased by the following items of income:

* * *

(ii) with respect to adjusted net capital gain income as defined in 26 U.S.C. § 1(h), reduced by the total amount of any qualified dividend income: either the first \$5,000.00 of such adjusted net capital gain income; or 40 percent of adjusted net capital gain income from the sale of assets held by the taxpayer for more than three years, except not adjusted net capital gain income from:

(I) the sale of any real estate or portion of real estate used by the taxpayer as a primary or nonprimary residence; or

(II) the sale of depreciable personal property other than farm property and standing timber; or stocks or bonds publicly traded or traded on an exchange, or any other financial instruments; regardless of whether sold by an individual or business; and provided that the total amount of decrease under this subdivision (28)(B)(ii) shall not exceed 40 percent of federal taxable income or \$350,000.00, whichever is less; and

* * *

* * * Medical Deduction * * *

Sec. 2. 32 V.S.A. § 5811(21) is amended to read:

(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:

(i) a personal exemption of \$4,150.00 per person for the taxpayer, for the spouse or the deceased spouse of the taxpayer whose filing status under section 5822 of this chapter is married filing a joint return or surviving spouse, and for each individual qualifying as a dependent of the taxpayer under 26 U.S.C. § 152, provided that no exemption may be claimed for an individual who is a dependent of another taxpayer;

(ii) a standard deduction determined as follows:

(I) for taxpayers whose filing status under section 5822 of this chapter is unmarried (other than surviving spouses or heads of households) or married filing separate returns, \$6,000.00;

(II) for taxpayers whose filing status under section 5822 of this chapter is head of household, \$9,000.00;

(III) for taxpayers whose filing status under section 5822 of this chapter is married filing joint return or surviving spouse, \$12,000.00;

(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) an amount equal to the itemized deduction for medical expenses taken at the federal level by the taxpayer, under 26 U.S.C. § 213:

(I) minus the amount of the Vermont standard deduction and Vermont personal exemptions taken by the taxpayer under this subdivision (C); and

(II) minus any amount deducted at the federal level that is attributable to the payment of an entrance fee or recurring monthly payment made to a continuing care retirement community regulated under 8 V.S.A. chapter 151, which exceeds the deductibility limits for premiums paid during the taxable year on qualified long-term care insurance contracts under 26 U.S.C. 213(d)(10)(A).

(D) ~~the~~ The dollar amounts of the personal exemption allowed under subdivision (i) of ~~this subdivision (21)(C)~~ this subdivision (21), the standard deduction allowed under subdivision (ii) of ~~this subdivision (21)(C)~~ this subdivision (21), and the additional deduction allowed under subdivision (iii) of ~~this subdivision (21)(C)~~ this subdivision (21) 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.

* * * Tax Credit Affordable Housing; Down Payment Assistance * * *

Sec. 3. 32 V.S.A. § 5930u is amended to read:

§ 5930u. TAX CREDIT FOR AFFORDABLE HOUSING

(a) As used in this section:

(1) “Affordable housing project” or “project” means:

(A) a rental housing project identified in 26 U.S.C. § 42(g); or

(B) owner-occupied housing identified in 26 U.S.C. § 143 (c)(1) or that qualifies under Vermont Housing Finance Agency criteria governing owner-occupied housing.

(2) “Affordable housing tax credits” means the tax credit provided by this subchapter.

(3) “Allocating agency” or “Agency” means the Vermont Housing Finance Agency.

(4) “Committee” means the Joint Committee on Tax Credits consisting of five members: a representative from the Department of Housing and Community Affairs Development, the Vermont Housing and Conservation Board, the Vermont Housing Finance Agency, the Vermont State Housing Authority, and the Office of the Governor.

(5) “Credit certificate” means a certificate issued by the allocating agency to a taxpayer that specifies the amount of affordable housing tax credits that can be applied against the taxpayer’s individual or corporate income tax, or franchise, captive insurance premium, or insurance premium tax liability as provided in this subchapter.

(6) “Eligible applicant” means any municipality, ~~private-sector developer~~, State agency as defined in 10 V.S.A. § 6301a, the Vermont Housing Finance Agency, a for-profit organization, or a nonprofit organization qualifying under 26 U.S.C. § 501(c)(3) or cooperative housing organization, the purpose of which is to create and retain affordable housing for Vermonters with lower income and ~~which that~~ has in its bylaws a requirement that the housing the organization creates be maintained as affordable housing for Vermonters with lower income on a perpetual basis or that meets the application requirements of the allocation plan.

(7) “Eligible cash contribution” means an amount of cash:

(A) contributed to the owner, developer, or sponsor of an affordable housing project and determined by the allocating agency as eligible for affordable housing tax credits; or

(B) paid to the Agency in connection with the purchase of affordable housing tax credits.

(8) “Section 42 credits” means tax credit provided by 26 U.S.C. §§ 38 and 42.

(9) “Allocation plan” means the plan recommended by the Committee and approved by the Vermont Housing Finance Agency, which sets forth the eligibility requirements and process for selection of eligible rental housing projects to receive affordable housing tax credits and eligible owner-occupied housing projects to receive loans or grants under this section. The allocation plan shall include:

(A) requirements for creation and retention of affordable housing for persons with low income; and

(B) requirements to ensure that eligible rental housing is maintained as affordable by subsidy covenant, as defined in 27 V.S.A. § 610 on a perpetual basis and that eligible owner-occupied housing or program funds for owner-occupied housing remain as an affordable housing source for future owners or buyers, and meets all other requirements of the Vermont Housing Finance Agency related to affordable housing.

(10) “Taxpayer” means a taxpayer who makes an eligible cash contribution or the assignee or transferee of or successor to such taxpayer as determined by the Department of Taxes.

(b) Eligible tax credit allocations.

(1) Affordable housing credit allocation for rental housing.

(A) An eligible applicant may apply to the allocating agency for an allocation of affordable rental housing tax credits under this section related to an affordable housing project authorized by the allocating agency under the allocation plan. In the case of a specific affordable rental housing project, the eligible applicant shall also be the owner or a person having the right to acquire ownership of the building and shall apply prior to placement of the affordable housing project in service. ~~In the case of owner-occupied housing units, the applicant shall ensure that the allocated housing or program funds remain as an affordable housing resource for future owners.~~ The allocating agency shall issue a letter of approval if it finds that the applicant meets the priorities, criteria, and other provisions of subdivision (B) of this subdivision (b)(1). The burden of proof shall be on the applicant.

(B) Upon receipt of a completed application, the allocating agency shall award an allocation of affordable housing tax credits with respect to a project to an applicant, provided the applicant demonstrates to the satisfaction

of the allocating agency all of the following:

(i) The owner of the project has received from the allocating agency a binding commitment for, a reservation or allocation of, or an out-of-cap determination letter for, Section 42 credits, or meets the requirements of the allocation plan ~~for development or financing of units to be owner-occupied.~~

(ii) The project has received community support.

(2) Affordable housing credit allocation for loans or grants for owner-occupied housing.

(A) The Vermont Housing Finance Agency shall have the authority to allocate affordable housing tax credits to provide funds to make loans or grants to eligible applicants for affordable owner-occupied housing. An eligible applicant may apply to the allocating agency for a loan or grant under this section related to an affordable owner-occupied housing project authorized by the allocating agency under the allocation plan. In the case of a specific affordable owner-occupied housing project, the eligible applicants shall also be the owner or a person having the right to acquire ownership of the unit and shall apply prior to sale of the unit to the homeowner.

(B) The Agency shall require that the loan or grant recipient use such funds to maintain the unit as an affordable owner-occupied unit or as an affordable housing source for future owners or buyers.

(C) The Agency shall use the proceeds of loans or grants made under subdivision (b)(2)(A) of this section for future loans or grants to eligible applicants for affordable owner-occupied housing projects.

(D) The Agency may assign its rights under any loan or grant made under subdivision (b)(2)(A) of this section to the Vermont Housing and Conservation Board or any State agency or nonprofit organization qualifying under 26 U.S.C. § 501(c)(3) provided such assignee acknowledges and agrees to comply with the provisions of subdivision (b)(2) of this section.

(3) Down Payment Assistance Program.

(A) The Vermont Housing Finance Agency shall have the authority to allocate affordable housing tax credits to finance down payment assistance loans that meet the following requirements:

(i) the loan is made in connection with a mortgage through an Agency program;

(ii) the borrower is a first-time ~~homebuyer~~ home buyer of an owner-occupied primary residence; and

(iii) the borrower uses the loan for the borrower's down payment or closing costs, or both.

(B) The Agency shall require the borrower to repay the loan upon the transfer or refinance of the residence.

(C) The Agency shall use the proceeds of loans made under the Program for future down payment assistance.

(c) Amount of credit. A taxpayer ~~who makes an eligible cash contribution~~ shall be entitled to claim against the taxpayer's individual income, corporate, franchise, captive insurance premium, or insurance premium tax liability a credit in an amount specified on the taxpayer's credit certificate. The first-year allocation of a credit amount to a taxpayer shall also be deemed an allocation of the same amount in each of the following four years.

(d) Availability of credit. The amount of affordable housing tax credit ~~allocated with respect to a project set forth on the taxpayer's credit certificate~~ shall be available to the taxpayer every year for five consecutive tax years, beginning with the tax year in which the eligible cash contribution is made. Total tax credits available to the taxpayer shall be the amount of the first-year allocation plus the succeeding four years' deemed allocations.

(e) Claim for credit. A taxpayer claiming affordable housing tax credits shall submit with each return on which such credit is claimed ~~a copy of the allocating agency's credit allocation to the affordable housing project and the taxpayer's credit certificate~~ and with respect to credits issued under subdivision (b)(1), a copy of the allocating agency's credit allocation to the affordable housing project. Any unused affordable housing tax credit may be carried forward to reduce the taxpayer's tax liability for no more than 14 succeeding tax years, following the first year the affordable housing tax credit is allowed.

(f) [Repealed.]

(g)(1) In any fiscal year, the allocating agency may award up to:

(A) \$400,000.00 in total first-year credit allocations to all applicants for rental housing projects, for an aggregate limit of \$2,000,000.00 over any given five-year period that credits are available under this subdivision (A);

(B) ~~\$300,000.00~~ \$425,000.00 in total first-year credit allocations for loans or grants for owner-occupied unit financing or down payment loans as provided in subdivision (b)(2) of this section consistent with the allocation plan, including for new construction and manufactured housing, for an aggregate limit of ~~\$1,500,000.00~~ \$2,125,000.00 over any given five-year period that credits are available under this subdivision (B).

~~(2) In any fiscal year, total first-year credit allocations under subdivision (1) of this subsection plus succeeding-year deemed allocations shall not exceed \$3,500,000.00. If the full amount of first-year credits authorized by an award are not allocated to a taxpayer, the Agency may reclaim the amount not allocated and re-award such allocations to other applicants, and such re-awards shall not be subject to the limits set forth in subdivision (1) of this subsection.~~

(h)(1) In fiscal year 2016 through fiscal year ~~2022~~ 2019, the allocating agency may award up to \$125,000.00 in total first-year credit allocations for loans through the Down Payment Assistance Program created in subdivision (b)(2) of this section.

~~(2) In any fiscal year, total first-year credit allocations under subdivision (1) of this subsection plus succeeding-year deemed allocations shall not exceed \$625,000.00.~~ 2020 through fiscal year 2026, the allocating agency may award up to \$250,000.00 in total first-year credit allocations for loans through the Down Payment Assistance Program created in subdivision (b)(3) of this section.

* * * Downtown Tax Credit Program * * *

Sec. 4. 32 V.S.A. chapter 151, subchapter 11J is amended to read:

Subchapter 11J. Vermont Downtown and Village Center Tax Credit Program
§ 5930aa. DEFINITIONS

As used in this subchapter:

(1) “Qualified applicant” means an owner or lessee of a qualified building involving a qualified project, but does not include ~~a religious entity operating with a primarily religious purpose~~; a State or federal agency or a political subdivision of either; or an instrumentality of the United States.

(2) “Qualified building” means a building built ~~prior to 1983~~ at least 30 years before the date of application, located within a designated downtown or village center, which upon completion of the project supported by the tax credit will be an income-producing building not used solely as a single-family residence. Churches and other buildings owned by religious organization may be qualified buildings, but in no event shall tax credits be used for religious worship.

(3) “Qualified code ~~or technology~~ improvement project” means a project:

(A)(i) to install or improve platform lifts suitable for transporting personal mobility devices, limited use/ or limited application elevators, elevators, sprinkler systems, and capital improvements in a qualified building,

and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the Department of Public Safety; or

~~(ii) to install or improve data or network wiring, or heating, ventilating, or cooling systems reasonably related to data or network installations or improvements, in a qualified building, provided that a professional engineer licensed under 26 V.S.A. chapter 20 certifies as to the fact and cost of the installation or improvement;~~

* * *

(7) “Qualified project” means a qualified code or technology improvement, qualified façade improvement, ~~qualified technology infrastructure project,~~ or qualified historic rehabilitation project as defined by this subchapter.

(8) “State Board” means the Vermont Downtown Development Board established pursuant to 24 V.S.A. chapter 76A.

* * *

§ 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX CREDITS

(a) Historic rehabilitation tax credit. The qualified applicant of a qualified historic rehabilitation project shall be entitled, upon the approval of the State Board, to claim against the taxpayer’s State individual income tax, corporate income tax, or bank franchise or insurance premiums tax liability a credit of 10 percent of qualified rehabilitation expenditures as defined in the Internal Revenue Code, 26 U.S.C. § 47(c), properly chargeable to the federally certified rehabilitation.

(b) Façade improvement tax credit. The qualified applicant of a qualified façade improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer’s State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 25 percent of qualified expenditures up to a maximum tax credit of \$25,000.00.

(c) Code or technology improvement tax credit. The qualified applicant of a qualified code or technology improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer’s State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a

platform lift, a maximum credit of ~~\$40,000.00~~ \$60,000.00 for the installation or improvement of a limited use/ or limited application elevator, a maximum tax credit of ~~\$50,000.00~~ \$75,000.00 for installation or improvement of an elevator, a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, ~~a maximum tax credit of \$30,000.00 for the combined costs of installation or improvement of data or network wiring or a heating, ventilating, or cooling system,~~ and a maximum tax credit of \$50,000.00 for the combined costs of all other qualified code improvements.

§ 5930dd. CLAIMS; AVAILABILITY

(a) A taxpayer claiming credit under this subchapter shall submit to the Department of Taxes with the first return on which a credit is claimed a copy of the State Board's tax credit allocation.

(b) A credit under this subchapter shall be available for the first tax year in which the qualified project is complete. In the alternative, the State Board may allocate the credit available under this subchapter and make an allocation available upon completion of any distinct phase of a qualified project. The allocation and distinct phases of the qualified project shall be identified in the application package approved by the State Board.

(c) If within ~~five~~ three years after the date of the credit allocation to the applicant no claim for tax credit has been filed, the tax credit allocation shall be rescinded, unless the project has an approved federal application for a phased (60 month) project pursuant to Treasury Regulation 1.48-12(b)(2)(v), in which case the credit will not be rescinded until five years from the date of the credit allocation.

* * *

§ 5930ee. LIMITATIONS

Beginning in fiscal year 2010 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed ~~\$2,400,000.00~~ \$2,600,000.00;

* * *

* * * Estate Tax; Exclusion Amount * * *

Sec. 5. 32 V.S.A. § 7442a(b) is amended to read:

(b) The tax shall be computed as follows. The following rates shall be applied to the Vermont taxable estate:

Amount of Vermont Taxable Estate	Rate of Tax
Under \$2,750,000.00	None
\$2,750,000.00 or more	16 percent of the excess over \$2,750,000.00
<u>Under \$4,250,000.00</u>	<u>None</u>
<u>\$4,250,000.00 or more</u>	<u>16 percent of the excess over \$4,250,000.00</u>

The resulting amount shall be multiplied by a fraction not greater than one, where the numerator of which is the value of the Vermont gross estate plus the value of gifts under 32 V.S.A. § 7402(14)(C) with a Vermont situs, and the denominator of which is the federal gross estate plus the value of gifts under subdivision 7402(14)(C) of this title.

Sec. 6. 32 V.S.A. § 7442a(b) is amended to read:

(b) The tax shall be computed as follows. The following rates shall be applied to the Vermont taxable estate:

Amount of Vermont Taxable Estate	Rate of Tax
Under \$4,250,000.00	None
\$4,250,000.00 or more	16 percent of the excess over \$4,250,000.00
<u>Under \$5,000,000.00</u>	<u>None</u>
<u>\$5,000,000.00 or more</u>	<u>16 percent of the excess over \$5,000,000.00</u>

The resulting amount shall be multiplied by a fraction not greater than one, where the numerator of which is the value of the Vermont gross estate plus the value of gifts under 32 V.S.A. § 7402(14)(C) with a Vermont situs, and the denominator of which is the federal gross estate plus the value of gifts under subdivision 7402(14)(C) of this title.

* * * Rooms Tax; Booking Agents * * *

Sec. 7. 32 V.S.A. § 9202 is amended to read:

§ 9202. DEFINITIONS

The following words, terms, and phrases when used in this chapter shall have the meanings ascribed to them in this section unless the context clearly indicates a different meaning:

* * *

(4) "Operator" means any person, or his or her agent, operating a hotel, whether as owner or proprietor or lessee, sublessee, mortgagee, licensee, or otherwise; and any person, or his or her agent, charging for a taxable meal or alcoholic beverage; and any person, or his or her agent, engaged in both of the foregoing activities. The term "operator" shall include booking agents. In the event that an operator is a corporation or other entity, the term "operator" shall include any officer or agent of such corporation or other entity who, as an officer or agent of the corporation, is under a duty to pay the gross receipts tax to the Commissioner as required by this chapter.

* * *

(8) "Rent" means the consideration received for occupancy valued in money, whether received in money or otherwise, including all receipts, cash, credits, and property or services of any kind or nature, and also any amount for which the occupant is liable for the occupancy without any deduction therefrom whatsoever; and any monies received in payment for time-share rights at the time of purchase; provided, however, that such money received shall not be considered rent and thus not taxable if a deeded interest is granted to the purchaser for the time-share rights. The term "rent" shall include all amounts collected by booking agents except the tax required to be collected under this chapter. The term "rent" shall not include rental charges for living quarters, sleeping, or household accommodations to any student necessitated by attendance at a school as defined herein.

* * *

(20) "Booking agent" means a person who facilitates the rental of an occupancy and collects rent for an occupancy and who has the right, access, ability, or authority, through an Internet transaction or any other means, to offer, reserve, book, arrange for, remarket, distribute, broker, resell, or facilitate an occupancy that is subject to the tax under this chapter.

Sec. 8. 32 V.S.A. § 9271 is amended to read:

§ 9271. LICENSES REQUIRED

Each operator prior to commencing business shall register with the Commissioner each place of business within the State where he or she operates a hotel or sells taxable meals or alcoholic beverages; provided, however, that an operator who sells taxable meals through a vending machine shall not be required to hold a license for each individual machine, and a booking agent shall not be required to hold a separate license for each property the rental of that it facilitates. Upon receipt of an application in such form and containing such information as the Commissioner may require for the proper administration of this chapter, the Commissioner shall issue without charge a

license for each such place in such form as he or she may determine, attesting that such registration has been made. No person shall engage in serving taxable meals or alcoholic beverages or renting hotel rooms without the license provided in this section. The license shall be nonassignable and nontransferable and shall be surrendered to the Commissioner if the business is sold or transferred or if the registrant ceases to do business at the place named.

* * * Property Transfer Tax; Controlling Interest * * *

Sec. 9. 32 V.S.A. § 9601 is amended to read:

§ 9601. DEFINITIONS

The following definitions shall apply throughout this chapter unless the context requires otherwise:

* * *

(2) “Person” means every natural person, association, trust, ~~or~~ corporation, partnership, limited liability company, or other legal entity.

* * *

(5) “Transfer” includes a grant, assignment, conveyance, will, trust, decree of court, transfer or acquisition of a direct or indirect controlling interest in any person with title to property, or any other means of transferring title to property or vesting title to property in any person.

(6) “Value” means:

(A) ~~in~~ In the case of any transfer of title to property ~~which that~~ is not a gift and ~~which that~~ is not made for a nominal or no consideration, the amount of the full actual consideration for such transfer, paid or to be paid, including the amount of any liens or encumbrances on the property existing before the transfer and not removed thereby;

(B) ~~in~~ In the case of a gift, or a transfer for nominal or no consideration, “value” means the fair market value of the property transferred.

(C) In the case of a controlling interest in any person that has title to property, the fair market value of the property, apportioned based on the percentage of the ownership interest transferred or acquired in the person.

(D) “Value” shall not include the fair market value of private alternative energy sources as defined in section 3845 of this title.

* * *

(12) “Controlling interest” means:

(A) In the case of a corporation, either 50 percent or more of the total combined voting power of all classes of stock of such corporation, or 50 percent or more of the capital, profits, or beneficial interest in such voting stock of such corporation.

(B) In the case of a partnership, limited liability company, association, trust, or other entity, 50 percent or more of the capital, profits, or beneficial interest in such partnership, limited liability company, association, trust, or other entity.

(C) For purposes of the tax imposed pursuant to section 9602 of this title, all acquisitions of persons acting in concert are aggregated for purposes of determining whether a transfer or acquisition of a controlling interest has taken place; provided, however, interests in any partnership, limited liability company, association, or other entity originally purchased in connection with the federal low-income housing tax credit program under 26 U.S.C. § 42 shall not be counted in determining a change in the "controlling interest." The Commissioner shall adopt standards by regulation to determine when persons are acting in concert. In adopting a regulation for this purpose, the Commissioner shall consider the following:

(i) Persons must be treated as acting in concert when they have a relationship with each other such that one person influences or controls the actions of another through common ownership.

(ii) When persons are not commonly owned or controlled, they must be treated as acting in concert only when the unity with which the purchasers have negotiated and will consummate the transfer of ownership interest supports a finding that they are acting as a single person. If the acquisitions are completely independent, with each purchaser buying without regard to the identity of the other purchasers, the acquisitions must be considered separate acquisitions.

Sec. 10. 32 V.S.A. § 9602 is amended to read:

§ 9602. TAX ON TRANSFER OF TITLE TO PROPERTY

A tax is hereby imposed upon the transfer by deed of title to property located in this State, or a transfer or acquisition of a controlling interest in any person with title to property in this State. The amount of the tax equals one and one-quarter percent of the value of the property transferred, or \$1.00, whichever is greater, except as follows:

* * *

Sec. 11. 32 V.S.A. § 9603 is amended to read:

§ 9603. EXEMPTIONS

The following transfers are exempt from the tax imposed by this chapter:

* * *

(6) Transfers to effectuate a mere change of identity or form of ownership or organization where there is no change in beneficial ownership;

* * *

(25) Transfer made by a limited liability company to a member in connection with a complete dissolution of the limited liability company, pursuant to which transfer no gain or loss is recognized under the Internal Revenue Code, except where the Commissioner finds that a major purpose of such dissolution is to avoid the property transfer tax;

(26) Transfers of controlling interests in a person with a fee interest in property if the transfer of the property would qualify for exemption if accomplished by deed of the property between the parties to the transfer of the controlling interest.

Sec. 12. 32 V.S.A. § 9606 is amended to read:

§ 9606. PROPERTY TRANSFER RETURN

(a)(1) In the case of property transfer by deed, A a property transfer return complying with this section shall be delivered to a town clerk at the time a deed evidencing a transfer of title to property is delivered to the clerk for recording.

(2) In the case of transfer or acquisition of a controlling interest in a person with title to property for which a deed is not given, a property transfer return complying with this section shall be delivered to the Commissioner within 30 days after the transfer or acquisition.

* * *

(e)(1) In the case of property transferred by deed, The the Commissioner of Taxes is authorized to disclose to any person any information appearing on a property transfer tax return, including statistical information derived therefrom, and such information derived from research into information appearing on property transfer tax returns as is necessary to determine if the property being transferred is subject to 10 V.S.A. chapter 151, except the Commissioner shall not disclose the Social Security number, federal identification number, e-mail address, or telephone number of any person pursuant to this subsection.

(2) In the case of transfer or acquisition of a controlling interest in a person with title to property for which a deed is not given, the return submitted to the Commissioner shall be treated as a tax return and tax return information

under 32 V.S.A. § 3102.

Sec. 13. 32 V.S.A. § 9607 is amended to read:

§ 9607. ACKNOWLEDGMENT OF RETURN AND TAX PAYMENT

Upon the receipt by a town clerk of a property transfer return and certificate and the fee required under subdivision 1671(a)(6) of this title, the clerk shall forthwith mail or otherwise deliver to the transferee of title to property with respect to which such return was filed a signed and written acknowledgment of the receipt of that return and certificate. A copy of that acknowledgment, or any other form of acknowledgment approved by the Commissioner, shall be affixed to the deed evidencing the transfer of property or the document evidencing the transfer or acquisition of a direct or indirect controlling interest in any person with title to property with respect to which the return and certificate was filed. The acknowledgment so affixed to a deed or document, however, shall not disclose the amount of tax paid with respect to any return or transfer.

Sec. 14. 32 V.S.A. § 9608(a) is amended to read:

(a) Except as to transfers ~~which that~~ are exempt pursuant to subdivision 9603(17) of this title, no town clerk shall record, or receive for recording, any deed or document evidencing the transfer or acquisition of a direct or indirect controlling interest in any person with title to property to which is not attached a properly executed transfer tax return, complete and regular on its face, and a certificate in the form prescribed by the Natural Resources Board and the Commissioner of Taxes that the conveyance of the real property and any development thereon by the seller is in compliance with or exempt from the provisions of 10 V.S.A. chapter 151. The certificate shall indicate whether or not the conveyance creates the partition or division of land. If the conveyance creates a partition or division of land, there shall be appended the current "Act 250 Disclosure Statement," required by 10 V.S.A. § 6007. A town clerk who violates this section shall be fined \$50.00 for the first such offense and \$100.00 for each subsequent offense. A person who purposely or knowingly falsifies any statement contained in the certificate required is punishable by fine of not more than \$500.00 or imprisonment for not more than one year, or both.

Sec. 15. 32 V.S.A. § 9618 is amended to read:

§ 9618. DUTY TO REPORT STOCK ACQUISITIONS

Each person who acquires a controlling interest in a corporation, whether by one or more than one transfer of stock, shall, if the fair market value of all real property held in this State by the corporation exceeds \$500,000.00, report to the Commissioner of Taxes, within 30 days after the acquisition, the fair

market value of all real property held in this State by the corporation at the time of the acquisition of the controlling interest. ~~As used in this section, a “controlling interest” means 50 percent or more of the total combined voting power of all classes of stock of the corporation.~~

* * * Land Gains Tax * * *

Sec. 16. 32 V.S.A. § 10002 is amended to read:

§ 10002. LAND AND RESIDENCES

(a) “Land” means all land, whether or not improved, that has been purchased and subdivided by the transferor within the six years prior to the sale or exchange of the land, but does not include land not exceeding 10 acres, necessary for the use of a dwelling used by the seller of such land as his or her principal residence. Buildings or other structures are not included in this definition of land. “Land” also means timber or rights to timber when that timber or those timber rights are sold within six years of their purchase, provided the underlying land is also sold within six years. “Underlying land” means the land from which timber or timber rights have been separated, whether subdivided or not. As used in this subsection, the term “subdivision” means a tract or tracts of land, owned or controlled by a person, that the person has partitioned or divided for the purpose of sale or transfer. Subdivision shall be deemed to have occurred on the conveyance of the first lot or the filing of a plat, plan, or deed in the town records, whichever first occurs. A subdivision shall not include a boundary adjustment between adjacent parcels.

* * *

(p) Also excluded from the definition of “land” is a transfer of ~~undeveloped land in a Vermont neighborhood or neighborhood development area, a downtown development district, a village center, a growth center, or a new town center development district designated under 24 V.S.A. chapter 76A which is the first transfer of that parcel following the original designation of the Vermont neighborhood or neighborhood development area.~~

* * *

Sec. 17. 32 V.S.A. § 10006(d) is added to read:

(d) If the property does not qualify as “land” under subsection 10002(a) of this chapter, the parties to the transaction are relieved of any obligation to pay the tax, file a return, or withhold the tax imposed by this chapter. If the property qualifies as “land” under subsection 10002(a) of this chapter, but an exclusion is claimed under any of the remaining subsections of section 10002, the parties to the transaction must still comply with the obligations to pay, file, and withhold, as specified under this chapter.

* * * Fuel Tax * * *

Sec. 18. 33 V.S.A. § 2503 is amended to read:

§ 2503. FUEL TAX

(a)(1) There is imposed a tax on the retail sale of heating oil, propane, kerosene, and other dyed diesel fuel delivered ~~to a residence or business in~~ Vermont, at the rate of \$0.02 per gallon.

* * *

(d) No tax under this section shall be imposed for any month ending after June 30, ~~2019~~ 2024.

* * * Healthcare Provisions * * *

Sec. 19. 2019 Acts and Resolves No. 6, Sec. 105 is amended to read:

Sec. 105. EFFECTIVE DATES

* * *

(b) Sec. 73 (further amending 32 V.S.A. § 10402) shall take effect on July 1, ~~2019~~ 2021.

* * *

Sec. 20. REPEAL OF ORIGINAL HEALTH CARE CLAIMS TAX
HEALTH IT-FUND REVENUE SUNSET

2013 Acts and Resolves No. 73, Sec. 53 (Health IT-Fund sunset) is repealed.

Sec. 21. 2013 Acts and Resolves No. 73, Sec. 60(10), as amended by 2017 Acts and Resolves No. 73, Sec. 14 and 2018 Acts and Resolves No. 187, Sec. 5, is further amended to read:

(10) Secs. 48–51 (health claims tax) shall take effect on July 1, 2013 and Sec. 52 and 53 (health claims tax revenue; Health IT-Fund; sunset) shall take effect on July 1, ~~2019~~ 2021.

* * * Repeal * * *

Sec. 22. 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.

* * * Outreach * * *

Sec. 23. OUTREACH ON ISSUES RELATED TO TAXING PREWRITTEN SOFTWARE ACCESSED REMOTELY

The Tax Department shall develop and implement a program of outreach and education for the technology sector to focus on information related to the current sales tax exemption for prewritten software accessed remotely and on industry responsibilities under current law and under a possible repeal of the exemption.

* * * Effective Dates * * *

Sec. 24. EFFECTIVE DATES

This act shall take effect on passage, except for:

(1) Sec. 1 (capital gains exclusion) shall take effect on July 1, 2019 and apply to the sales of assets on or after that date.

(2) Notwithstanding 1 V.S.A. § 214, Sec. 2 (medical deduction) shall take effect retroactively on January 1, 2019 and apply to taxable year 2019 and after.

(3) Secs. 4 (downtown and village center tax credit), 7–8 (rooms tax), 9–15 (property transfer tax), and 18 (fuel tax) shall take effect on July 1, 2019.

(4) Sec. 5 (estate tax exclusion at \$4,250,000.00) shall take effect on January 1, 2020 and apply to estates of decedents with a date of death on or after that date.

(5) Sec. 6 (estate tax exclusion at \$5,000,000.00) shall take effect on January 1, 2021 and apply to estates of decedents with a date of death on or after that date.

(6) Secs. 16–17 (land gains tax) shall take effect on January 1, 2020 and apply to gains from sales made on or after that date.

*ANN E. CUMMINGS
RANDOLPH D. BROCK
MARK A. MACDONALD*

Committee on the part of the Senate

*JANET ANCEL
WILLIAM P. CANFIELD
SAMUEL R. YOUNG*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative on a roll call, Yeas 21, Nays 6.

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

Roll Call

Those Senators who voted in the affirmative were: Balint, Benning, Bray, Brock, Champion, Clarkson, Collamore, Cummings, Hardy, Hooker, Kitchel, MacDonald, Mazza, McCormack, Nitka, Perchlik, Rodgers, Sears, Starr, Westman, White.

Those Senators who voted in the negative were: Baruth, Ingram, Lyons, Pearson, Pollina, Sirotkin.

Those Senators absent or not voting were: Ashe (presiding), McNeil, Parent.

Rules Suspended; Bills Messaged

On motion of Senator Mazza, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 162, H. 132, H. 135.

Adjournment

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

Afternoon

The Senate was called to order by the President.

Message from the House No. 85

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 the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 132. An act relating to adopting protections against housing discrimination for victims of domestic and sexual violence.

And has adopted the same on its part.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 514. An act relating to miscellaneous tax provisions.

And has adopted the same on its part.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 525. An act relating to miscellaneous agricultural subjects.

And has adopted the same on its part.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 527. An act relating to Executive Branch and Judicial Branch fees.

And has adopted the same on its part.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 529. An act relating to the Transportation Program and miscellaneous changes to laws related to transportation.

And has adopted the same on its part.

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

S. 162. An act relating to promoting economic development.

And has concurred therein.

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

H. 13. An act relating to miscellaneous amendments to alcoholic beverage and tobacco laws.

And has severally concurred therein.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate

H. 533.

Pending entry on the Calendar for notice, on motion of Senator Ashe, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to workforce development.

Was taken up for immediate consideration.

Senator Sirotkin, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

H.533. An act relating to workforce development.

Respectfully reports that it has met and considered the same and recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. VERMONT TRAINING PROGRAM; WORKFORCE TRAINING ALLOCATIONS

(a) The Agency of Commerce and Community Development shall allocate Vermont Training Program funding to increase by 10 percent in each of the next two years:

(1) the number of trainees who receive a credential of value or participate in a registered apprenticeship; and

(2) the amount of training funds provided to businesses with 50 or fewer employees.

(b) In its annual report submitted pursuant to 10 V.S.A. § 531(k) the Agency shall specifically address:

(1) whether it was able to achieve the allocations specified in subsection (a) of this section, and if not, the reasons;

(2) the distribution of training funds by the number of employees of each business that benefitted from training;

(3) the distribution of training funds that resulted in an employee obtaining a credential of value or apprenticeship; and

(4) the extent to which the Program benefitted businesses with 50 or fewer employees.

Sec. 2. 10 V.S.A. § 531 is amended to read:

§ 531. THE VERMONT TRAINING PROGRAM

* * *

(d) In order to avoid duplication of programs or services and to provide the greatest return on investment from training provided under this section, the Secretary of Commerce and Community Development shall:

(1) consult with the Commissioner of Labor regarding whether the grantee has accessed, or is eligible to access, other workforce education and training resources;

(2) disburse grant funds only for training hours that have been successfully completed by employees; ~~provided that, except for an award under an enhanced incentive for workforce training as provided in 32 V.S.A. § 3336;~~

(A) a grant for on-the-job training shall either provide not more than 50 percent of wages for each employee in training or not more than 50 percent of trainer expense, but not both; ~~and further provided that~~

(B) training shall be performed in accordance with a training plan that defines the subject of the training, the number of training hours, and how the effectiveness of the training will be evaluated; and

(3) use funds under this section only to supplement training efforts of employers and not to replace or supplant training efforts of employers.

* * *

(k) Annually on or before January 15, the Secretary shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs. In addition to the reporting requirements under section 540 of this title, the report shall identify:

(1) all active and completed contracts and grants;

(2) from among the following, the category the training addressed:

(A) preemployment training or other training for a new employee to begin a newly created position with the employer;

(B) preemployment training or other training for a new employee to begin in an existing position with the employer;

(C) training for an incumbent employee who, upon completion of training, assumes a newly created position with the employer;

(D) training for an incumbent employee who, upon completion of training assumes a different position with the employer;

(E) training for an incumbent employee to upgrade skills;

(3) for the training identified in subdivision (2) of this subsection whether the training is ~~onsite~~ on-site or classroom-based;

(4) the number of employees served;

(5) the average wage by employer;

(6) any waivers granted;

(7) the identity of the employer, or, if unknown at the time of the report, the category of employer;

(8) the identity of each training provider;

(9) whether training results in a wage increase for a trainee, and the amount of increase; ~~and~~

(10) the aggregated median wage for employees invoiced for training during the reporting period;

(11) the percentage growth in wages and the percentage growth in the median wage for all wage earners in the State during the reporting period; and

(12) the number, type, and description of grants for work-based learning programs and activities awarded pursuant to subsection (e) of this section.

Sec. 3. WORKFORCE TRAINING; PRIORITY SECTORS

(a) The Department of Labor shall work with qualified training providers to increase the availability of training programs that lead to a credential of value in the health care, construction, manufacturing, and child care sectors, as follows:

(1) The Department shall coordinate with the Office of Economic Opportunity within the Department for Children and Families to support training opportunities for individuals interested in becoming employed in the home or commercial weatherization industry, including:

(A) recruiting Vermonters who are eligible for funding under the federal Workforce Innovation and Opportunity Act to participate in training programs;

(B) identifying operations for weatherization training programs; and

(C) providing stipends and wage subsidies for training participants if funding is available.

(2) The Department shall coordinate with the Child Development Division within the Department for Children and Families to support training opportunities for new or incumbent workers in the field of early care and learning.

(3) The Department shall work to connect health care, long-term care, and mental health providers with postsecondary education providers, including adult career and technical education, to expand pre-apprenticeships, registered apprenticeships, and other occupational training programs in health care.

(b) In performing its work to increase the availability of training programs that lead to a credential of value, the Department of Labor shall recognize issues faced by persons with historical barriers to employment or who are underrepresented in the workforce, including persons who have faced discrimination based on race, sex, sexual orientation, gender identity, age, refugee status, and national origin; persons in recovery; persons with a history of incarceration; and persons with disabilities.

Sec. 4. 16 V.S.A. § 2846 is amended to read:

§ 2846. NONDEGREE ADVANCEMENT GRANTS

(a) The Corporation may establish ~~grant programs~~ an advancement grant program for residents pursuing nondegree education and training opportunities who do not meet the definition of student in subdivision 2822(3) of this title, and who may not meet the requirements of this subchapter.

(b) Nondegree Advancement grants may be used at institutions that are not approved postsecondary education institutions.

(c) The Corporation may adopt rules or establish policies, procedures, standards, and forms for ~~nondegree~~ advancement grants, including the requirements for applying for and using the grants and the eligibility requirements for the institutions where the grants may be used.

Sec. 5. 10 V.S.A. § 546 is added to read:

§ 546. STATE POSTSECONDARY ATTAINMENT GOAL

(a) It shall be the goal of the State of Vermont that not less than 70 percent of working-age Vermonters will hold a credential of value, as defined by the State Workforce Development Board, by the year 2025.

(b) It is the policy of the State of Vermont to:

(1) promote awareness of career pathways and the value of postsecondary education and training;

(2) expand access to postsecondary education and training to students of all ages;

(3) increase completion of postsecondary education and training programs by ensuring that Vermonters have the supports they need to succeed; and

(4) maximize partnerships across and within sectors to achieve State workforce development and education goals.

(c) In its annual report required in section 540 of this title, the Department shall include the number of postsecondary credentials awarded and the data sets that are used to inform the report.

Sec. 6. POSTSECONDARY CAREER AND TECHNICAL EDUCATION SYSTEM

(a) Findings; purpose.

(1) Findings. The General Assembly finds:

(A) Like many rural states, Vermont faces demographic realities that have resulted in an historically low unemployment rate and created obstacles for employers that seek to hire and retain enough fully trained employees.

(B) Notwithstanding this high employer demand, due to rapidly changing technology and evolving business needs, potential employees may lack the particular skills and training necessary to qualify for available jobs.

(C) In order to assist employers and employees in matching demand to requisite skills, Vermont has a broad diversity of postsecondary workforce education and training programs offered by multiple providers, including programs administered or funded by State government, educational institutions, and business-lead groups such as the Vermont Talent Pipeline Management Project. The State should continue to work closely with these providers to identify and meet the needs of employers and employees.

(2) Purpose. Consistent with the goals and purposes of 2018 Acts and Resolves No. 189, pursuant to which the State Workforce Development Board and other stakeholders are currently engaged in planning the design and implementation of a fully integrated workforce development system, it is the purpose of the General Assembly to explore the creation of a fully integrated postsecondary career and technical education system that:

(A) provides Vermonters throughout the State with high quality programs that are standardized, replicable, and offered with regularity and consistency;

(B) coordinates, or integrates where appropriate, the many programs and providers to maximize the efficient use of training resources; and

(C) features a governance structure that provides consistency across the system whenever appropriate, but also provides the flexibility necessary to respond to local and regional workforce demands.

(b) Postsecondary CTE System.

(1) The Department of Labor, in collaboration with the Agency of Education, the Vermont State Colleges, and the Vermont Adult Technical Education Association, and any consultant the Department hires for that purpose, shall consider and report to the General Assembly on the design, implementation, and costs of an integrated postsecondary career and technical education system that achieves the results specified in subdivision (a)(2) of this section.

(2) In performing their work, the Department, stakeholders, and any consultant shall conduct a broad-based stakeholder engagement process to solicit input from interested parties, and State agencies and departments shall provide necessary information and assistance within their relative areas of expertise.

(c) Report. On or before January 15, 2020, the Department of Labor shall submit a report on its work and any recommendations for legislative action to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

(d) In performing its work to create an integrated postsecondary career and technical education system, the Department shall recognize issues faced by persons with historical barriers to employment or who are underrepresented in the workforce, including persons who have faced discrimination based on race, sex, sexual orientation, gender identity, age, refugee status, and national origin; persons in recovery; persons with a history of incarceration; and persons with disabilities.

Sec. 7. MILITARY RECRUITMENT PROGRAM

(a) The Department of Labor shall work with the Vermont National Guard and public and private employers to design and implement an on-site military base and installation recruitment program that encourages service members separating from military service to relocate to Vermont.

(b) The Department shall coordinate with the Agency of Commerce and Community Development to support marketing and outreach for recruitment events.

(c) The Department shall report to the House Committees on Commerce and Economic Development and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs and on Appropriations concerning implementation and outcomes of this program during the 2020 legislative session.

Sec. 8. OFFICE OF PROFESSIONAL REGULATION; REPORT

(a) The Office of Professional Regulation, in consultation with the Vermont Board of Nursing, Vermont State Colleges, the University of Vermont, Norwich University, and other interested stakeholders, shall review statutory, regulatory, and accreditation standards for nursing programs within the State and nationally with the purpose of identifying barriers to recruitment and retention of nurse educators in nursing education programs.

(b) The Office of Professional Regulation shall evaluate the appropriateness of the level of credential and experience currently required for nurse educators in clinical settings.

(c) On or before December 15, 2019, the Office of Professional Regulation shall report its findings, including recommendations for any statutory or regulatory changes, or economic development initiatives, to facilitate recruitment and retention of nurse faculty, 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.

Sec. 9. SUPPORTING NEW AMERICANS IN THE WORKFORCE

(a) The State of Vermont shall take steps necessary to provide support to employers and to New Americans in the Vermont workforce as follows:

(1) The Department of Labor shall simplify the process and reduce barriers for employers seeking to access Department funding for English language classes.

(2) The Department of Labor shall work with U.S. Committee for Refugees and Immigrants (USCRI) Vermont to increase employers' awareness of free services available through USCRI Vermont, including on site English language classes.

(3) The Department of Labor shall develop and make available to employers a collection of best practices for addressing the unique language, transportation, cultural, and other challenges New Americans face in the workforce.

(4) The Department of Labor, in collaboration with the Community College of Vermont or other partners, shall explore the development of a work readiness certificate or program for New American employees.

(5) The Department of Labor, in collaboration with the Vermont Chamber of Commerce or other partners, shall explore the development of a "Diversity, Equity, and Inclusivity" certificate or program, or similar initiative, for employers seeking to establish a New American–friendly workplace.

(6) The Department of Labor, in collaboration with the Department of Human Resources, shall explore measures to ensure that the State's Employee Assistance Program offers services and support that is responsive to the particular pressures and challenges facing New Americans. The Departments shall share best practices with private employers that offer similar employee assistance programs.

(7) The Agency of Commerce and Community Development shall explore whether State marketing funds should be targeted to New Americans in other states to inform them of Vermont's inclusive workplace practices and employment opportunities.

(b) To the extent not otherwise addressed in its work pursuant to subsection (a) of this section, the Department shall assess:

(1) recommendations identified in relevant studies and reports;

(2) cultural competency support needed in Vermont's employment settings;

(3) training, apprenticeship, and mentorship needs and opportunities;

(4) tools and supports needed for refugees to effectively apply preexisting educational and professional credentials in Vermont settings; and

(5) additional supports needed to ensure employment opportunities, including child care and transportation.

(c) The State entities named in subsection (a) of this section shall report to the General Assembly concerning the implementation of this section on or before January 15, 2020.

Sec. 10. DEPARTMENT OF LABOR; FIDELITY BONDS

Of the amounts appropriated to the Department of Labor in fiscal year 2020 from the Workforce Education and Training Fund, the Department shall allocate not more than \$3,000.00 to purchase fidelity bonds through the Federal Bonding Program to provide insurance against theft or loss for insurers to hire workers with barriers to employment.

Sec. 11. CORRECTIONS; WORKFORCE TRAINING

(a)(1) The Department of Corrections, in collaboration with the Department of Labor, shall provide a standardized program of education and training for all new and existing probation and parole officers that includes components related to:

(A) minimizing barriers for offenders to obtaining and maintaining employment; and

(B) minimizing the impact of program and supervision requirements on the offender's employment, including monitoring and facilitating compliance with Department of Corrections case plan goals based on best practices and consistent with public safety.

(2) The Department of Corrections shall ensure that all incumbent probation and parole officers receive the education and training under the program on or before July 1, 2020.

(b) For each inmate who is sentenced to six months or longer, the Department of Corrections, in collaboration with the Department of Motor Vehicles and other necessary partners:

(1) shall assess if the inmate has access to a valid government-issued identification; and

(2) if not, upon verification of Vermont residency and other eligibility, shall provide the inmate with at least one form of government-issued identification.

(c) On or before December 1, 2019, the Departments of Corrections and of Labor shall report to the House Committees on Commerce and Economic Development and on Corrections and Institutions and to the Senate Committees on Economic Development, Housing and General Affairs and on Institutions concerning the implementation of this section.

Sec. 12. NEW WORKER RELOCATION INCENTIVE PROGRAM

(a) The Agency of Commerce and Community Development shall design and implement a New Worker Relocation Incentive Program to award incentive grants to new workers as provided in this section and subject to the policies and procedures the Agency adopts to implement the Program.

(b) Incentives for new workers. A new worker may be eligible for a grant under the Program for qualifying expenses, subject to the following:

(1) A base grant for a new worker shall not exceed \$5,000.00.

(2) The Agency may award an enhanced grant, which shall not exceed \$7,500.00, for a new worker who relocates to a labor market area in this State in which:

(A) the average annual unemployment rate in the labor market area exceeds the average annual unemployment rate in the State; or

(B) the average annual wage in the State exceeds the annual average wage in the labor market area.

(c) The Agency shall:

(1) adopt procedures for implementing the Program, which shall include a simple certification process to certify new workers and qualifying expenses;

(2) promote awareness of the Program, including through coordination with relevant trade groups and by integration into the Agency's economic development marketing campaigns;

(3) award grants on a first-come, first-served basis beginning January 1, 2020, subject to available funding; and

(4) adopt measurable goals, performance measures, and an audit strategy to assess the utilization and performance of the Program

(d) On or before October 1, 2020, the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including:

(1) a description of the policies and procedures adopted to implement the Program; and

(2) the promotion and marketing of the Program.

(e) As used in this section:

(1) "New worker" means an individual who on or after January 1, 2020:

(A) becomes a full-time resident of this State;

(B) becomes a full-time employee of a business domiciled or authorized to do business in this State;

(C)(i) is employed in an occupation identified by the Department of Labor in its 2016–2026 Long Term Occupational Projections as one of the top occupations at each level of educational attainment typical for entry; or

(ii) who the Agency determines should otherwise receive an incentive grant under the Program because the worker possesses exceptional education, skills, or training or due to other extraordinary circumstances; and

(D) whose gross wage for the position equals or exceeds:

(i) 160 percent of the State minimum wage; or

(ii) if the employer is located in a labor market area in which the average annual unemployment rate is higher than the average annual unemployment rate for the State, 140 percent of the State minimum wage.

(2) "Qualifying expenses" means the actual costs that a new worker incurs for one or more of the following:

(A) relocation expenses, which may include closing costs for a primary residence; rental security deposit; first month's rent payment; and other expenses established in Agency guidelines; and

(B) expenses necessary for a new worker to perform his or her employment duties, including connectivity costs, specialized tools and equipment, and other expenses established in Agency guidelines.

Sec. 13. 2018 Acts and Resolves No. 196, Sec. 1 is amended to read:

Sec. 1. SIMPLIFYING GOVERNMENT FOR SMALL BUSINESSES

(a) The Secretary of State shall serve as the chair of a steering committee, composed of the Secretary of State, the Secretary of Commerce and Community Development, and the Secretary of Digital Services or their designees.

(b) The Secretary of State, in collaboration with the steering committee, and in collaboration with other State agencies and departments and interested stakeholders as necessary, shall:

(1) review and consider the necessary procedural and substantive steps to enhance the Secretary of State's one-stop business portal for businesses, entrepreneurs, and citizens to provide information about starting and operating a business in Vermont; and

(2) submit on or before December 15, ~~2018~~ 2019:

(A) a design proposal that includes a project scope, timeline, roadmap, and cost projections; ~~and~~

(B) any statutory or regulatory changes needed to implement the proposal; and

(C) a sustainable funding model for the portal.

(c) The steering committee shall evaluate the cost and efficacy, and integrate into the current one-stop portal to the extent feasible, features that:

(1) enhance State websites to simplify registrations and provide a clear compilation of other State business requirements, including permits and licenses;

(2) simplify the mechanism for making payments to the State by allowing a person to pay amounts he or she owes to the State for taxes, fees, or other charges to a single recipient within State government;

(3) simplify annual filing requirements by allowing a person to make a single filing to a single recipient within State government and check a box if nothing substantive has changed from the prior year;

(4) provide guidance, assistance with navigation, and other support to persons who are forming or operating a small business;

(5) after registration, provide information about additional and ongoing State requirements and a point of contact to discuss questions or explore any assistance needed;

(6) provide guidance and information about State and federal programs and initiatives, as well as State partner organizations and Vermont-based businesses of interest; and

(7) map communication channels for project updates, including digital channels such as e-mail, social media, and other communications.

(d) State agencies and departments shall provide assistance to the steering committee upon its request.

(e) The steering committee shall focus its review on providing services through the one-stop business portal primarily for the benefit of businesses with 20 or fewer employees.

(f) The Agency of Digital Services shall assign a project manager or business analyst to report directly to the Secretary of State to assist with the implementation of this act through June 30, ~~2019~~ 2020 for the purpose of developing and implementing a one-stop navigable portal for businesses, entrepreneurs, and citizens to access information about starting a business in Vermont, and to provide ongoing support to businesses interfacing with State government.

Sec. 14. AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT; REPORT

On or before January 15, 2020, the Secretary of Commerce and Community Development shall report to the House Committees on Commerce and Economic Development and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs and on Appropriations concerning how best to collaborate with regional partners and form formal partnerships that will promote international trade, as well as educational and cultural exchanges, between and among Vermont, the New England states, and foreign nations.

Sec. 15. 2018 Acts and Resolves No. 197, Sec. 1 is amended to read:

Sec. 1. NEW REMOTE WORKER GRANT PROGRAM

(a) As used in this section:

(1) “New remote worker” means an individual who:

(A) is a full-time employee of a business with its domicile or primary place of business within or outside Vermont;

(B) becomes a full-time resident of this State on or after January 1, 2019; and

(C) performs the majority of his or her employment duties remotely from a home office or a co-working space located in this State.

(2) “Qualifying remote worker expenses” means actual costs a new remote worker incurs for one or more of the following that are necessary to perform his or her employment duties:

(A) relocation to this State;

(B) computer software and hardware;

(C) broadband access or upgrade; and

(D) membership in a co-working or similar space.

(b)(1) The Agency of Commerce and Community Development shall design and implement the New Remote Worker Grant Program, which shall include a simple certification process to certify new remote workers and certify qualifying expenses for a grant under this section.

(2) A new remote worker may be eligible for a grant under the Program for qualifying remote worker expenses in the amount of not more than \$5,000.00 per year, not to exceed a total of \$10,000.00 per individual new remote worker over the life of the Program.

(3) The Agency shall award grants under the Program on a first-come, first-served basis, subject to available funding, ~~as follows:~~

~~(A) not more than \$125,000.00 in calendar year 2019;~~

~~(B) not more than \$250,000.00 in calendar year 2020;~~

~~(C) not more than \$125,000.00 in calendar year 2021; and~~

~~(D) not more than \$100,000.00 per year in each subsequent calendar year, to the extent funding remains available.~~

* * *

Sec. 16. REPEAL

32 V.S.A. § 3336 (enhanced incentive for workforce training) is repealed.

Sec. 17. DELIVERY OF VERMONT TECHNICAL COLLEGE DEGREE PROGRAMS AT CAREER TECHNICAL EDUCATION CENTERS IN VERMONT; STUDY; PILOT PROGRAMS

(a) Study by Vermont Technical College. The Vermont Technical College (VTC) shall study how to best deliver all or a portion of fully accredited VTC associate degree programs at CTE centers in Vermont. The study shall explore the viability of a new program to provide a locally convenient and financially affordable option to high school students and adult learners who want, while still enrolled with their CTE centers, to also enroll in a high-demand, high-skill, industry-specific associate degree offering. VTC shall collaborate with the CTE centers and the Agency of Education in conducting the study. In structuring the study, VTC shall consider:

(1) alignment of degree programs with workforce priority needs and career pathways identified by the Agency of Education;

(2) prevailing industry wages and gender equity in each identified career pathway;

(3) coherence with existing, State-supported postsecondary programs for secondary students, such as dual enrollment and early college programs under the flexible pathways laws, including potential impacts to, and alignment with, those programs;

(4) sustainable funding models, including costs for students, institutions, and adults;

(5) the financial risks of programmatic and funding model changes, with the goals of not negatively impacting the accreditation status or the financial status of any institution; and

(6) management of class scheduling and CTE partnerships to ensure access and programmatic success.

(b) Reports.

(1) On or before December 15, 2019, VTC shall submit a written report to the House and Senate Committees on Education and the State Board of Education with its findings and recommendations from the study required under subsection (a) of this section.

(2) If VTC recommends from its study that all or a portion of fully accredited VTC associate degree programs should be offered at CTE centers in Vermont, then VTC shall, in the fall 2020 semester, conduct up to two pilot programs that offer these degree programs in at least two CTE centers. If these pilot programs are conducted, on or before January 15, 2021, VTC shall submit a supplemental written report to the House and Senate Committees on Education and the State Board of Education with its findings and recommendations from the pilot programs.

(c) Any program designed and implemented pursuant to this section subsequent to the pilots shall not be funded by the General Fund.

Sec. 18. 31 V.S.A. § 707 is amended to read:

§ 707. REGISTRATION AND FEES

* * *

(e)(1) All fees collected under this section shall be credited to a special fund for the Department to be expended for carrying out its duties under this chapter and may also be expended as provided pursuant to subdivision (2) of this subsection.

(2) The Passenger Tramway Board may expend amounts that it determines to be appropriate from the special fund established pursuant to subdivision (1) of this subsection for the purpose of contributing to ski lift mechanic education, job training, and apprenticeship programs.

Sec. 19. 10 V.S.A. § 541a(d) is amended to read:

(d) Operation of Board.

(1) Member representation.

(A) A member of the State Board may send a designee that meets the requirements of subdivision (B) of this subdivision (1) to any State Board meeting who shall count toward a quorum and shall be allowed to vote on behalf of the Board member for whom he or she serves as a designee.

(B) Members of the State Board or their designees who represent organizations, agencies, or other entities shall be individuals with optimum policymaking authority or relevant subject matter expertise within the organizations, agencies, or entities.

(C) The members of the Board shall represent diverse regions of the State, including urban, rural, and suburban areas.

(2) Chair. The Governor shall select a chair for the Board from among the business representatives appointed pursuant to subdivision (c)(18) of this section.

(3) Meetings. The Board shall meet at least three times annually and shall hold additional meetings upon call of the Chair.

(4) ~~Work groups; task forces~~ Committees; work groups; ad hoc committees. The Chair, in consultation with the Commissioner of Labor, may:

(A) assign one or more members or their designees to standing committees, ad hoc committees, or work groups to carry out the work of the Board; and

(B) appoint one or more members of the Board, or nonmembers of the Board, or both, to one or more task forces for a discrete purpose and duration to a standing committee, ad hoc committee, or work group and determine whether the individual serves as an advisory or voting member, provided that the number of voting nonmembers on a standing committee shall not exceed the number of Board members or their designees.

(5) Quorum meetings; voting.

(A) A majority of the sitting members of the Board shall constitute a quorum, and to be valid any action taken by the Board shall be authorized by a majority of the members present and voting at any regular or special meeting at which a quorum is present.

(B) The Board may permit one or more members to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication, including an electronic, telecommunications, and video- or audio-conferencing conference telephone call, by which all members participating may simultaneously or sequentially communicate with each other during the meeting. A member participating in a meeting by this means is deemed to be present in person at the meeting.

(C) The Board shall deliver electronically the minutes for each of its meetings to each member of the Board and to the Chairs of the House Committees on Education and on Commerce and Economic Development, and to the Senate Committees on Education and on Economic Development, Housing and General Affairs.

(D) The Board may adopt in its bylaws the quorum, membership, and procedural requirements for standing committees.

* * *

Sec. 20. ECONOMIC DEVELOPMENT FUNDING ALLOCATIONS

The \$2,000,000.00 appropriated from the General Fund for economic development initiatives in Sec. C.100(30) of H.542 (2019) shall be allocated pursuant to this section.

(1) \$1,725,000.00 is allocated to the Agency of Commerce and Community Development as follows:

(A)(i) \$450,000.00 for economic development marketing:

(I) \$225,000 for economic development marketing pursuant to its authority in 3 V.S.A. § 2476(c) to execute the State's core Economic Development Marketing Plan through paid, owned, and earned media, utilizing technology, data, and analysis tools; and

(II) \$225,000.00 to identify, recruit, and provide relocation assistance to workers, including:

(aa) identifying target audiences;

(bb) targeting through digital and social media; and

(cc) implementing strategies that convert visitors to residents and awarding grants for regional partnerships to help recruitment efforts at the local and regional levels.

(ii) Notwithstanding any provision of law to the contrary, the Agency shall have the discretion to reallocate not more than \$225,000.00 of the funding allocated in this subdivision (1)(A) to provide additional incentives under the New Worker Relocation Incentive Program.

(B) \$80,000 for grants for regional marketing and workforce recruitment initiatives that work in concert with Statewide efforts; and

(C) \$1,195,000.00 to provide incentives that assist workers and families relocating to Vermont under the New Worker Relocation Incentive Program.

(2) \$275,000.00 is allocated to the Department of Labor to expand opportunities for apprenticeships, training, and postsecondary career and technical education through the workforce education and training fund created in 10 V.S.A. § 543 and to perform its duties pursuant to 10 V.S.A. § 540(1).

Sec. 21. EFFECTIVE DATES

This act shall take effect on July 1, 2019.

*MICHAEL D. SIROTKIN
RANDOLPH D. BROCK
ALISON CLARKSON*

Committee on the part of the Senate

*MICHAEL J. MARCOTTE
CHARLES A. KIMBELL
JEAN D. O'SULLIVAN*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative on a roll call, Yeas 24, Nays 3.

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

Roll Call

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

Those Senators who voted in the negative were: Pearson, Pollina, Rodgers.

Those Senators absent and not voting were: Lyons, McNeil, Parent.

Recess

On motion of Senator Ashe the Senate recessed until 2:30 P.M.

Called to Order

The Senate was called to order by the President.

Rules Suspended; Bills Messaged

On motion of Senator Ashe, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 533, H. 541.

Appointment Confirmed

The following Gubernatorial appointment was confirmed separately by the Senate, upon full report given by the Committee to which it was referred:

The nomination of

Knight, Gwendolyn of Panton - Commissioner, Department of Tourism and Marketing - March 1, 2019 to February 28, 2021.

Was confirmed by the Senate.

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 nominations of

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

Donegan, Roger of Hinesburg - Member, State Labor Relations Board - April 1, 2019 to June 30, 2020.

O'Farrell, Jenna of St. Johnsbury - Member, State Board of Education - April 15, 2019 to February 28, 2025.

Phillips, Leigh of Burlington - Chair, Occupational Safety and Health Review Board - April 1, 2019 to February 28, 2025.

Richardson, Cory of East Montpelier - Member, Vermont State Housing Authority - July 20, 2018 to February 28, 2023.

Saudek, Karen of Montpelier - Member, State Labor Relations Board - October 11, 2018, to June 30, 2021.

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

Fiske, John of Rutland - Member, Electricians' Licensing Board - April 1, 2019 to June 30, 2021.

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

Russell, John of Rutland - Member, Vermont Economic Progress Council - April 1, 2019 to March 31, 2023.

Were collectively confirmed by the Senate.

**Report of Committee of Conference Accepted and Adopted on the Part of
the Senate**

H. 542.

Senator Kitchel, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

H. 542. An act relating to making appropriations for the support of government.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. A.100 SHORT TITLE

(a) This bill may be referred to as the BIG BILL – Fiscal Year 2020
Appropriations Act.

Sec. A.101 PURPOSE

(a) The purpose of this act is to provide appropriations for the operations of State government during fiscal year 2020. It is the express intent of the General Assembly that activities of the various agencies, departments, divisions, boards, and commissions be limited to those that can be supported by funds appropriated in this act or other acts passed prior to June 30, 2019. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2020 so as to meet this condition unless otherwise directed by specific language in this act or other acts of the General Assembly.

Sec. A.102 APPROPRIATIONS

(a) It is the intent of the General Assembly that this act serves as the primary source and reference for appropriations for fiscal year 2020.

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

(c) Unless codified or otherwise specified, all narrative portions of this act apply only to the fiscal year ending on June 30, 2020.

Sec. A.103 DEFINITIONS

(a) As used in this act:

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

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

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

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

Sec. A.104 RELATIONSHIP TO EXISTING LAWS

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

Sec. A.105 OFFSETTING APPROPRIATIONS

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

Sec. A.106 FEDERAL FUNDS

(a) In fiscal year 2020, the Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may accept federal funds available to the State of Vermont, including block grants in lieu of or in addition to funds herein designated as federal. The Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may allocate all or any portion of such federal funds for any purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during fiscal year 2020, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2019 session of the Vermont General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for no more than 45 days prior to Legislative or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor's request for approval.

Sec. A.107 NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary positions as defined in 3 V.S.A. § 311(11), shall not be increased during fiscal year 2020 except for new positions authorized by the 2019 session. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction, nor shall positions created pursuant to the Position Pilot Program authorized in 2014 Acts and Resolves No. 179, Sec. E.100(d), as amended by

2015 Acts and Resolves No. 4, Sec. 74, by 2016 Acts and Resolves No. 172, Sec. E.100.2, by 2017 Acts and Resolves No. 85, Sec. E.100.1, and by 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.100.1.

Sec. A.108 LEGEND

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

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

(b) The C sections contain any amendments to the current fiscal year and the D sections contain fund transfers and reserve allocations for the upcoming budget year.

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

Personal services	901,632
Operating expenses	<u>209,988</u>
Total	1,111,620
Source of funds	
General fund	886,620
Special funds	150,000
Internal service funds	<u>75,000</u>
Total	1,111,620

Sec. B.101 Secretary of administration - finance

Personal services	1,251,050
Operating expenses	<u>128,367</u>
Total	1,379,417
Source of funds	
Interdepartmental transfers	<u>1,379,417</u>
Total	1,379,417

Sec. B.102 Secretary of administration - workers' compensation insurance

Personal services	540,613
Operating expenses	<u>229,050</u>
Total	769,663
Source of funds	
Internal service funds	<u>769,663</u>
Total	769,663

Sec. B.103 Secretary of administration - general liability insurance

Personal services	589,805
Operating expenses	<u>67,265</u>
Total	657,070
Source of funds	
Internal service funds	<u>657,070</u>
Total	657,070

Sec. B.104 Secretary of administration - all other insurance

Personal services	16,891
Operating expenses	<u>15,284</u>
Total	32,175
Source of funds	
Internal service funds	<u>32,175</u>
Total	32,175

Sec. B.105 Agency of digital services - communications and information technology

Personal services	48,324,719
Operating expenses	<u>23,980,357</u>
Total	72,305,076
Source of funds	
General fund	179,238
Special funds	383,707
Internal service funds	<u>71,742,131</u>
Total	72,305,076

Sec. B.106 Finance and management - budget and management	
Personal services	1,425,403
Operating expenses	<u>207,736</u>
Total	1,633,139
Source of funds	
General fund	1,286,501
Internal service funds	<u>346,638</u>
Total	1,633,139
Sec. B.107 Finance and management - financial operations	
Personal services	2,210,271
Operating expenses	<u>651,353</u>
Total	2,861,624
Source of funds	
Internal service funds	<u>2,861,624</u>
Total	2,861,624
Sec. B.108 Human resources - operations	
Personal services	8,421,206
Operating expenses	<u>1,267,123</u>
Total	9,688,329
Source of funds	
General fund	1,978,207
Special funds	277,462
Internal service funds	6,552,186
Interdepartmental transfers	<u>880,474</u>
Total	9,688,329
Sec. B.108.1 Human resources - VTNR operations	
Personal services	1,785,852
Operating expenses	<u>728,786</u>
Total	2,514,638
Source of funds	
Internal service funds	<u>2,514,638</u>
Total	2,514,638
Sec. B.109 Human resources - employee benefits & wellness	
Personal services	1,022,285
Operating expenses	<u>587,816</u>
Total	1,610,101
Source of funds	

Internal service funds	<u>1,610,101</u>
Total	1,610,101
Sec. B.110 Libraries	
Personal services	1,990,435
Operating expenses	1,157,389
Grants	<u>245,400</u>
Total	3,393,224
Source of funds	
General fund	2,062,056
Special funds	116,031
Federal funds	1,116,678
Interdepartmental transfers	<u>98,459</u>
Total	3,393,224
Sec. B.111 Tax - administration/collection	
Personal services	15,677,138
Operating expenses	<u>5,511,905</u>
Total	21,189,043
Source of funds	
General fund	19,475,589
Special funds	1,570,888
Interdepartmental transfers	<u>142,566</u>
Total	21,189,043
Sec. B.112 Buildings and general services - administration	
Personal services	684,803
Operating expenses	<u>90,379</u>
Total	775,182
Source of funds	
Interdepartmental transfers	<u>775,182</u>
Total	775,182
Sec. B.113 Buildings and general services - engineering	
Personal services	2,702,937
Operating expenses	<u>880,486</u>
Total	3,583,423
Source of funds	
Interdepartmental transfers	<u>3,583,423</u>
Total	3,583,423
Sec. B.114 Buildings and general services - information centers	
Personal services	3,482,685

FRIDAY, MAY 24, 2019

1751

Operating expenses	1,608,448
Grants	<u>35,750</u>
Total	5,126,883
Source of funds	
General fund	648,931
Transportation fund	4,019,636
Special funds	<u>458,316</u>
Total	5,126,883
Sec. B.115 Buildings and general services - purchasing	
Personal services	1,060,809
Operating expenses	<u>186,998</u>
Total	1,247,807
Source of funds	
General fund	<u>1,247,807</u>
Total	1,247,807
Sec. B.116 Buildings and general services - postal services	
Personal services	766,740
Operating expenses	<u>120,077</u>
Total	886,817
Source of funds	
General fund	85,063
Internal service funds	<u>801,754</u>
Total	886,817
Sec. B.117 Buildings and general services - copy center	
Personal services	797,852
Operating expenses	<u>137,298</u>
Total	935,150
Source of funds	
Internal service funds	<u>935,150</u>
Total	935,150
Sec. B.118 Buildings and general services - fleet management services	
Personal services	735,645
Operating expenses	<u>208,836</u>
Total	944,481
Source of funds	
Internal service funds	<u>944,481</u>
Total	944,481

Sec. B.119 Buildings and general services - federal surplus property	
Personal services	14,945
Operating expenses	<u>8,107</u>
Total	23,052
Source of funds	
Enterprise funds	<u>23,052</u>
Total	23,052
Sec. B.120 Buildings and general services - state surplus property	
Personal services	190,580
Operating expenses	<u>121,866</u>
Total	312,446
Source of funds	
Internal service funds	<u>312,446</u>
Total	312,446
Sec. B.121 Buildings and general services - property management	
Personal services	1,342,177
Operating expenses	<u>457,542</u>
Total	1,799,719
Source of funds	
Internal service funds	<u>1,799,719</u>
Total	1,799,719
Sec. B.122 Buildings and general services - fee for space	
Personal services	16,518,501
Operating expenses	<u>14,082,725</u>
Total	30,601,226
Source of funds	
Internal service funds	<u>30,601,226</u>
Total	30,601,226
Sec. B.124 Executive office - governor's office	
Personal services	1,372,645
Operating expenses	<u>472,437</u>
Total	1,845,082
Source of funds	
General fund	1,658,582
Interdepartmental transfers	<u>186,500</u>
Total	1,845,082

Sec. B.125 Legislative council	
Personal services	4,317,739
Operating expenses	<u>866,574</u>
Total	5,184,313
Source of funds	
General fund	<u>5,184,313</u>
Total	5,184,313
Sec. B.126 Legislature	
Personal services	4,234,740
Operating expenses	<u>3,884,632</u>
Total	8,119,372
Source of funds	
General fund	<u>8,119,372</u>
Total	8,119,372
Sec. B.127 Joint fiscal committee	
Personal services	1,858,779
Operating expenses	<u>164,274</u>
Total	2,023,053
Source of funds	
General fund	<u>2,023,053</u>
Total	2,023,053
Sec. B.128 Sergeant at arms	
Personal services	785,233
Operating expenses	<u>77,971</u>
Total	863,204
Source of funds	
General fund	<u>863,204</u>
Total	863,204
Sec. B.129 Lieutenant governor	
Personal services	231,651
Operating expenses	<u>31,482</u>
Total	263,133
Source of funds	
General fund	<u>263,133</u>
Total	263,133
Sec. B.130 Auditor of accounts	
Personal services	3,477,063

Operating expenses	<u>157,985</u>
Total	3,635,048
Source of funds	
General fund	404,513
Special funds	53,145
Internal service funds	<u>3,177,390</u>
Total	3,635,048
Sec. B.131 State treasurer	
Personal services	3,848,234
Operating expenses	<u>222,299</u>
Total	4,070,533
Source of funds	
General fund	981,483
Special funds	2,968,779
Interdepartmental transfers	<u>120,271</u>
Total	4,070,533
Sec. B.132 State treasurer - unclaimed property	
Personal services	808,784
Operating expenses	<u>316,917</u>
Total	1,125,701
Source of funds	
Private purpose trust funds	<u>1,125,701</u>
Total	1,125,701
Sec. B.133 Vermont state retirement system	
Personal services	5,363,103
Operating expenses	<u>1,425,321</u>
Total	6,788,424
Source of funds	
Pension trust funds	<u>6,788,424</u>
Total	6,788,424
Sec. B.134 Municipal employees' retirement system	
Personal services	2,035,007
Operating expenses	<u>881,001</u>
Total	2,916,008
Source of funds	
Pension trust funds	<u>2,916,008</u>
Total	2,916,008

Sec. B.135 State labor relations board	
Personal services	218,630
Operating expenses	<u>50,179</u>
Total	268,809
Source of funds	
General fund	259,233
Special funds	6,788
Interdepartmental transfers	<u>2,788</u>
Total	268,809
Sec. B.136 VOSHA review board	
Personal services	79,740
Operating expenses	<u>12,610</u>
Total	92,350
Source of funds	
General fund	46,175
Interdepartmental transfers	<u>46,175</u>
Total	92,350
Sec. B.136.1 Ethics Commission	
Personal services	102,584
Operating expenses	<u>18,259</u>
Total	120,843
Source of funds	
Internal service funds	<u>120,843</u>
Total	120,843
Sec. B.137 Homeowner rebate	
Grants	<u>16,600,000</u>
Total	16,600,000
Source of funds	
General fund	<u>16,600,000</u>
Total	16,600,000
Sec. B.138 Renter rebate	
Grants	<u>9,500,000</u>
Total	9,500,000
Source of funds	
General fund	<u>9,500,000</u>
Total	9,500,000

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

Grants	<u>3,303,324</u>
Total	3,303,324
Source of funds	
General fund	<u>3,303,324</u>
Total	3,303,324

Sec. B.140 Municipal current use

Grants	<u>16,603,039</u>
Total	16,603,039
Source of funds	
General fund	<u>16,603,039</u>
Total	16,603,039

Sec. B.142 Payments in lieu of taxes

Grants	<u>8,750,000</u>
Total	8,750,000
Source of funds	
Special funds	<u>8,750,000</u>
Total	8,750,000

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

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

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

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

Sec. B.145 Total general government

Source of funds	
General fund	93,659,436
Transportation fund	4,019,636
Special funds	14,959,116
Federal funds	1,116,678
Internal service funds	125,854,235

FRIDAY, MAY 24, 2019

1757

Interdepartmental transfers	7,215,255
Enterprise funds	23,052
Pension trust funds	9,704,432
Private purpose trust funds	<u>1,125,701</u>
Total	257,677,541
Sec. B.200 Attorney general	
Personal services	10,353,687
Operating expenses	1,523,368
Grants	<u>26,500</u>
Total	11,903,555
Source of funds	
General fund	5,433,266
Special funds	2,015,281
Tobacco fund	348,000
Federal funds	1,256,355
Interdepartmental transfers	<u>2,850,653</u>
Total	11,903,555
Sec. B.201 Vermont court diversion	
Personal services	2,970,189
Grants	<u>185,294</u>
Total	3,155,483
Source of funds	
General fund	2,715,486
Special funds	<u>439,997</u>
Total	3,155,483
Sec. B.202 Defender general - public defense	
Personal services	11,968,678
Operating expenses	<u>1,107,989</u>
Total	13,076,667
Source of funds	
General fund	12,487,014
Special funds	<u>589,653</u>
Total	13,076,667
Sec. B.203 Defender general - assigned counsel	
Personal services	5,919,842
Operating expenses	<u>49,819</u>
Total	5,969,661
Source of funds	

General fund	<u>5,969,661</u>
Total	5,969,661
Sec. B.204 Judiciary	
Personal services	42,107,083
Operating expenses	9,655,475
Grants	<u>121,030</u>
Total	51,883,588
Source of funds	
General fund	45,651,954
Special funds	3,248,649
Federal funds	887,586
Interdepartmental transfers	<u>2,095,399</u>
Total	51,883,588
Sec. B.205 State's attorneys	
Personal services	13,730,084
Operating expenses	<u>1,803,114</u>
Total	15,533,198
Source of funds	
General fund	12,714,313
Special funds	121,240
Federal funds	31,000
Interdepartmental transfers	<u>2,666,645</u>
Total	15,533,198
Sec. B.206 Special investigative unit	
Personal services	85,000
Operating expenses	1,100
Grants	<u>1,913,000</u>
Total	1,999,100
Source of funds	
General fund	<u>1,999,100</u>
Total	1,999,100
Sec. B.207 Sheriffs	
Personal services	4,245,584
Operating expenses	<u>415,279</u>
Total	4,660,863
Source of funds	
General fund	<u>4,660,863</u>
Total	4,660,863

 Sec. B.208 Public safety - administration

Personal services	3,686,993
Operating expenses	4,724,924
Grants	<u>200,000</u>
Total	8,611,917
Source of funds	
General fund	4,431,288
Special funds	175,000
Federal funds	441,300
Interdepartmental transfers	<u>3,564,329</u>
Total	8,611,917

Sec. B.209 Public safety - state police

Personal services	56,917,271
Operating expenses	11,566,494
Grants	<u>1,302,805</u>
Total	69,786,570
Source of funds	
General fund	40,506,303
Transportation fund	20,250,000
Special funds	3,067,749
Federal funds	4,063,667
Interdepartmental transfers	<u>1,898,851</u>
Total	69,786,570

Sec. B.210 Public safety - criminal justice services

Personal services	4,365,847
Operating expenses	<u>1,477,904</u>
Total	5,843,751
Source of funds	
General fund	3,147,212
Special funds	1,930,649
Federal funds	<u>765,890</u>
Total	5,843,751

Sec. B.211 Public safety - emergency management

Personal services	2,764,385
Operating expenses	1,106,406
Grants	<u>5,111,905</u>
Total	8,982,696
Source of funds	

General fund	433,306
Special funds	230,000
Federal funds	<u>8,319,390</u>
Total	8,982,696
Sec. B.212 Public safety - fire safety	
Personal services	6,863,783
Operating expenses	3,383,347
Grants	<u>107,000</u>
Total	10,354,130
Source of funds	
General fund	477,905
Special funds	8,954,902
Federal funds	876,323
Interdepartmental transfers	<u>45,000</u>
Total	10,354,130
Sec. B.213 Public safety - Forensic Laboratory	
Personal services	3,097,286
Operating expenses	<u>1,134,268</u>
Total	4,231,554
Source of funds	
General fund	3,177,547
Special funds	78,555
Federal funds	414,702
Interdepartmental transfers	<u>560,750</u>
Total	4,231,554
Sec. B.215 Military - administration	
Personal services	767,401
Operating expenses	480,758
Grants	<u>1,426,718</u>
Total	2,674,877
Source of funds	
General fund	<u>2,674,877</u>
Total	2,674,877
Sec. B.216 Military - air service contract	
Personal services	6,024,812
Operating expenses	<u>937,929</u>
Total	6,962,741
Source of funds	
General fund	581,730

FRIDAY, MAY 24, 2019

1761

Federal funds	<u>6,381,011</u>
Total	6,962,741
Sec. B.217 Military - army service contract	
Personal services	8,692,642
Operating expenses	<u>6,093,050</u>
Total	14,785,692
Source of funds	
Federal funds	<u>14,785,692</u>
Total	14,785,692
Sec. B.218 Military - building maintenance	
Personal services	820,735
Operating expenses	<u>687,573</u>
Total	1,508,308
Source of funds	
General fund	1,448,308
Special funds	<u>60,000</u>
Total	1,508,308
Sec. B.219 Military - veterans' affairs	
Personal services	833,614
Operating expenses	173,955
Grants	<u>50,800</u>
Total	1,058,369
Source of funds	
General fund	811,151
Special funds	147,218
Federal funds	<u>100,000</u>
Total	1,058,369
Sec. B.220 Center for crime victim services	
Personal services	2,251,106
Operating expenses	756,995
Grants	<u>13,281,115</u>
Total	16,289,216
Source of funds	
General fund	1,264,158
Special funds	5,342,728
Federal funds	<u>9,682,330</u>
Total	16,289,216

Sec. B.221 Criminal justice training council

Personal services	1,294,952
Operating expenses	<u>1,397,689</u>
Total	2,692,641
Source of funds	
General fund	2,488,016
Interdepartmental transfers	<u>204,625</u>
Total	2,692,641

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

Personal services	1,475,369
Operating expenses	438,811
Grants	<u>210,972</u>
Total	2,125,152
Source of funds	
General fund	979,008
Special funds	714,922
Federal funds	<u>431,222</u>
Total	2,125,152

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

Personal services	4,296,689
Operating expenses	752,772
Grants	<u>2,750,000</u>
Total	7,799,461
Source of funds	
General fund	2,895,182
Special funds	3,644,093
Federal funds	1,253,186
Interdepartmental transfers	<u>7,000</u>
Total	7,799,461

Sec. B.224 Agriculture, food and markets - agricultural development

Personal services	1,717,913
Operating expenses	1,080,763
Grants	<u>1,394,875</u>
Total	4,193,551
Source of funds	
General fund	2,100,030
Special funds	688,828

Federal funds	<u>1,404,693</u>
Total	4,193,551
Sec. B.225 Agriculture, food and markets - agricultural resource management and environmental stewardship	
Personal services	2,446,869
Operating expenses	586,350
Grants	<u>223,334</u>
Total	3,256,553
Source of funds	
General fund	730,945
Special funds	1,816,068
Federal funds	454,022
Interdepartmental transfers	<u>255,518</u>
Total	3,256,553
Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and Environmental Lab	
Personal services	1,589,625
Operating expenses	<u>932,332</u>
Total	2,521,957
Source of funds	
General fund	921,265
Special funds	1,536,479
Interdepartmental transfers	<u>64,213</u>
Total	2,521,957
Sec. B.225.2 Agriculture, Food and Markets - Clean Water	
Personal services	2,909,421
Operating expenses	479,805
Grants	<u>3,117,000</u>
Total	6,506,226
Source of funds	
General fund	1,205,080
Special funds	4,820,618
Federal funds	93,097
Interdepartmental transfers	<u>387,431</u>
Total	6,506,226
Sec. B.226 Financial regulation - administration	
Personal services	1,949,236
Operating expenses	<u>467,013</u>
Total	2,416,249

Source of funds	
Special funds	<u>2,416,249</u>
Total	2,416,249
Sec. B.227 Financial regulation - banking	
Personal services	1,783,809
Operating expenses	<u>408,155</u>
Total	2,191,964
Source of funds	
Special funds	<u>2,191,964</u>
Total	2,191,964
Sec. B.228 Financial regulation - insurance	
Personal services	4,030,293
Operating expenses	<u>556,143</u>
Total	4,586,436
Source of funds	
Special funds	<u>4,586,436</u>
Total	4,586,436
Sec. B.229 Financial regulation - captive insurance	
Personal services	4,710,762
Operating expenses	<u>584,596</u>
Total	5,295,358
Source of funds	
Special funds	<u>5,295,358</u>
Total	5,295,358
Sec. B.230 Financial regulation - securities	
Personal services	949,284
Operating expenses	<u>234,192</u>
Total	1,183,476
Source of funds	
Special funds	<u>1,183,476</u>
Total	1,183,476
Sec. B.232 Secretary of state	
Personal services	10,521,639
Operating expenses	2,875,930
Grants	<u>150,000</u>
Total	13,547,569
Source of funds	
Special funds	11,394,045

Federal funds	<u>2,153,524</u>
Total	13,547,569
Sec. B.233 Public service - regulation and energy	
Personal services	10,723,409
Operating expenses	1,443,544
Grants	<u>2,767,237</u>
Total	14,934,190
Source of funds	
Special funds	13,407,207
Federal funds	532,983
ARRA funds	921,260
Interdepartmental transfers	50,000
Enterprise funds	<u>22,740</u>
Total	14,934,190
Sec. B.234 Public utility commission	
Personal services	3,285,568
Operating expenses	<u>471,932</u>
Total	3,757,500
Source of funds	
Special funds	<u>3,757,500</u>
Total	3,757,500
Sec. B.235 Enhanced 9-1-1 Board	
Personal services	3,803,802
Operating expenses	388,612
Grants	<u>720,000</u>
Total	4,912,414
Source of funds	
Special funds	<u>4,912,414</u>
Total	4,912,414
Sec. B.236 Human rights commission	
Personal services	627,615
Operating expenses	<u>75,932</u>
Total	703,547
Source of funds	
General fund	628,256
Federal funds	<u>75,291</u>
Total	703,547

Sec. B.236.1 Liquor & Lottery Comm. Office

Personal services	525,243
Operating expenses	<u>5,350</u>
Total	530,593
Source of funds	
Enterprise funds	<u>530,593</u>
Total	530,593

Sec. B.236.2 Lottery Operations

Personal services	1,733,694
Operating expenses	1,381,440
Grants	<u>100,000</u>
Total	3,215,134
Source of funds	
Enterprise funds	<u>3,215,134</u>
Total	3,215,134

Sec. B.237 Liquor control - administration

Personal services	2,743,126
Operating expenses	<u>1,120,841</u>
Total	3,863,967
Source of funds	
Enterprise funds	<u>3,863,967</u>
Total	3,863,967

Sec. B.238 Liquor control - enforcement and licensing

Personal services	2,238,782
Operating expenses	<u>453,153</u>
Total	2,691,935
Source of funds	
Tobacco fund	213,843
Federal funds	184,484
Interdepartmental transfers	5,000
Enterprise funds	<u>2,288,608</u>
Total	2,691,935

Sec. B.239 Liquor control - warehousing and distribution

Personal services	1,082,020
Operating expenses	<u>469,338</u>
Total	1,551,358
Source of funds	

Enterprise funds	<u>1,551,358</u>
Total	1,551,358
Sec. B.240 Total protection to persons and property	
Source of funds	
General fund	162,533,224
Transportation fund	20,250,000
Special funds	88,767,278
Tobacco fund	561,843
Federal funds	54,587,748
ARRA funds	921,260
Interdepartmental transfers	14,655,414
Enterprise funds	<u>11,472,400</u>
Total	353,749,167
Sec. B.300 Human services - agency of human services - secretary's office	
Personal services	11,177,461
Operating expenses	6,805,654
Grants	<u>2,895,202</u>
Total	20,878,317
Source of funds	
General fund	7,775,309
Special funds	135,517
Federal funds	11,555,036
Global Commitment fund	453,000
Interdepartmental transfers	<u>959,455</u>
Total	20,878,317
Sec. B.301 Secretary's office - global commitment	
Operating expenses	3,150,212
Grants	<u>1,631,994,544</u>
Total	1,635,144,756
Source of funds	
General fund	562,258,602
Special funds	34,969,169
Tobacco fund	21,049,373
State health care resources fund	16,915,501
Federal funds	984,584,332
Interdepartmental transfers	<u>15,367,779</u>
Total	1,635,144,756
Sec. B.303 Developmental disabilities council	
Personal services	366,501

Operating expenses	94,962
Grants	<u>191,595</u>
Total	653,058
Source of funds	
Special funds	12,000
Federal funds	<u>641,058</u>
Total	653,058
Sec. B.304 Human services board	
Personal services	718,478
Operating expenses	<u>87,620</u>
Total	806,098
Source of funds	
General fund	451,554
Federal funds	332,018
Interdepartmental transfers	<u>22,526</u>
Total	806,098
Sec. B.305 AHS - administrative fund	
Personal services	350,000
Operating expenses	<u>10,150,000</u>
Total	10,500,000
Source of funds	
Interdepartmental transfers	<u>10,500,000</u>
Total	10,500,000
Sec. B.306 Department of Vermont health access - administration	
Personal services	134,603,806
Operating expenses	29,905,859
Grants	<u>7,314,723</u>
Total	171,824,388
Source of funds	
General fund	29,222,317
Special funds	6,096,108
Federal funds	124,749,165
Global Commitment fund	4,214,196
Interdepartmental transfers	<u>7,542,602</u>
Total	171,824,388
Sec. B.307 Department of Vermont health access - Medicaid program - global commitment	
Personal services	547,983
Grants	<u>737,800,525</u>

Total	738,348,508
Source of funds	
Global Commitment fund	<u>738,348,508</u>
Total	738,348,508
Sec. B.308 Department of Vermont health access - Medicaid program - long term care waiver	
Grants	<u>213,712,634</u>
Total	213,712,634
Source of funds	
Global Commitment fund	<u>213,712,634</u>
Total	213,712,634
Sec. B.309 Department of Vermont health access - Medicaid program - state only	
Grants	<u>49,211,558</u>
Total	49,211,558
Source of funds	
General fund	37,605,920
Global Commitment fund	<u>11,605,638</u>
Total	49,211,558
Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched	
Grants	<u>32,435,074</u>
Total	32,435,074
Source of funds	
General fund	11,425,047
Federal funds	<u>21,010,027</u>
Total	32,435,074
Sec. B.311 Health - administration and support	
Personal services	5,464,580
Operating expenses	5,852,063
Grants	<u>4,040,881</u>
Total	15,357,524
Source of funds	
General fund	2,867,817
Special funds	1,824,499
Federal funds	7,063,414
Global Commitment fund	3,510,576
Interdepartmental transfers	<u>91,218</u>
Total	15,357,524

Sec. B.312 Health - public health

Personal services	44,859,249
Operating expenses	8,623,418
Grants	<u>36,469,334</u>
Total	89,952,001
Source of funds	
General fund	10,159,167
Special funds	18,230,647
Tobacco fund	1,088,918
Federal funds	46,234,807
Global Commitment fund	13,068,355
Interdepartmental transfers	1,145,107
Permanent trust funds	<u>25,000</u>
Total	89,952,001

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

Personal services	4,363,807
Operating expenses	255,634
Grants	<u>51,538,398</u>
Total	56,157,839
Source of funds	
General fund	1,946,686
Special funds	1,170,177
Tobacco fund	949,917
Federal funds	17,574,970
Global Commitment fund	<u>34,516,089</u>
Total	56,157,839

Sec. B.314 Mental health - mental health

Personal services	32,082,652
Operating expenses	4,434,083
Grants	<u>234,801,390</u>
Total	271,318,125
Source of funds	
General fund	7,694,909
Special funds	1,184,904
Federal funds	9,132,390
Global Commitment fund	253,232,674
Interdepartmental transfers	<u>73,248</u>
Total	271,318,125

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

Personal services	41,876,642
Operating expenses	11,526,385
Grants	<u>1,342,620</u>
Total	54,745,647
Source of funds	
General fund	25,920,417
Special funds	2,706,557
Federal funds	23,918,495
Global Commitment fund	1,981,083
Interdepartmental transfers	<u>219,095</u>
Total	54,745,647

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

Personal services	37,615,510
Operating expenses	4,931,546
Grants	<u>78,289,704</u>
Total	120,836,760
Source of funds	
General fund	43,958,383
Special funds	877,587
Federal funds	27,412,577
Global Commitment fund	48,476,324
Interdepartmental transfers	<u>111,889</u>
Total	120,836,760

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

Personal services	4,718,950
Operating expenses	850,728
Grants	<u>79,671,975</u>
Total	85,241,653
Source of funds	
General fund	39,136,315
Special funds	1,820,000
Federal funds	33,144,045
Global Commitment fund	11,118,793
Interdepartmental transfers	<u>22,500</u>
Total	85,241,653

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

Personal services	10,805,408
-------------------	------------

Operating expenses	<u>3,679,303</u>
Total	14,484,711
Source of funds	
General fund	4,306,156
Special funds	455,719
Federal funds	9,335,236
Interdepartmental transfers	<u>387,600</u>
Total	14,484,711
Sec. B.320 Department for children and families - aid to aged, blind and disabled	
Personal services	2,252,206
Grants	<u>10,298,023</u>
Total	12,550,229
Source of funds	
General fund	8,649,899
Global Commitment fund	<u>3,900,330</u>
Total	12,550,229
Sec. B.321 Department for children and families - general assistance	
Personal services	15,000
Grants	<u>7,112,360</u>
Total	7,127,360
Source of funds	
General fund	6,730,025
Federal funds	111,320
Global Commitment fund	<u>286,015</u>
Total	7,127,360
Sec. B.322 Department for children and families - 3SquaresVT	
Grants	<u>29,827,906</u>
Total	29,827,906
Source of funds	
Federal funds	<u>29,827,906</u>
Total	29,827,906
Sec. B.323 Department for children and families - reach up	
Operating expenses	51,517
Grants	<u>31,639,481</u>
Total	31,690,998
Source of funds	
General fund	5,473,872
Special funds	21,079,984

Federal funds	2,455,524
Global Commitment fund	<u>2,681,618</u>
Total	31,690,998
Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP	
Grants	<u>16,019,953</u>
Total	16,019,953
Source of funds	
Special funds	1,259,217
Federal funds	<u>14,760,736</u>
Total	16,019,953
Sec. B.325 Department for children and families - office of economic opportunity	
Personal services	522,340
Operating expenses	43,673
Grants	<u>9,809,823</u>
Total	10,375,836
Source of funds	
General fund	5,065,004
Special funds	57,990
Federal funds	4,423,154
Global Commitment fund	<u>829,688</u>
Total	10,375,836
Sec. B.326 Department for children and families - OEO - weatherization assistance	
Personal services	326,525
Operating expenses	44,525
Grants	<u>12,038,018</u>
Total	12,409,068
Source of funds	
Special funds	7,812,978
Federal funds	<u>4,596,090</u>
Total	12,409,068
Sec. B.327 Department for children and families - Woodside rehabilitation center	
Personal services	5,164,274
Operating expenses	<u>715,868</u>
Total	5,880,142
Source of funds	

General fund	5,783,142
Interdepartmental transfers	<u>97,000</u>
Total	5,880,142
Sec. B.328 Department for children and families - disability determination services	
Personal services	6,276,032
Operating expenses	<u>419,984</u>
Total	6,696,016
Source of funds	
General fund	107,003
Federal funds	<u>6,589,013</u>
Total	6,696,016
Sec. B.329 Disabilities, aging, and independent living - administration & support	
Personal services	32,686,936
Operating expenses	<u>5,723,801</u>
Total	38,410,737
Source of funds	
General fund	17,049,356
Special funds	1,390,457
Federal funds	18,904,640
Interdepartmental transfers	<u>1,066,284</u>
Total	38,410,737
Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants	
Grants	<u>19,611,505</u>
Total	19,611,505
Source of funds	
General fund	7,623,375
Federal funds	7,148,466
Global Commitment fund	<u>4,839,664</u>
Total	19,611,505
Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired	
Grants	<u>1,661,457</u>
Total	1,661,457
Source of funds	
General fund	389,154
Special funds	223,450

Federal funds	743,853
Global Commitment fund	<u>305,000</u>
Total	1,661,457
Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation	
Grants	<u>7,024,368</u>
Total	7,024,368
Source of funds	
General fund	1,371,845
Federal funds	4,402,523
Interdepartmental transfers	<u>1,250,000</u>
Total	7,024,368
Sec. B.333 Disabilities, aging, and independent living - developmental services	
Grants	<u>232,748,868</u>
Total	232,748,868
Source of funds	
General fund	155,125
Special funds	15,463
Federal funds	359,857
Global Commitment fund	232,173,423
Interdepartmental transfers	<u>45,000</u>
Total	232,748,868
Sec. B.334 Disabilities, aging, and independent living - TBI home and community based waiver	
Grants	<u>5,788,057</u>
Total	5,788,057
Source of funds	
Global Commitment fund	<u>5,788,057</u>
Total	5,788,057
Sec. B.335 Corrections - administration	
Personal services	3,108,496
Operating expenses	<u>238,644</u>
Total	3,347,140
Source of funds	
General fund	<u>3,347,140</u>
Total	3,347,140
Sec. B.336 Corrections - parole board	
Personal services	333,919

Operating expenses	<u>81,081</u>
Total	415,000
Source of funds	
General fund	<u>415,000</u>
Total	415,000
Sec. B.337 Corrections - correctional education	
Personal services	3,366,460
Operating expenses	<u>244,932</u>
Total	3,611,392
Source of funds	
General fund	3,462,608
Interdepartmental transfers	<u>148,784</u>
Total	3,611,392
Sec. B.338 Corrections - correctional services	
Personal services	113,866,882
Operating expenses	21,526,975
Grants	<u>8,474,287</u>
Total	143,868,144
Source of funds	
General fund	137,048,955
Special funds	929,963
Federal funds	479,209
Global Commitment fund	5,013,702
Interdepartmental transfers	<u>396,315</u>
Total	143,868,144
Sec. B.339 Corrections - Correctional services-out of state beds	
Personal services	<u>6,226,759</u>
Total	6,226,759
Source of funds	
General fund	<u>6,226,759</u>
Total	6,226,759
Sec. B.340 Corrections - correctional facilities - recreation	
Personal services	391,140
Operating expenses	<u>455,845</u>
Total	846,985
Source of funds	
Special funds	<u>846,985</u>
Total	846,985

Sec. B.341 Corrections - Vermont offender work program	
Personal services	1,509,826
Operating expenses	<u>525,784</u>
Total	2,035,610
Source of funds	
Internal service funds	<u>2,035,610</u>
Total	2,035,610
Sec. B.342 Vermont veterans' home - care and support services	
Personal services	20,371,013
Operating expenses	<u>5,019,422</u>
Total	25,390,435
Source of funds	
General fund	345,783
Special funds	15,990,205
Federal funds	<u>9,054,447</u>
Total	25,390,435
Sec. B.343 Commission on women	
Personal services	333,046
Operating expenses	<u>60,085</u>
Total	393,131
Source of funds	
General fund	390,631
Special funds	<u>2,500</u>
Total	393,131
Sec. B.344 Retired senior volunteer program	
Grants	<u>151,096</u>
Total	151,096
Source of funds	
General fund	<u>151,096</u>
Total	151,096
Sec. B.345 Green Mountain Care Board	
Personal services	7,620,589
Operating expenses	<u>360,199</u>
Total	7,980,788
Source of funds	
General fund	3,192,315
Special funds	<u>4,788,473</u>
Total	7,980,788

Sec. B.346 Total human services

Source of funds	
General fund	997,706,686
Special funds	123,880,549
Tobacco fund	23,088,208
State health care resources fund	16,915,501
Federal funds	1,420,544,308
Global Commitment fund	1,590,055,367
Internal service funds	2,035,610
Interdepartmental transfers	39,446,402
Permanent trust funds	<u>25,000</u>
Total	4,213,697,631

Sec. B.400 Labor - programs

Personal services	29,542,710
Operating expenses	10,454,244
Grants	<u>4,575,300</u>
Total	44,572,254
Source of funds	
General fund	4,569,407
Special funds	7,049,772
Federal funds	31,540,700
Interdepartmental transfers	<u>1,412,375</u>
Total	44,572,254

Sec. B.401 Total labor

Source of funds	
General fund	4,569,407
Special funds	7,049,772
Federal funds	31,540,700
Interdepartmental transfers	<u>1,412,375</u>
Total	44,572,254

Sec. B.500 Education - finance and administration

Personal services	7,196,440
Operating expenses	3,695,315
Grants	<u>14,270,700</u>
Total	25,162,455
Source of funds	
General fund	3,747,829
Special funds	15,218,303
Education fund	3,367,483

Federal funds	2,199,952
Global Commitment fund	260,000
Interdepartmental transfers	<u>368,888</u>
Total	25,162,455
Sec. B.501 Education - education services	
Personal services	18,270,055
Operating expenses	1,405,450
Grants	<u>119,396,536</u>
Total	139,072,041
Source of funds	
General fund	6,384,982
Special funds	3,414,114
Tobacco fund	750,388
Federal funds	<u>128,522,557</u>
Total	139,072,041
Sec. B.502 Education - special education: formula grants	
Grants	<u>212,956,000</u>
Total	212,956,000
Source of funds	
Education fund	<u>212,956,000</u>
Total	212,956,000
Sec. B.503 Education - state-placed students	
Grants	<u>18,000,000</u>
Total	18,000,000
Source of funds	
Education fund	<u>18,000,000</u>
Total	18,000,000
Sec. B.504 Education - adult education and literacy	
Grants	<u>4,371,050</u>
Total	4,371,050
Source of funds	
General fund	3,605,000
Federal funds	<u>766,050</u>
Total	4,371,050
Sec. B.504.1 Education - Flexible Pathways	
Grants	<u>8,599,000</u>
Total	8,599,000
Source of funds	

General fund	892,500
Education fund	<u>7,706,500</u>
Total	8,599,000
Sec. B.505 Education - adjusted education payment	
Grants	<u>1,428,800,000</u>
Total	1,428,800,000
Source of funds	
Education fund	<u>1,428,800,000</u>
Total	1,428,800,000
Sec. B.506 Education - transportation	
Grants	<u>19,800,000</u>
Total	19,800,000
Source of funds	
Education fund	<u>19,800,000</u>
Total	19,800,000
Sec. B.507 Education - small school grants	
Grants	<u>8,400,000</u>
Total	8,400,000
Source of funds	
Education fund	<u>8,400,000</u>
Total	8,400,000
Sec. B.510 Education - essential early education grant	
Grants	<u>6,808,000</u>
Total	6,808,000
Source of funds	
Education fund	<u>6,808,000</u>
Total	6,808,000
Sec. B.511 Education - technical education	
Grants	<u>14,150,000</u>
Total	14,150,000
Source of funds	
Education fund	<u>14,150,000</u>
Total	14,150,000
Sec. B.511.1 State Board of Education	
Personal services	25,000
Operating expenses	<u>55,845</u>
Total	80,845

Source of funds	
General fund	<u>80,845</u>
Total	80,845
Sec. B.514 State teachers' retirement system	
Grants	<u>120,247,389</u>
Total	120,247,389
Source of funds	
General fund	113,466,168
Education fund	<u>6,781,221</u>
Total	120,247,389
Sec. B.514.1 State teachers' retirement system administration	
Personal services	5,305,211
Operating expenses	<u>1,673,583</u>
Total	6,978,794
Source of funds	
Pension trust funds	<u>6,978,794</u>
Total	6,978,794
Sec. B.515 Retired teachers' health care and medical benefits	
Grants	<u>31,067,652</u>
Total	31,067,652
Source of funds	
General fund	<u>31,067,652</u>
Total	31,067,652
Sec. B.516 Total general education	
Source of funds	
General fund	159,244,976
Special funds	18,632,417
Tobacco fund	750,388
Education fund	1,726,769,204
Federal funds	131,488,559
Global Commitment fund	260,000
Interdepartmental transfers	368,888
Pension trust funds	<u>6,978,794</u>
Total	2,044,493,226
Sec. B.600 University of Vermont	
Grants	<u>42,509,093</u>
Total	42,509,093
Source of funds	

General fund	40,485,359
Global Commitment fund	<u>2,023,734</u>
Total	42,509,093
Sec. B.602 Vermont state colleges	
Grants	<u>29,800,464</u>
Total	29,800,464
Source of funds	
General fund	<u>29,800,464</u>
Total	29,800,464
Sec. B.602.1 Vermont state colleges - Supplemental Aid	
Grants	<u>700,000</u>
Total	700,000
Source of funds	
General fund	<u>700,000</u>
Total	700,000
Sec. B.603 Vermont state colleges - allied health	
Grants	<u>1,157,775</u>
Total	1,157,775
Source of funds	
General fund	748,314
Global Commitment fund	<u>409,461</u>
Total	1,157,775
Sec. B.605 Vermont student assistance corporation	
Grants	<u>19,978,588</u>
Total	19,978,588
Source of funds	
General fund	<u>19,978,588</u>
Total	19,978,588
Sec. B.606 New England higher education compact	
Grants	<u>84,000</u>
Total	84,000
Source of funds	
General fund	<u>84,000</u>
Total	84,000
Sec. B.607 University of Vermont - Morgan Horse Farm	
Grants	<u>1</u>
Total	1

Source of funds	
General fund	<u>1</u>
Total	1
Sec. B.608 Total higher education	
Source of funds	
General fund	91,796,726
Global Commitment fund	<u>2,433,195</u>
Total	94,229,921
Sec. B.700 Natural resources - agency of natural resources - administration	
Personal services	2,302,597
Operating expenses	1,079,841
Grants	<u>19,960</u>
Total	3,402,398
Source of funds	
General fund	2,720,669
Special funds	581,818
Interdepartmental transfers	<u>99,911</u>
Total	3,402,398
Sec. B.701 Natural resources - state land local property tax assessment	
Operating expenses	<u>2,561,955</u>
Total	2,561,955
Source of funds	
General fund	2,140,455
Interdepartmental transfers	<u>421,500</u>
Total	2,561,955
Sec. B.702 Fish and wildlife - support and field services	
Personal services	17,806,224
Operating expenses	5,476,943
Grants	<u>1,118,313</u>
Total	24,401,480
Source of funds	
General fund	6,088,870
Special funds	166,892
Fish and wildlife fund	9,236,567
Federal funds	8,789,226
Interdepartmental transfers	<u>119,925</u>
Total	24,401,480

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

Personal services	957,931
Operating expenses	<u>994,054</u>
Total	1,951,985
Source of funds	
General fund	<u>1,951,985</u>
Total	1,951,985

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

Personal services	5,879,782
Operating expenses	796,027
Grants	<u>459,000</u>
Total	7,134,809
Source of funds	
General fund	4,873,880
Special funds	412,999
Federal funds	1,487,097
Interdepartmental transfers	<u>360,833</u>
Total	7,134,809

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

Personal services	8,900,714
Operating expenses	<u>2,563,470</u>
Total	11,464,184
Source of funds	
General fund	292,679
Special funds	11,111,505
Permanent trust funds	<u>60,000</u>
Total	11,464,184

Sec. B.706 Forests, parks and recreation - lands administration and recreation

Personal services	1,346,739
Operating expenses	1,384,647
Grants	<u>2,600,914</u>
Total	5,332,300
Source of funds	
General fund	853,114
Special funds	2,020,151
Federal funds	2,336,535
Interdepartmental transfers	<u>122,500</u>
Total	5,332,300

 Sec. B.708 Forests, parks and recreation - forest and parks access roads

Personal services	65,425
Operating expenses	<u>114,500</u>
Total	179,925
Source of funds	
General fund	<u>179,925</u>
Total	179,925

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

Personal services	6,617,612
Operating expenses	3,781,860
Grants	<u>150,000</u>
Total	10,549,472
Source of funds	
General fund	1,451,231
Special funds	572,936
Federal funds	809,608
Interdepartmental transfers	<u>7,715,697</u>
Total	10,549,472

Sec. B.710 Environmental conservation - air and waste management

Personal services	19,437,340
Operating expenses	8,660,985
Grants	<u>5,076,000</u>
Total	33,174,325
Source of funds	
General fund	424,736
Special funds	22,886,187
Federal funds	9,613,852
Interdepartmental transfers	<u>249,550</u>
Total	33,174,325

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

Personal services	21,732,819
Operating expenses	6,821,783
Grants	<u>32,104,881</u>
Total	60,659,483
Source of funds	
General fund	7,994,351
Special funds	19,641,195
Federal funds	31,935,599

Interdepartmental transfers	<u>1,088,338</u>
Total	60,659,483
Sec. B.713 Natural resources board	
Personal services	2,752,876
Operating expenses	<u>530,151</u>
Total	3,283,027
Source of funds	
General fund	637,074
Special funds	<u>2,645,953</u>
Total	3,283,027
Sec. B.714 Total natural resources	
Source of funds	
General fund	29,608,969
Special funds	60,039,636
Fish and wildlife fund	9,236,567
Federal funds	54,971,917
Interdepartmental transfers	10,178,254
Permanent trust funds	<u>60,000</u>
Total	164,095,343
Sec. B.800 Commerce and community development - agency of commerce and community development - administration	
Personal services	2,013,794
Operating expenses	1,331,369
Grants	<u>352,627</u>
Total	3,697,790
Source of funds	
General fund	3,677,790
Interdepartmental transfers	<u>20,000</u>
Total	3,697,790
Sec. B.801 Economic development	
Personal services	4,027,032
Operating expenses	1,102,979
Grants	<u>5,211,099</u>
Total	10,341,110
Source of funds	
General fund	4,942,394
Special funds	1,645,350
Federal funds	3,708,366

Interdepartmental transfers	<u>45,000</u>
Total	10,341,110
Sec. B.802 Housing & community development	
Personal services	3,723,802
Operating expenses	779,039
Grants	<u>11,773,050</u>
Total	16,275,891
Source of funds	
General fund	2,753,913
Special funds	5,185,233
Federal funds	7,883,744
Interdepartmental transfers	<u>453,001</u>
Total	16,275,891
Sec. B.806 Tourism and marketing	
Personal services	1,321,226
Operating expenses	1,644,599
Grants	<u>121,880</u>
Total	3,087,705
Source of funds	
General fund	3,083,118
Interdepartmental transfers	<u>4,587</u>
Total	3,087,705
Sec. B.808 Vermont council on the arts	
Grants	<u>718,589</u>
Total	718,589
Source of funds	
General fund	<u>718,589</u>
Total	718,589
Sec. B.809 Vermont symphony orchestra	
Grants	<u>141,214</u>
Total	141,214
Source of funds	
General fund	<u>141,214</u>
Total	141,214
Sec. B.810 Vermont historical society	
Grants	<u>984,956</u>
Total	984,956
Source of funds	

General fund	<u>984,956</u>
Total	984,956
Sec. B.811 Vermont housing and conservation board	
Grants	<u>30,886,467</u>
Total	30,886,467
Source of funds	
Special funds	11,900,243
Federal funds	<u>18,986,224</u>
Total	30,886,467
Sec. B.812 Vermont humanities council	
Grants	<u>217,959</u>
Total	217,959
Source of funds	
General fund	<u>217,959</u>
Total	217,959
Sec. B.813 Total commerce and community development	
Source of funds	
General fund	16,519,933
Special funds	18,730,826
Federal funds	30,578,334
Interdepartmental transfers	<u>522,588</u>
Total	66,351,681
Sec. B.900 Transportation - finance and administration	
Personal services	12,544,062
Operating expenses	2,898,007
Grants	<u>55,000</u>
Total	15,497,069
Source of funds	
Transportation fund	14,625,869
Federal funds	<u>871,200</u>
Total	15,497,069
Sec. B.901 Transportation - aviation	
Personal services	3,714,895
Operating expenses	5,298,065
Grants	<u>231,676</u>
Total	9,244,636
Source of funds	
Transportation fund	4,749,136

FRIDAY, MAY 24, 2019

1789

Federal funds	<u>4,495,500</u>
Total	9,244,636
Sec. B.902 Transportation - buildings	
Operating expenses	<u>907,746</u>
Total	907,746
Source of funds	
Transportation fund	<u>907,746</u>
Total	907,746
Sec. B.903 Transportation - program development	
Personal services	53,367,048
Operating expenses	217,771,750
Grants	<u>27,258,553</u>
Total	298,397,351
Source of funds	
Transportation fund	41,894,979
TIB fund	11,835,572
Federal funds	244,272,581
Interdepartmental transfers	191,790
Local match	<u>202,429</u>
Total	298,397,351
Sec. B.904 Transportation - rest areas construction	
Personal services	40,000
Operating expenses	<u>639,706</u>
Total	679,706
Source of funds	
Transportation fund	99,280
Federal funds	<u>580,426</u>
Total	679,706
Sec. B.905 Transportation - maintenance state system	
Personal services	45,218,248
Operating expenses	48,430,691
Grants	<u>365,000</u>
Total	94,013,939
Source of funds	
Transportation fund	91,136,152
Federal funds	2,777,787
Interdepartmental transfers	<u>100,000</u>
Total	94,013,939

 Sec. B.906 Transportation - policy and planning

Personal services	4,281,699
Operating expenses	894,939
Grants	<u>6,015,583</u>
Total	11,192,221

Source of funds

Transportation fund	2,921,480
Federal funds	8,238,741
Interdepartmental transfers	<u>32,000</u>
Total	11,192,221

Sec. B.907 Transportation - rail

Personal services	5,252,055
Operating expenses	<u>29,683,296</u>
Total	34,935,351

Source of funds

Transportation fund	18,237,032
TIB fund	760,000
Federal funds	15,019,569
Interdepartmental transfers	<u>918,750</u>
Total	34,935,351

Sec. B.908 Transportation - public transit

Personal services	1,526,070
Operating expenses	165,372
Grants	<u>32,132,957</u>
Total	33,824,399

Source of funds

Transportation fund	8,056,111
Federal funds	<u>25,768,288</u>
Total	33,824,399

Sec. B.909 Transportation - central garage

Personal services	4,530,648
Operating expenses	<u>15,581,390</u>
Total	20,112,038

Source of funds

Internal service funds	<u>20,112,038</u>
Total	20,112,038

Sec. B.910 Department of motor vehicles

Personal services	21,561,929
-------------------	------------

Operating expenses	<u>11,588,772</u>
Total	33,150,701
Source of funds	
Transportation fund	31,657,492
Federal funds	1,345,934
Interdepartmental transfers	<u>147,275</u>
Total	33,150,701
Sec. B.911 Transportation - town highway structures	
Grants	<u>6,333,500</u>
Total	6,333,500
Source of funds	
Transportation fund	<u>6,333,500</u>
Total	6,333,500
Sec. B.912 Transportation - town highway local technical assistance program	
Personal services	357,757
Operating expenses	<u>48,550</u>
Total	406,307
Source of funds	
Transportation fund	106,307
Federal funds	<u>300,000</u>
Total	406,307
Sec. B.913 Transportation - town highway class 2 roadway	
Grants	<u>7,648,750</u>
Total	7,648,750
Source of funds	
Transportation fund	<u>7,648,750</u>
Total	7,648,750
Sec. B.914 Transportation - town highway bridges	
Personal services	3,239,423
Operating expenses	10,143,100
Grants	<u>451,328</u>
Total	13,833,851
Source of funds	
Transportation fund	1,304,648
TIB fund	701,815
Federal funds	10,887,721
Local match	<u>939,667</u>
Total	13,833,851

Sec. B.915 Transportation - town highway aid program

Grants	<u>26,017,744</u>
Total	26,017,744
Source of funds	
Transportation fund	<u>26,017,744</u>
Total	26,017,744

Sec. B.916 Transportation - town highway class 1 supplemental grants

Grants	<u>128,750</u>
Total	128,750
Source of funds	
Transportation fund	<u>128,750</u>
Total	128,750

Sec. B.917 Transportation - town highway: state aid for nonfederal disasters

Grants	<u>1,150,000</u>
Total	1,150,000
Source of funds	
Transportation fund	<u>1,150,000</u>
Total	1,150,000

Sec. B.918 Transportation - town highway: state aid for federal disasters

Grants	<u>180,000</u>
Total	180,000
Source of funds	
Transportation fund	20,000
Federal funds	<u>160,000</u>
Total	180,000

Sec. B.919 Transportation - municipal mitigation assistance program

Operating expenses	204,000
Grants	<u>2,694,000</u>
Total	2,898,000
Source of funds	
Transportation fund	700,000
Special funds	770,000
Federal funds	<u>1,428,000</u>
Total	2,898,000

Sec. B.920 Transportation - public assistance grant program

Operating expenses	500,000
Grants	<u>3,640,000</u>

FRIDAY, MAY 24, 2019

1793

Total	4,140,000
Source of funds	
Transportation fund	100,000
Special funds	640,000
Federal funds	3,000,000
Interdepartmental transfers	<u>400,000</u>
Total	4,140,000
Sec. B.921 Transportation board	
Personal services	246,347
Operating expenses	<u>35,844</u>
Total	282,191
Source of funds	
Transportation fund	<u>282,191</u>
Total	282,191
Sec. B.922 Total transportation	
Source of funds	
Transportation fund	258,077,167
TIB fund	13,297,387
Special funds	1,410,000
Federal funds	319,145,747
Internal service funds	20,112,038
Interdepartmental transfers	1,789,815
Local match	<u>1,142,096</u>
Total	614,974,250
Sec. B.1000 Debt service	
Operating expenses	<u>82,215,729</u>
Total	82,215,729
Source of funds	
General fund	78,088,324
Transportation fund	560,231
ARRA funds	1,069,511
TIB debt service fund	<u>2,497,663</u>
Total	82,215,729
Sec. B.1001 Total debt service	
Source of funds	
General fund	78,088,324
Transportation fund	560,231
ARRA funds	1,069,511

TIB debt service fund	<u>2,497,663</u>
Total	82,215,729

Sec. B.1100 [Deleted.]

Sec. B.1100.1 [Deleted.]

Sec. B.1101 [Deleted.]

Sec. B.1102 [Deleted.]

Sec. B.1103 [Deleted.]

Sec. C.100 FISCAL YEAR 2019 ONE-TIME APPROPRIATIONS

(a) In fiscal year 2019, funds are appropriated from the General Fund and shall be carried forward as follows:

(1) To the Agency of Digital Services: \$500,000 of which \$200,000 is allocated for network device upgrades to enhance network safety and \$300,000 is allocated for a network assessment.

(2) To the Department of Buildings and General Services: \$500,000 for the purpose of installing electric vehicle charging stations at State facilities and to support the purchase of fully electric vehicles for the State motor pool.

(3) To the Legislature: \$20,000 to hire consultant services for upgrades to the legislature's software program's appointment database.

(4) To the State Treasurer: \$65,000 for a pension group membership study.

(5) To the Agency of Agriculture, Food and Markets: \$75,000 for a grant to the Vermont Housing and Conservation Board for federal rural development grant writing assistance in fiscal year 2020.

(6) To the Agency of Agriculture, Food and Markets: \$1,000,000 for grants to be awarded through the Vermont Working Lands program, pursuant to 6 V.S.A. chapter 207, subchapter 2, of which \$500,000 is allocated for grants to dairy farms to provide assistance to:

(A) diversify agricultural and value-added products produced on the farm; or

(B) implement agricultural practices that improve soil health and improve water quality.

(7) To the Agency of Agriculture, Food and Markets: \$50,000 for mosquito control, pursuant to 6 V.S.A. chapter 211.

(8) To the Agency of Agriculture, Food and Markets: \$50,000 for Farm to School nutrition initiatives.

(9) To the Agency of Human Services: \$100,000 for the study required in Sec. 12 of H.524 of 2019.

(10) To the Agency of Human Services: \$1,500,000 to fund grants for the development of an electronic medical/health records system for the State's Designated Agency system.

(A) Vermont Care Partners and the Agency of Human Services shall present a plan for review and approval by the Joint Fiscal Committee at its July 2019 meeting. The plan shall summarize the development and implementation of the system and demonstrate that this project will support the goals set forth in the statewide Health Information Technology (HIT) Plan (defined in 18 V.S.A. § 9351) and meet, at a minimum, the connectivity requirements set forth in the statewide HIT plan and the requirements of the Centers for Medicaid Services (CMS). The plan shall support current payment reform initiatives and include the projected project timeline and total budget including the allocation of this appropriation. No funds shall be released prior to review and approval by the Joint Fiscal Committee.

(11) To the Department of Health for the Vermont Recovery Network: \$240,000 to be equally divided and granted directly to each of the 12 individual Recovery Centers.

(12) To the Department of Mental Health: \$60,000 for a grant to the Copeland Center for peer support services.

(13) To the Department of Mental Health: \$375,000 to provide one-time grant funding to Critical Access Hospitals, Brattleboro Memorial Hospital, and Northwest Medical Center to build capacity to provide supervision in their Emergency Departments for people under the care and custody of the Commissioner of Mental Health to ensure the safety of patients and hospital staff within compliance with federal regulations. The Department of Mental Health will monitor grantees use of these funds to ensure utilization follows best practices related to patient safety and supervision. Grant funding will be allocated based upon historic utilization trends within available funding.

(14) To the Department for Children and Families: \$500,000 to fund LIHEAP administration for one year as the Department transitions to lower cost methods for administering this program. The Department shall evaluate the allocation methodology of the program and whether it is being administered efficiently.

(15) To the Department for Children and Families, Office of Economic Opportunity: \$100,000 for pass-through grants to the Community Action

Agencies to provide funding for the regional Microbusiness Development Programs pursuant to 3 V.S.A. § 3722.

(16) To the Department for Children and Families: \$1,000,000 for grants to the Parent Child Centers for infrastructure improvements.

(A) the Department shall report to the General Assembly on the use of these grant funds, including the recipients, grant amount and infrastructure projects.

(17) To the Department for Children and Families: \$1,000,000 to the Child Development Division to begin implementation of the plan established pursuant to Sec. E.318.4 of this act regarding information systems.

(18) To the Department for Children and Families: \$600,000 to the Child Development Division for the following:

(A) \$300,000 to facilitate the implementation of the Council for Professional Regulation's Child Development Associate Credential curriculum in technical centers throughout the State. Any unused funds appropriated pursuant to this section shall be reserved to fund grants set forth in Sec. E.318.6 of this act for students who completed the Child Development Associate Credential at a Vermont technical center.

(B) \$300,000 for grants for incentivizing child care professionals consistent with Sec. E.318.5 of this act.

(19) To the Department for Children and Families, Woodside Rehabilitation Center: \$260,000 for costs associated with transitioning from a treatment facility to a detention facility.

(20) To the Department for Children and Families, Office of Economic Opportunity, Weatherization Assistance for bridge funding: \$1,300,000.

(21) To the Department of Disabilities, Aging and Independent Living: \$750,000. These funds shall be matched with federal Medicaid funds and expended in equal amounts over fiscal years 2020 through 2022. In each year these funds shall be for the statewide administration of the Support and Services at Home (SASH) program. The intent is for this portion of statewide administration funding to transition to the statewide ACO as additional Medicare covered lives are attributed to the ACO during this three-year period. These funds are in addition to other funding included in the Department's budget for SASH. The Department shall include a report on the SASH statewide administration with the fiscal year 2021 budget presentation.

(22) To the Department of Labor: \$70,000 to design a coordinated plan for an integrated postsecondary career and technical education system and to

provide services and support for New Americans pursuant to requirements enacted during the 2019 legislative session.

(23) To the Vermont State Colleges: \$200,000 for Vermont Technical College to design and pilot Associates Degree Programs consistent with the provisions of H.533, Sec. 17 of 2019. Any program designed and implemented pursuant to this subdivision subsequent to the pilot, shall not be funded by the General Fund.

(24) To the Vermont State Colleges: \$500,000 which is intended as bridge funding to permit the Vermont State Colleges in collaboration with the University of Vermont to develop comprehensive strategies to increase retention and graduation rates pursuant to Secs. E.603.1 and E.603.2 of this act.

(25) To the Vermont State Colleges: \$120,000. The Vermont State Colleges shall be the repository for the Burlington College student records.

(26) To the Vermont Student Assistance Corporation: \$500,000 to be administered in a manner that is consistent with both the existing advancement grants program and the one-time nature of this appropriation.

(27) To the Department of Forests, Parks and Recreation: \$100,000 for supplemental funding for the Vermont Outdoor Recreation Economic Collaborative grants awarded in fiscal year 2020.

(28) To the Department of Forests, Parks and Recreation: \$120,000 for logger safety and value-added forest products initiatives as follows:

(A) To support the costs of a request for proposal to develop at least three course curriculums and associated training materials for an accident prevention and safety training program for logging contractors.

(B) Grants for the purposes of providing financial assistance to reduce the total cost of the following programs for loggers:

(i) to the Vermont Logger Education to Advance Professionalism (LEAP) program for the purpose of providing financial assistance to logging contractors to reduce the total costs of logger safety training or continuing education in logger safety; and

(ii) to the Trust to Conserve the Northeast Forestlands for the purpose of cost-sharing in the certification of logging contractors in the Master Logger program.

(C) To provide grant funds of up to \$10,000 to applicants engaged in adding value to forest products within the State. These grants shall be used by the applicant to pay for expenses associated with State and local permit

application costs, project consultation costs, engineering and siting costs, and expert witness analysis and testimony necessary for permitting.

(29) To the Agency of Commerce and Community Development: \$25,000 to issue as a grant for the commissioning ceremony of the USS Vermont.

(30) To the Agency of Commerce and Community Development: \$1,725,000 to fund the economic development initiatives pursuant to the provisions of H.533 of 2019.

(31) To the Department of Labor: \$275,000 to fund initiatives pursuant to the provisions of H.533 of 2019.

(32) To the Vermont Council on the Arts: \$5,000 to provide matching funds from the National Endowment for the Arts.

(33) To the Vermont Housing and Conservation Board: \$500,000 for acquisition of land that is of statewide importance.

(b) In fiscal year 2019, funds are appropriated from the AG-Fees & Reimbursements-Court Order Fund (special fund number 21638) as follows:

(1) To the Attorney General: \$250,000. This appropriation shall carry forward for use in fiscal year 2020.

(2) To the Agency of Transportation: \$1,700,000 for vehicle incentive and emissions repair programs.

(c) In fiscal year 2019, \$400,000 is appropriated from the Evidence-Based Education and Advertising Fund (special fund number 21912) to the Department of Health for the Substance Misuse Prevention Advisory Council. A portion of these funds may be used for analysis and planning including an inventory of direct substance misuse prevention funding currently allocated in the State budget. The remaining funds shall be used to implement the comprehensive statewide substance misuse prevention plan developed by the Council.

Sec. C.101 FISCAL YEAR 2019 ONE-TIME FUND TRANSFER

(a) In fiscal year 2019, funds are transferred from the General Fund as follows:

(1) \$948,271 to the Emergency Relief and Assistance Fund, established in 20 V.S.A. § 45(c).

Sec. C.102 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. D.101 as amended by 2019 Acts and Resolves No. 6, Sec. 56 is further amended to read:

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

* * *

(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	<u>4,488,000.00</u>
21928	Secretary of State Services Fund		2,607,923.00
62100	Unclaimed Property Fund	2,978,680.00	<u>4,178,680.00</u>

* * *

(e) The following General Fund amount shall be reserved for appropriation or transfer in the fiscal year 2020 budget: ~~\$9,815,000~~ \$850,000.

Sec. C.102.1 CONTINGENT TRANSFERS AND APPROPRIATIONS:

(a) In fiscal year 2019, of the unreserved and undesignated end of fiscal year General Fund surplus remaining after satisfying the requirements of 32 V.S.A. § 308, notwithstanding 32 V.S.A. § 308c:

(1) First: fifty percent shall be transferred from the General Fund to the Vermont State Employees' Postemployment Benefits Trust Fund established by 3 V.S.A. § 479a;

(2) Second: an amount of \$9,400,000 shall be transferred to the AHS Federal Receipts Holding Account; and

(3) Third: any remaining unreserved and undesignated end of fiscal year General Fund surplus shall be reserved in the General Fund Balance Reserve.

Sec. C.102.2 FISCAL YEAR 2019; SECRETARY OF STATE FUND BALANCE

(a) Notwithstanding 3 V.S.A. § 118(a), at the close of fiscal year 2019, the amount of \$2,607,923 shall be transferred to the General Fund pursuant to Sec. D.101 as amended by Sec. C.102 of this act. After this transfer, up to \$200,000 of any balance in the Secretary of State Services Fund number

21928, shall be appropriated and used by the Secretary of State for funding the interactive Business Portal (BizPortal) to facilitate planning and implementation for an improved process for regulatory compliance with the State.

Sec. C.103 FISCAL YEAR 2019 TOBACCO LITIGATION SETTLEMENT
FUND TRANSFER AND YEAR END BALANCE

(a) Notwithstanding 18 V.S.A. chapter 225, \$1,500,000 is transferred from the Tobacco Litigation Settlement Fund to the General Fund in fiscal year 2019.

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

Sec. C.104 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.125 is amended to read:

Sec. B.125 Legislative council

Personal services	4,063,930	4,168,930
Operating expenses	<u>827,857</u>	<u>827,857</u>
Total	4,891,787	4,996,787
Source of funds		
General fund	<u>4,891,787</u>	<u>4,996,787</u>
Total	4,891,787	4,996,787

Sec. C.105 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.126 is amended to read:

Sec. B.126 Legislature

Personal services	4,091,578	3,921,578
Operating expenses	<u>3,809,338</u>	<u>3,809,338</u>
Total	7,900,916	7,730,916
Source of funds		
General fund	<u>7,900,916</u>	<u>7,730,916</u>
Total	7,900,916	7,730,916

Sec. C.106 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.127 is amended to read:

Sec. B.127 Joint fiscal committee

Personal services	1,696,568	1,746,568
Operating expenses	<u>159,358</u>	<u>159,358</u>
Total	1,855,926	1,905,926
Source of funds		

General fund	<u>1,855,926</u>	<u>1,905,926</u>
Total	<u>1,855,926</u>	<u>1,905,926</u>

Sec. C.107 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.128 is amended to read:

Sec. B.128 Sergeant at arms

Personal services	<u>737,216</u>	<u>752,216</u>
Operating expenses	<u>68,612</u>	<u>68,612</u>
Total	<u>805,828</u>	<u>820,828</u>
Source of funds		
General fund	<u>805,828</u>	<u>820,828</u>
Total	<u>805,828</u>	<u>820,828</u>

Sec. C.108 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.503 is amended to read:

Sec. B.503 Education - state-placed students

Grants	<u>15,700,000</u>	<u>20,400,000</u>
Total	<u>15,700,000</u>	<u>20,400,000</u>
Source of funds		
Education fund	<u>15,700,000</u>	<u>20,400,000</u>
Total	<u>15,700,000</u>	<u>20,400,000</u>

Sec. C.108.1 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.507 is amended to read:

Sec. B.507 Education - small school grants

Grants	<u>7,600,000</u>	<u>7,800,000</u>
Total	<u>7,600,000</u>	<u>7,800,000</u>
Source of funds		
Education fund	<u>7,600,000</u>	<u>7,800,000</u>
Total	<u>7,600,000</u>	<u>7,800,000</u>

Sec. C.109 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.516 as amended by 2019 Acts and Resolves No. 6, Sec. 40 is further amended to read:

Sec. B.516 Total general education

Source of funds

General fund	136,968,810	136,968,810
Special funds	19,483,091	19,483,091
Tobacco fund	750,388	750,388
Education fund	<u>1,650,519,334</u>	<u>1,655,419,334</u>
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	<u>7,781,379</u>	<u>7,781,379</u>
Total	1,958,248,795	1,963,148,795

Sec. C. 110 2018 (Sp. Session) Acts and Resolves No. 11, Sec. B. 514 is amended to read:

Sec. B.514 State teachers' retirement system

Grants	<u>99,940,777</u>	<u>100,440,777</u>
Total	<u>99,940,777</u>	<u>100,440,777</u>
Source of funds		
General fund	<u>92,241,519</u>	<u>92,741,519</u>
Education fund	<u>7,699,258</u>	<u>7,699,258</u>
Total	<u>99,940,777</u>	<u>100,440,777</u>

Sec. C. 111 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.515 is amended to read:

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

Grants	<u>31,639,205</u>	<u>31,139,205</u>
Total	<u>31,639,205</u>	<u>31,139,205</u>
Source of funds		
General fund	<u>31,639,205</u>	<u>31,139,205</u>
Total	<u>31,639,205</u>	<u>31,139,205</u>

Sec. C.112 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.514 is amended to read:

Sec. E.514 State teachers' retirement system

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the State Teachers' Retirement System (STRS) shall be \$105,640,777 of which ~~\$99,940,777~~ \$100,440,777 shall be the State's contribution and ~~\$5,700,000~~ \$5,200,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

* * *

Sec. C.113 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.515 is amended to read:

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

(a) In accordance with 16 V.S.A. § 1944b(b)(2), ~~\$31,639,205~~ \$31,139,205 will be contributed to the Retired Teachers' Health and Medical Benefits Fund.

Sec. C.114 2017 Acts and Resolves No. 69, Sec. C.1 is amended to read:

Sec. C.1. THE GREEN MOUNTAIN SECURE RETIREMENT PLAN

(a) The State of Vermont shall, consistent with federal law and regulation, ~~adopt design~~ and implement a voluntary ~~Multiple Employer Plan (MEP)~~ ERISA-covered public retirement plan, employing a multiple employer plan or aggregated single employer plans, which shall remain in compliance with federal law and regulations once implemented, and shall be called the “Green Mountain Secure Retirement Plan.”

* * *

(c) The Plan shall:

* * *

(2) automatically enroll all employees of employers that choose to participate ~~in the MEP;~~

(3) allow employees the option of withdrawing their enrollment and ending their participation ~~in the MEP;~~

* * *

~~(d) The State of Vermont shall implement the “Green Mountain Secure Retirement Plan” on or before January 15, 2019, based on the recommendations of the Public Retirement Plan Study Committee as set forth in 2016 Acts and Resolves No. 157, Sec. F.1.~~

Sec. C.115 SPECIAL FUND APPROPRIATION FOR TAX COMPUTER SYSTEMS

(a) In fiscal year 2019, \$10,000,000 is appropriated to the Department of Taxes from the Tax Computer System Modernization Special Fund established pursuant to 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, and as further amended by 2019 Acts and Resolves No. 6, Sec. 102. This appropriation shall carry forward through fiscal year 2022.

Sec. C.116 2019 Acts and Resolves No. 6, Sec. 88 is amended to read:

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:

* * *

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

(A) \$250,000 to be reserved to fund contracted 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 are 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.

(i) The Joint Fiscal Office is authorized to enter into a direct contract with the University of Vermont in lieu of a bid process. In the event that such a contract takes place, the payments shall be made in intervals of: twenty-five percent (25%) upon signing; thirty percent (30%) to be paid after approval of a final work plan by the Chairs of the House and Senate Committees on Appropriations, the House Committee on Human Services, and the Senate Committee on Health and Welfare Committee; thirty percent (30%) on agreed upon mid-contract term project status report or presentation; and fifteen percent (15%) upon report completion and presentation to the Legislature on or before January 30, 2020.

(ii) The Agency of Human Services and the Department for Children and Families shall execute memoranda and provide available data in a reasonably timely fashion and in a manner consistent with any State and federal requirements as needed for this research project.

(B) \$25,000 to be reserved to fund, contracted services if necessary as determined by the Joint Fiscal Committee, a direct contract with the Council of State Governments Justice Center for a report to the General Assembly on or before December 15, 2019 on research and findings related to:

(i) developing and implementing a systems-level, data-driven plan to reduce the number of people with mental illnesses who are detained or incarcerated; or

(ii) developing a comprehensive approach to expungement and sealing of criminal history records to help individuals with a criminal record overcome barriers to employment and licensing through clearing their records; or

(iii) Vermont's population of incarcerated women, including the types of offenses and risk of reoffense for which this population is incarcerated

and alternatives to incarceration available to this population to assist the State in its planning for correctional facilities; or

(iv) 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.~~

* * *

Sec. C.117 LOAN AUTHORIZATION AND FUNDING SOURCE

(a) Up to \$1,000,000 of the funds appropriated in 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.1000(a)(14) may be used in fiscal year 2019 for a bridge loan to Springfield Hospital. Repayment of these funds either through direct payment or withheld Medicaid claims shall be deposited into the General Fund.

Sec. D.100 APPROPRIATIONS; PROPERTY TRANSFER TAX

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

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

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

(A) The dedication of \$2,500,000 in revenue from the property transfer tax pursuant to 32 V.S.A. § 9610(d) for the debt payments on the affordable housing bond (10 V.S.A. § 314) is to be offset by the reduction of \$1,500,000 in the appropriation to the VHCB and \$1,000,000 from the surcharge established by 32 V.S.A. § 9602a. The fiscal year 2020 appropriation of \$10,804,840 to VHCB reflects the \$1,500,000 reduction. The affordable housing bond and related property transfer tax and surcharge provisions are repealed after the life of the bond on July 1, 2039. Once the bond is retired, the \$1,500,000 reduction in the appropriation to VHCB is

intended to be restored.

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

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

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

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

Sec. D.101 FUND TRANSFERS AND REVERSIONS

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

(1) From the Clean Water Fund established by 10 V.S.A. § 1388 to the following:

(A) Agricultural Water Quality Special Fund created under 6 V.S.A. § 4803: \$3,255,000.

(B) Lake in Crisis Response Program Fund created under 10 V.S.A. § 1315: \$50,000.

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

(3) From the Transportation Infrastructure Bond Fund established by 19 V.S.A. § 11f to the Transportation Infrastructure Bonds Debt Service Fund established by 32 V.S.A. § 951a for funding fiscal year 2021 transportation infrastructure bonds debt service: \$2,502,613.

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2020:

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

<u>22005</u>	<u>AHS Central Office earned federal receipts</u>	<u>15,874,593.00</u>
<u>50300</u>	<u>Liquor Control Fund</u>	<u>1,805,000.00</u>

<u>62100</u>	<u>Unclaimed Property Fund</u>	<u>2,505,143.00</u>
	<u>Caledonia Fair</u>	<u>5,000.00</u>
	<u>North Country Hospital Loan</u>	<u>24,250.00</u>

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund in fiscal year 2020. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July meeting the final amounts transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

<u>21638</u>	<u>AG-Fees & Reimbursements-Court Order</u>	<u>2,000,000.00</u>
<u>21928</u>	<u>Secretary of State Services Fund</u>	<u>2,032,817.00</u>

(3) In fiscal year 2020, notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, \$32,455,763 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 2020:

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

<u>1210001000</u>	<u>Legislative Council</u>	<u>75,000.00</u>
<u>1210002000</u>	<u>Legislature</u>	<u>175,000.00</u>
<u>1220000000</u>	<u>Joint Fiscal Office</u>	<u>30,000.00</u>

**Sec. D.101.1 FISCAL YEAR 2020 CONTINGENT TRANSFER FROM
GENERAL FUND TO RETIRED TEACHERS' HEALTH
AND MEDICAL BENEFITS FUND**

(a) If the available General Fund forecast adopted by the Emergency Board in July 2019 for fiscal year 2020 (the "adopted forecast"), including the amount shifted into the General Fund from the merger with the Health Care Resources Fund, is greater than \$1,587,000,000 the Commissioner of Finance and Management shall transfer 100 percent of the amount over \$1,587,000,000 to the Retired Teachers' Health and Medical Benefits Fund established by 16 V.S.A. § 1944b.

(b) Subsection (a) of this section is designed and intended to provide an estimated \$20,000,000 for the fiscal year 2020 budget adjustment or other fiscal pressures in the fiscal year 2020 budget. Given this intent, the Emergency Board shall review the fiscal year 2020 available General Fund forecast and shall make any adjustments needed to the transfer authorized in subsection (a) of this section to accomplish this intent.

Sec. D.102 [Deleted.]

Sec. D.103 [Deleted.]

Sec. D.104 32 V.S.A. § 308b(c) is amended to read:

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

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

* * * GENERAL GOVERNMENT * * *

Sec. E.100 EXECUTIVE BRANCH POSITION AUTHORIZATIONS

(a) The establishment of the following permanent classified positions is authorized in fiscal year 2020:

(1) In the Department for Children and Families' Family Services Division – seven (7) Family Services Worker, one (1) Family Services Supervisor, and three (3) Resource Coordinator.

(2) In the Department of Disabilities, Aging, and Independent Living – one (1) Director of Deaf, Hard of Hearing, and DeafBlind Services.

(b) The establishment of the following permanent exempt position is authorized in fiscal year 2020:

(1) In the Department for Children and Families' Family Services Division – one (1) Assistant Attorney General to fill the position of a staff attorney.

(c) The conversion of classified limited service positions to classified permanent status is authorized in fiscal year 2020 as follows:

(1) In the Office of the Attorney General – one (1) Legal Assistant II (position #190071), two (2) Medicaid Analyst (position #190076 and #190080).

(d) The conversion of exempt limited service positions to exempt permanent status is authorized in fiscal year 2020 as follows:

(1) In the Office of the Attorney General – one (1) Assistant Attorney General (position #197053), two (2) Legal Division Chief (position #197054 and #197055) and one (1) Senior Assistant Attorney General (position #197059).

(e) The positions established in subsections (a) and (b) of this section shall be transferred and converted from existing vacant positions in the Executive Branch and shall not increase the total number of authorized State positions, as defined in Sec. A.107 of this act.

Sec. E.100.1 [Deleted.]

Sec. E.101 [Deleted.]

Sec. E.106 DETERMINATION OF PARAMETERS FOR THE
ESTABLISHMENT OF SPECIAL FUNDS AND SPECIAL
FUND REVIEW

(a) The Commissioner of Finance and Management, in consultation with the Legislative Joint Fiscal Office and with the assistance of the Office of Legislative Council, shall consider and make recommendations to the General Assembly regarding the circumstances under which a new special fund should be established and the parameters to which the new special fund should adhere.

(b) The Commissioner shall review existing special funds to determine if they are still viable and, if not, whether they should be eliminated.

(c) The Commissioner, in consultation with the Legislative Joint Fiscal Office shall develop a common multiyear reporting format for special funds and shall identify a group of funds to be presented in this format for the period of fiscal year 2016 through fiscal year 2019.

Sec. E.111 Tax – administration/collection

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

Sec. E.112 2015 Acts and Resolves No. 58, Sec. E.112 is amended to read:

Sec. E.112 ENERGY EFFICIENCY; STATE BUILDINGS AND
FACILITIES

* * *

(b) Notwithstanding any provision of Title 30 of the Vermont Statutes Annotated, Public Service Board order, or other provision of law to the contrary:

(1) The Department and Efficiency Vermont (EVT) shall augment the Program for a preliminary period of ~~four~~ eight years commencing in fiscal year 2016 under which EVT shall provide the Department with support for the Program to deliver cost-effective energy efficiency and conservation measures to State buildings and facilities. The Department and EVT may agree to continue conducting this augmented Program in subsequent fiscal years, after considering recommendations for improvement based on evaluation of the preliminary period.

* * *

(2) In addition to the requirements of subdivision (1) of this ~~section~~ subsection, the project shall include provision by EVT of support for personnel to implement the Program during fiscal years 2016 to ~~2019~~ 2023.

* * *

(B) Under this subdivision (2), EVT shall provide up to \$290,000 during fiscal year 2016. For the remaining ~~three~~ seven fiscal years, EVT shall provide an additional amount sufficient to support annual salary and benefit adjustments. These funds shall be received in the Facilities Operations Fund established in 29 V.S.A. § 160a, and may be spent using excess receipts authority.

(3) The Public Service Board shall adjust any performance measures applicable to EVT to recognize the requirements of this section.

(c) The Department and EVT shall execute a new or amended memorandum of understanding to implement this section, which shall include targets for future energy savings, a process for determining how savings targets are met, and details of EVT's commitment for personnel over a ~~four~~ an eight-year time period.

(d) On or before October 1 of each year commencing in 2016 and ending in ~~2019~~ 2023, the Department and EVT shall provide a joint report on the implementation of this section.

* * *

(5) The report to be submitted in 2019 and in 2023 shall contain an evaluation of the Program authorized under this section and any resulting recommendations, including recommendations related to Program continuation beyond 2023.

* * *

Sec. E.113 Buildings and general services – engineering

(a) The \$3,583,423 interdepartmental transfer in this appropriation shall be from the fiscal year 2020 General Bond Fund appropriation in the Capital Bill of the 2019 legislative session.

Sec. E.124 32 V.S.A. § 306 is amended to read:

§ 306. BUDGET REPORT

(a) The Governor shall submit to the General Assembly, not later than the third Tuesday of every annual session, a budget which shall embody his or her estimates, requests, and recommendations for appropriations or other authorizations for expenditures from the State Treasury. In the first year of the biennium, the budget shall relate to the two succeeding fiscal years. In the second year of the biennium, it shall relate to the succeeding fiscal year. The budget shall be based upon the official State revenue estimates, including the Medicaid estimated caseloads and per-member per-month expenditures, adopted by the Emergency Board pursuant to section 305a of this title.

(1) ~~The~~ As part of the budget report, the Governor shall:

(A) develop and publish annually for public review as part of the budget report a current services budget, providing the public with an estimate of what the current level of services is projected to cost in the next fiscal year;

(B) provide an estimated cost of deferred infrastructure maintenance in the State's transportation system; and

(C) itemize current services liabilities, including the total obligations and the amount estimated for full funding in the current year in which an amortization schedule exists. These shall include the following liabilities projected for the start of the budget fiscal year:

(i) pension liabilities for the Vermont State Employees' Retirement System (VSERS) and the Vermont State Teachers' Retirement System (VSTRS), and other postemployment benefit liabilities under current law and relevant Government Accounting Standards Board standards for these systems;

(ii) child care fee scale funding requirements pursuant to 33 V.S.A. § 3512 to bring total year funding to current market rates and current federal poverty levels;

(iii) Reach Up funding full benefit obligations, including the standard of need for the current fiscal year, prior to any rateable reductions

made pursuant to 33 V.S.A. §1103(a), which ensure that the expenditures for the programs shall not exceed appropriations;

(iv) statutory funding levels from the Property Transfer Tax;

(v) projected fund liabilities of the funds identified in the "Notes" section of the most recent Comprehensive Annual Financial Report (CAFR), including the Workers' Compensation Fund, the State Liability Insurance Fund, the Medical Insurance Fund, and the Dental Insurance Fund; and

(vi) a summary of other nonmajor enterprise funds and internal service funds where deficits exist in excess of \$1,500,000.

(2) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

* * *

Sec. E.126 2 V.S.A. chapter 14 is added to read:

CHAPTER 14. JOINT LEGISLATIVE MANAGEMENT COMMITTEE

§ 451. CREATION OF COMMITTEE: PURPOSE

(a) Creation. There is created the Joint Legislative Management Committee. The Committee shall provide general oversight and management across the offices of the General Assembly and administrative services to the legislative offices and the legislature.

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

(1) four members of the House, which shall include representatives of the Legislative Council Committee, the Joint Fiscal Committee, and the Rules Committee, and shall consist of:

(A) the Speaker of the House; and

(B) three members of the House appointed by the Speaker, not all from the same political party, and

(2) four members of the Senate, which shall include representatives of the Legislative Council Committee, the Joint Fiscal Committee, and the Rules Committee, and shall consist of:

(A) the President Pro Tempore; and

(B) three members of the Senate appointed by the Committee on Committees, not all from the same political party.

(c) Members shall serve a term of two years or until their successors are appointed. The term of a member shall end upon his or her ceasing to be a member of the General Assembly.

(d) Interim vacancies may be filled by appointment by the Committee on Committees or the Speaker of the House in the same manner as in subsection (b) of this section.

(e) Initial appointments shall be made upon passage of this act, with initial terms concluding at the time new appointments to the Committee are made in January 2021.

(f) Subsequent appointments shall be made biennially at the same time as standing committees.

(g) The Committee shall meet immediately following the appointment of its membership to elect a chair and a vice chair and to organize and conduct its business. The Committee may meet as often as it deems necessary and a majority of the members shall constitute a quorum for the transaction of business. Meetings may be called by the Chair or by a majority of the members.

(h) For attending a meeting of Committee when he or she is not receiving compensation as a member of the General Assembly, a member of the Committee shall be entitled to the same per diem compensation and reimbursement for necessary expenses as provided members of standing committees under section 406 of this title.

Sec. E.126.1 JOINT LEGISLATIVE MANAGEMENT COMMITTEE;
INITIAL DUTIES IN 2019

(a) The Joint Legislative Management Committee, established pursuant to 2 V.S.A. § 451, shall consider and recommend the most appropriate organization, structure, and oversight of the staff and staff offices of the General Assembly. The Committee shall:

(1) Consider the recommendations contained in the National Conference of State Legislatures (NCSL) "Vermont General Assembly Legislative Branch Workforce Comparative Evaluation" March 2019 report.

(2) Consult with and consider the recommendations of:

(A) the Joint Fiscal Committee;

(B) the Legislative Council Committee;

(C) the Legislative Information Technology Committee;

(D) the Joint Rules Committee;

(E) the Chief Fiscal Officer, Director and Chief Counsel, House Clerk, Senate Secretary, and Sergeant at Arms;

(F) supervisors and employees of every staff office as the Committee deems appropriate;

(G) members of the General Assembly as the Committee deems appropriate; and

(H) any other person the Committee deems appropriate.

(b) Report. On or before November 1, 2019, the Committee shall submit to the General Assembly a written report setting forth detailed recommendations concerning the most appropriate organization, structure, and oversight of the staff and staff offices of the General Assembly.

(c) The report shall contain draft statutory language and draft budgetary changes necessary to implement the recommendations set forth in the Committee's report.

(d) Assistance. In carrying out the duties set forth in this section, the Committee shall have the assistance and support of the Joint Fiscal Office, the Office of Legislative Council, and the Sergeant at Arms.

Sec. E.126.2 LEGISLATIVE BRANCH POSITIONS

(a) Legislature: The establishment of two (2) new permanent exempt Legislative Staff positions is authorized within the legislature in fiscal year 2020. The position titles will be determined by the Joint Legislative Management Committee.

(b) Joint Fiscal Office: The establishment of one (1) new permanent exempt Administrative Research Assistant position is authorized within the legislative Joint Fiscal Office in fiscal year 2020.

Sec. E.126.3 JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE; 2019 LEGISLATIVE INTERIM

(a) During the 2019 legislative interim, the Joint Legislative Justice Oversight Committee shall consider the following criminal justice reform strategies as part of an effort that will be called Justice Reinvestment II. These policies should be pursued in order to create a smarter criminal justice system that prevents avoidable incarceration, returns people to communities without risking public safety, and reduces or eliminates the need for out-of-state prison placements or new prison bed capacity in Vermont:

(1) furlough reform, including the possible elimination of furlough;

(2) management of the detainee population;

(3) sentencing reforms, including the possible elimination of weekend and nighttime sentences, and the possible elimination of community work crew in favor of restorative justice and reentry planning;

(4) expansion of restorative justice programs including diversion and community justice centers;

(5) establishment of new transitional housing facilities and services to reintegrate offenders into the community;

(6) establishment of new treatment-centered facilities as an alternative to incarceration for certain drug and DUI offenses;

(7) parole reform, including presumptive parole and the role of the parole board; and

(8) the release of offenders for whom community-based treatment and services would be more appropriate.

(b) The Committee should utilize the expertise of the Justice Center of the Council on State Governments to the maximum extent possible, and shall report any recommendations in the form of proposed legislation to the General Assembly on or before December 15, 2019.

Sec. E.127 2 V.S.A. § 501(a) is amended to read:

(a) There is created a Joint Fiscal Committee whose membership shall be appointed ~~at the beginning~~ on or before January 15 of each biennial session of the General Assembly. The Committee shall consist of five Representatives and five Senators as follows:

* * *

Sec. E.127.1 2 V.S.A. § 503 is amended to read:

§ 503. FUNCTIONS

* * *

(b) The Joint Fiscal Committee shall:

(1) furnish research services and secretarial services of a fiscal nature to the House and Senate Committees on Appropriations, the Senate Committee on Finance, the House Committee on Ways and Means, the House and Senate Committees on Transportation, and the Joint Fiscal Committee;

(2) carry on a continuing review of the fiscal operations of the State, including revenues, budgeting, and expenditures;

(3) accept grants and approve any related limited service positions, gifts, loans, or any other thing of value, approved by the Governor, under the provisions of 32 V.S.A. § 5, when the General Assembly is not in session; and

* * *

Sec. E.127.2 32 V.S.A. § 5 is amended to read:

§ 5. ACCEPTANCE OF GRANTS

(a) ~~No~~ Definitions. As used in this section:

(1) “Loan” means a loan that is interest free or below market value.

(2) “State agency” means an Executive Branch agency, department, commission, or board.

(b) Executive Branch approval.

(1) Approval required. A State agency shall not accept the original of any grant, gift, loan, or any sum of money, or thing of value ~~may be accepted by any agency, department, commission, board, or other part of State government~~ except as follows:

(A) the State agency is granted approval pursuant to this subsection;

or

(B) Joint Fiscal Committee policies adopted pursuant to subsection (e) of this section do not require a State agency to obtain approval.

(2) Governor review.

~~(1) All such items must be submitted to the~~ The Governor who shall review each grant, gift, loan, or any sum of money, or thing of value and shall send a copy of the approval or rejection to the Joint Fiscal Committee through the Joint Fiscal Office together with the following information with respect to said these items:

(A) the source of the grant, gift, or loan and value;

(B) the legal and referenced titles of the grant, title, in the case of a grant;

(C) the costs, direct and indirect, for the present and future years related to such a grant;

(D) the receiving department and/or program which will utilize the grant, or both;

(E) a brief statement of purpose; and

(F) any impact on existing programs if grant there is not accepted a rejection.

~~(2)~~(3) Legislative review.

(A) The Governor's approval in subdivision (b)(2) of this section shall be final unless except as follows:

(i) When the General Assembly is not in session, within 30 days of receipt of such information the copy of an approval and related information required under subdivision (b)(2) of this section, a member of the Joint Fiscal Committee requests such grant, gift, loan, sum of money, or thing of value be placed on the Committee's agenda of the Joint Fiscal Committee; or,

(ii) when the General Assembly is in session, within 30 days of receipt of the copy of an approval and related information required under subdivision (b)(2) of this section, a member of the Committee requests that such grant, gift, loan, sum of money, or thing of value be held for legislative approval. If a copy of an approval and related information is received when the General Assembly is in session, but before the members of the Joint Fiscal Committee are appointed, one of the statutorily appointed members of the Committee may request to hold a grant for legislative approval. Legislative approval under this subdivision may be granted by legislation or resolution.

(B) In the event of such a request to hold a grant made pursuant to subdivision (3) of this subsection, the grant shall not be accepted until approved by the Joint Fiscal Committee or the Legislature General Assembly.

(C) The 30-day period described in subdivision (3)(A)(i) of this subsection may be reduced where expedited consideration is warranted in accordance with adopted Joint Fiscal Committee policies adopted pursuant to subsection (e) of this section.

(D) During the legislative session Upon receipt of the copy of an approval and related information required under subdivision (b)(2) of this section while the General Assembly is in session, the Joint Fiscal Committee shall promptly file a notice with the House and Senate Clerks for publication in the respective calendars of any grant approval requests that are submitted by the administration.

(3)(4) Exceptions.

(A) General. This The review and approval process set forth in subsection (b) of this section shall not apply to the following items, if the acceptance of those items will not incur additional expense to the State or create an ongoing requirement for funds, services, or facilities:

(i) the acceptance of grants, gifts, donations, loans, sums of money, or other things of value with a value of \$5,000.00 \$15,000.00 or less, if the acceptance of those items will not incur additional expense to the State or create an ongoing requirement for funds, services, or facilities; or

~~(ii) the acceptance by the Department of Forests, Parks and Recreation and the Department of Fish and Wildlife of grants, gifts, donations, loans, or other things of value with a value of \$15,000.00 or less; or~~

~~(iii) the acceptance by the Vermont Veterans' Home of grants, gifts, donations, loans, or other things of value with a value of \$10,000.00 or less a legal settlement.~~

(B)(i) Notification required. The receiving agency shall promptly notify the Secretary of Administration and Joint Fiscal Office ~~shall be promptly notified~~ of the source, value, and purpose of any items received under this subdivision; provided, however, that no notification is required for an item received under this subdivision with a value of less than \$1,500.00.

(ii) The Joint Fiscal Office shall report all such items received under this subdivision to the Joint Fiscal Committee quarterly. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

(4)(5) Transportation. With respect to acceptance of the original of a federal transportation earmark or of a discretionary federal grant for a transportation project, the provisions of subdivisions subdivision (1) and (2) of this subsection shall apply, except that in addition:

(A) notification of the Governor's approval or rejection shall also be made to the Chairs of the House and Senate Committees on Transportation; and

(B) such grant or earmark shall be placed on the agenda, and shall be subject to the approval, of a committee comprising the Joint Fiscal Committee and the Chairs of the House and Senate Committees on Transportation, if one of the Chairs or a member of the Joint Fiscal Committee so requests.

(c) Legislative and Judicial Branch approval.

(1) Approval required. The Legislative and Judicial Branches shall not accept the original of any grant, gift, loan, or any sum of money, or thing of value except as follows:

(A) approval is granted pursuant to the process set forth in subdivision (b)(3) of this section if the item received has a value of more than \$15,000; and

(B) notification is sent to the Joint Fiscal Committee and the Secretary of Administration of the source, value, and purpose of the item received if the item has a value of \$1,500.00 or more.

(2) Exceptions. The review process set forth in subdivision (b)(2) of this section shall not apply to the approval of any grant, gift, loan, or any sum

of money, or thing of value received by the Legislative or Judicial Branches.

~~(b)(d) In accordance with subsection (a) of this section, Limited service position. The Joint Fiscal Committee is authorized to approve a limited service position request in conjunction with a grant, a limited service position request for a if the position is explicitly stated for a specific purpose in the grant, may be authorized and the position request is approved pursuant to the process set forth in subsection (b) of this section. The position shall terminate with the expiration of the grant funding unless otherwise funded by an act of the General Assembly. Such authorized A limited service positions position request shall not be created until the appointing authority has certified include a certification from the appointing authority to the Joint Fiscal Committee that there exists equipment and housing for the positions position or that funds are available to purchase equipment and housing for the positions position.~~

(e) Policies. The Joint Fiscal Committee is authorized to adopt policies to implement this section, including a policy on expedited review by the Joint Fiscal Committee when the General Assembly is not in session.

Sec. E.131 10 V.S.A. § 9 is amended to read:

§ 9. INVESTMENT IN VERMONT COMMUNITY LOAN FUND

Notwithstanding any provision of 32 V.S.A. § 433(a) to the contrary, the State Treasurer is authorized to invest up to ~~\$1,000,000.00~~ \$1,500,000.00 of short-term operating or restricted funds in the Vermont Community Loan Fund on terms acceptable to the Treasurer and consistent with prudent investment principles and guidelines pursuant to 32 V.S.A. § 433(b)-(c).

Sec. E.133 Vermont state retirement system

(a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2020, investment fees shall be paid from the corpus of the Fund.

Sec. E.139 GRAND LIST LITIGATION ASSISTANCE

(a) Of the appropriation in Sec. B.139 of this act, \$9,000 shall be transferred to the Attorney General and \$70,000 shall be transferred to the Department of Taxes, Division of Property Valuation and Review and reserved and used with any remaining funds from the amount previously transferred for final payment of expenses incurred by the Department or towns in defense of grand list appeals regarding the reappraisals of the hydroelectric plants and other property owned by TransCanada Hydro Northeast, Inc. and its successor Great River Hydro, LLC in the State of Vermont. Expenditures for this purpose shall be considered qualified expenditures under 16 V.S.A. § 4025(c).

Sec. E.142 Payments in lieu of taxes

(a) This appropriation is for State payments in lieu of property taxes under

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

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

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

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

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

* * * PROTECTION TO PERSONS AND PROPERTY * * *

Sec. E.200 Attorney general

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

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

Sec. E.204 RUTLAND ADULT TREATMENT COURT DOCKET

(a) In the event the Rutland Adult Treatment Court program does not achieve an average minimum of 20 participants per month during the months of July 2019 through June 2020, a Task Force shall meet before July 15, 2020 to discuss how to restore the number of Rutland Adult Treatment Court participants to historical levels and whether to consider the addition of a Family Treatment Court track. The Task Force established by this section shall consist of a representative appointed by the Chief Superior Judge, the Attorney General, the Defender General, and the Executive Director of the Department of State's Attorneys and Sheriffs. The Task Force shall consult with Project Vision, and shall report its recommendations to the Joint Legislative Justice Oversight Committee on or before October 1, 2020. Failure to achieve a minimum of 20 participants per month shall result in the removal of State General Funds effective November 1, 2020.

Sec. E.208 Public safety – administration

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

Sec. E.208.1 SCHOOL SAFETY AND SECURITY GRANT PROGRAM;
ADDISON-RUTLAND SUPERVISORY UNION

(a) The Department of Public Safety shall use \$82,000 of the amount appropriated in Sec. 13 of the fiscal year 2020 Capital Construction and State Bonding Act for the School Safety and Security Grant Program to reimburse capital eligible expenses paid by the Addison-Rutland Supervisory Union to implement safety and security measures at schools within the district.

Sec. E.209 Public safety – state police

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

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

Sec. E.212 Public safety – fire safety

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

Sec. E.215 Military – administration

(a) The amount of \$1,426,718 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard Educational Assistance program established in 16 V.S.A. § 2856 and the National Guard Tuition Benefit Program established in 16 V.S.A. § 2857.

Sec. E.219 Military – veterans' affairs

(a) Of this appropriation, \$1,000 shall be used for continuation of the

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

Sec. E.219.1 [Deleted.]

Sec. E.220 Center for crime victim services

(a) Notwithstanding 20 V.S.A. § 2365(c), the Vermont Center for Crime Victim Services shall transfer \$49,253 from the Domestic and Sexual Violence Special Fund established in 13 V.S.A. § 5360 to the Criminal Justice Training Council for the purpose of funding one-half of the costs of the Domestic Violence Trainer position. The other half of the position will be funded with an appropriation to the Criminal Justice Training Council.

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

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

Sec. E.233 [Deleted.]

Sec. E.233.1 DEPARTMENT OF PUBLIC SERVICE TRANSFER FROM RESERVES

(a) Notwithstanding 30 V.S.A. § 22(d)(1) and (3), on June 30 of fiscal year 2019, from any balance in the amount allocated to the Public Utility Commission from the special fund for the maintenance of engineering and accounting forces (special fund) pursuant to 30 V.S.A. § 22(c), sufficient monies shall be transferred to the Department of Public Service for the sole purpose of closing any special fund sub-account fund deficit in the Department of Public Service.

* * * HUMAN SERVICES * * *

Sec. E.300 Agency of Human Services – secretary's office

(a) The Secretary of Human Services shall identify funds to support the Caring Dad's Program within existing appropriations.

Sec. E.300.1 TRANSITION OF STATE HEALTH CARE RESOURCES
FUND REVENUES TO THE GENERAL FUND

(a) The Department of Finance and Management shall report 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 Sec. B.301 of this act, as amended by 2019 Acts and Resolves No. 6:

(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 Employers' Health Care Fund 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, 2020.

Sec. E.300.2 DEPOSIT AND USE OF MASTER SETTLEMENT FUND

(a) Deposit of Master Tobacco Settlement receipts and appropriations of Tobacco Settlement funds in fiscal year 2020 are made, notwithstanding 2013 Acts and Resolves No. 50, Sec. D.104.

Sec. E.300.3 FUNDING FOR THE OFFICE OF THE HEALTH CARE
ADVOCATE

(a) Of the funds appropriated in Sec. B.300 of this act, \$1,457,406 shall be used for the contract with the Office of the Health Care Advocate.

Sec. E.300.4 SPECIALIZED HOUSING VOUCHERS

(a) The Secretary of Human Services shall convene a working group to include one representative from each of the Departments of Mental Health, of Corrections, for Children and Families, of Disabilities, Aging, and Independent Living, and of Housing and Community Development within the Agency of Commerce and Community Development; the Vermont State Housing Authority; and the Vermont Housing and Conservation Board to develop a strategy to fully utilize available federal rental assistance funds for vulnerable populations in Vermont. This rental assistance, in the form of specialized and rapid rehousing vouchers, serves specialized, vulnerable

populations, including homeless families with children, homeless youths, chronically homeless individuals with mental illness, and families that have lost or are at risk of losing a child to State custody. The working group shall consult with community-based housing and human services providers and examine the following:

(1) whether existing expenditures on case management or other services for this vulnerable population could be utilized as match to draw federal specialized voucher funds; and

(2) Vermont's current allocation of housing assistance funds to ensure that Vermont maximizes the ability of the State to draw federal voucher funds; and

(3) any other recommendations the working group may make to help avoid further loss of these specialized vouchers.

(b) On or before November 1, 2019, the Secretary of Human Services shall report the findings of the working group to the Secretary of Administration for possible inclusion in the Governor's 2021 budget request and concurrently to the House Committees on Appropriations, on Health and Welfare, and on General, Housing, and Military Affairs and the Senate Committees on Appropriations, on Health and Welfare, and on Economic Development, Housing and General Affairs.

Sec. E.300.5 18 V.S.A. § 4653(a) is amended to read:

(a) On or before July 1, ~~2019~~ 2020, the Agency of Human Services shall submit a formal request to the Secretary of the U.S. Department of Health and Human Services for certification of the State's wholesale prescription drug importation program.

Sec. E.300.6 3 V.S.A. § 3028 is added to read:

§ 3028. WHOLESALE PRESCRIPTION DRUG IMPORTATION PROGRAM

(a) The Agency of Human Services shall be responsible for the development and, upon approval from the Secretary of the U.S. Department of Health and Human Services, the implementation and administration of a wholesale prescription drug importation program that complies with the applicable requirements of 21 U.S.C. § 384, including the requirements regarding safety and cost savings.

(b) The Secretary of Human Services may adopt rules pursuant to chapter 25 of this title as needed to develop, implement, and administer the program.

Sec. E.300.7 NEXT STEPS FOR IMPLEMENTING A WHOLESALE
PRESCRIPTION DRUG IMPORTATION PROGRAM

(a) The Agency of Human Services shall consult with the National Academy for State Health Policy (NASHP) and with states pursuing or interested in pursuing a wholesale prescription drug importation program to identify opportunities to coordinate and work collaboratively in these efforts. On or before October 1, 2019, the Agency shall provide an update on its progress in obtaining federal approval for a wholesale prescription drug importation program pursuant to 18 V.S.A. § 4653, including the results of its consultations with NASHP and with other states, to the House Committees on Appropriations, on Health Care, and on Ways and Means; the Senate Committees on Appropriations, on Health and Welfare, and on Finance; and the Joint Fiscal Committee.

(b) The Board of Pharmacy in the Office of Professional Regulation, in consultation with the Agency of Human Services, shall explore whether any new prescription drug wholesaler license categories would be necessary in order to operate a wholesale prescription drug importation program in this State. On or before January 15, 2020, the Board shall provide its findings and recommendations with respect to new prescription drug wholesaler license categories to the House Committees on Government Operations and on Health Care and the Senate Committees on Government Operations and on Health and Welfare.

Sec. E.300.8 AGENCY OF HUMAN SERVICES; STRATEGIC PLAN;
REPORT

(a) The Agency of Human Services, in order to respond effectively to dynamic and changing societal needs, shall identify emerging trends and develop a strategic plan for addressing the most challenging issues the Agency anticipates Vermont will face within the next five to 10 years.

(b) The Agency of Human Services shall analyze and determine:

(1)(A) projected changes in the demographics of the State;

(B) increasing or emerging trends that affect or are likely to affect human services needs in the State, including social risks to be addressed; and

(C) anticipated demands on the budgets of the Agency and its departments;

(2) whether current targeted investments are successfully achieving their anticipated outcomes and, if not, why not;

(3) the appropriate programmatic, policy, and organizational reconfigurations necessary to achieve the Agency's strategic plan; and

(4) such other issues as the Agency determines are relevant to developing and achieving the Agency's strategic plan.

(c) The Agency may, within available resources, contract with an independent consultant to assist it in developing the strategic plan, analyses, and determinations required by this section.

(d)(1) On or before November 1, 2019, the Agency of Human Services shall provide a progress update on its strategic plan, analyses, and determinations to the Joint Fiscal Committee, the Health Reform Oversight Committee, the Joint Legislative Justice Oversight Committee, and the Government Accountability Committee.

(2) On or before January 15, 2020, the Agency of Human Services shall provide its final strategic plan, analyses, and determinations, including any recommendations for legislative action, to the House Committees on Appropriations, on Corrections and Institutions, on Government Operations, on Health Care, on Human Services, and on Judiciary and the Senate Committees on Appropriations, on Government Operations, on Health and Welfare, on Institutions, and on Judiciary.

Sec. E.300.9 REPORT TO THE JOINT FISCAL COMMITTEE ON FISCAL PRESSURES

(a) The Secretary of Human Services shall report to the Joint Fiscal Committee at its November 2019 meeting on the following fiscal issues:

(1) the most current estimate of timing related to the 12 beds being developed for State priority use at the Brattleboro Retreat and the fiscal year 2020 and 2021 funding implications. The Secretary shall estimate the additional needs for State funds and sources to provide funding the Administration is considering in the fiscal year 2021 budget presentation to the Legislature;

(2) the impact of the change in of Federal Children's Health Insurance match (CHIP) match on the fiscal year 2021 budget and what steps may be recommended to offset the loss of funds; and

(3) any other fiscal pressures due to changes in federal funds or other program-related changes in costs or caseloads.

Sec. E.301 Secretary's office – Global Commitment:

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

(Global Commitment) approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

(b) In addition to the State funds appropriated in this section, a total estimated sum of \$26,348,983 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) \$23,295,650 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with \$27,204,350 of federal funds appropriated in Sec. B.301 of this act equals a total estimated expenditure of \$50,500,000. An amount equal to the amount of the federal matching funds for eligible special education school-based Medicaid services under Global Commitment shall be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

(2) \$3,053,333 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

(c) Up to \$15,400,000 is transferred from the AHS Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Sec. B.301 – Secretary’s Office – global commitment of this act.

Sec. E.301.1 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER; REPORT

(a) In order to facilitate the end-of-year closeout for fiscal year 2020, the Secretary of Human Services, with approval from the Secretary of Administration, may make transfers among the appropriations authorized for Medicaid and Medicaid-waiver program expenses, including Global Commitment appropriations outside the Agency of Human Services. At least three business days prior to any transfer, the Agency shall submit to the Joint Fiscal Office a proposal of transfers to be made pursuant to this section. A final report on all transfers made under this section shall be made to the Joint Fiscal Committee for review at the September 2020 meeting. The purpose of this section is to provide the Agency with limited authority to modify the appropriations to comply with the terms and conditions of the Global Commitment for Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

Sec. E.301.2 MENTAL HEALTH AND SUBSTANCE USE DISORDER
WORKFORCE

(a) The \$1,500,000 allocated to the Agency of Human Services for fiscal year 2019 pursuant to 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106.1(b)(1) shall be carried forward to fiscal year 2020 and be used for loan repayment and tuition assistance to promote the recruitment and retention of high-quality providers of mental health and substance use disorder treatment services in Vermont. The funds shall be made available to individuals employed by a designated or specialized service agency in Vermont based on a three-year contractual obligation to provide mental health services or substance use disorder treatment services, or both, at a designated or specialized service agency in Vermont, for the following uses:

(1) loan repayment for master's-level clinicians, bachelor's-level direct-service staff, and nurses; and

(2) tuition assistance for individuals pursuing degrees to become master's-level clinicians, bachelor's-level direct-service staff, and nurses.

(b)(1) Loan repayment and tuition assistance funds shall be available to employees of designated and specialized service agencies as set forth in subsection (a) of this section for bachelor's- and master's-level degree programs offered through accredited institutions of higher education, including online programs.

(2) The Agency may contract with Area Health Education Centers or the Vermont Student Assistance Corporation or both to administer these programs.

(c) The fiscal year 2020 appropriation pursuant to 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106.1(b)(2) shall be reserved to be addressed in the fiscal year 2020 budget adjustment or fiscal year 2021 budget processes.

Sec. E.306 VERMONT HEALTH BENEFIT EXCHANGE RULES

(a) The Agency of Human Services may adopt rules pursuant to 3 V.S.A. chapter 25 to conform Vermont's rules regarding health care eligibility and enrollment and the operation of the Vermont Health Benefit Exchange to State and federal law and guidance. The Agency may use the emergency rules process pursuant to 3 V.S.A. § 844 prior to June 30, 2020, but only in the event that new State or federal law or guidance require Vermont to amend or adopt its rules in a time frame that cannot be accomplished under the traditional rulemaking process. An emergency rule adopted under these exigent circumstances shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

Sec. E.306.1 33 V.S.A. chapter 19, subchapter 4 is added to read:

Subchapter 4. Coverage for Dental Services

§ 1991. DEFINITIONS

As used in this chapter:

(1) “Dental hygienist” means an individual licensed to practice as a dental hygienist under 26 V.S.A. chapter 12.

(2) “Dental services” means preventive, diagnostic, or corrective procedures related to the teeth and associated structures of the oral cavity.

(3) “Dental therapist” means an individual licensed to practice as a dental therapist under 26 V.S.A. chapter 12.

(4) “Dentist” means an individual licensed to practice dentistry under 26 V.S.A. chapter 12.

§ 1992. MEDICAID COVERAGE FOR ADULT DENTAL SERVICES

(a) Vermont Medicaid shall provide coverage for medically necessary dental services provided by a dentist, dental therapist, or dental hygienist working within the scope of the provider’s license as follows:

(1) Up to two visits per calendar year for preventive services, including prophylaxis and fluoride treatment, with no co-payment. These services shall not be counted toward the annual maximum benefit amount set forth in subdivision (2) of this subsection.

(2) Diagnostic, restorative, and endodontic procedures, to a maximum of \$1,000.00 per calendar year, provided that the Department of Vermont Health Access may approve expenditures in excess of that amount when exceptional medical circumstances so require.

(3) Other dental services as determined by the Department by rule.

(b) The Department of Vermont Health Access shall develop a reimbursement structure for dental services in the Vermont Medicaid program that encourages dentists, dental therapists, and dental hygienists to provide preventive care.

Sec. E.306.2 AMENDMENT TO MEDICAID STATE PLAN

(a) If necessary, the Secretary of Human Services shall request approval from the Centers for Medicare and Medicaid Services for an amendment to Vermont’s Medicaid State Plan to include the expanded Medicaid dental benefits set forth in 33 V.S.A. § 1992.

Sec. E.306.3 DENTAL ACCESS AND REIMBURSEMENT WORKING GROUP; REPORT

(a) The Department of Vermont Health Access, in consultation with the Board of Dental Examiners and the Vermont State Dental Society, shall convene a working group of interested stakeholders to:

(1) evaluate current Medicaid reimbursement rates to dentists, dental therapists, and other providers of dental services and determine the amount of fiscally responsible increases to the rates for specific services that would be needed in order to attract additional providers to participate in the Vermont Medicaid program;

(2) determine the feasibility of and costs associated with establishing a State dental assistance program to provide access to affordable dental services for Vermont residents who have lower income and are enrolled in Medicare; and

(3) explore opportunities to further expand access to dental care in Vermont, including:

(A) examining the potential to reimburse dentists, dental therapists, and dental hygienists for teledentistry services; and

(B) exploring the possible integration of dental services into the scope of services provided through accountable care organizations.

(b)(1) On or before November 1, 2019, the Department of Vermont Health Access shall provide to the House Committee on Health Care and the Senate Committee on Health and Welfare the working group's findings and recommendations regarding the feasibility and costs of creating a dental assistance program for Medicare beneficiaries as described in subdivision (a)(2) of this section and on opportunities to further expand access to dental care as described in subdivision (a)(3) of this section. The report shall also include the amount of funding that would be needed to achieve the reimbursement rates determined by the working group pursuant to subdivision (a)(1) of this section.

(2) The Department of Vermont Health Access shall report on the amount of funding necessary to achieve the reimbursement rates determined by the working group pursuant to subdivision (a)(1) of this section as part of the Department's fiscal year 2021 budget presentation.

Sec. E.308 LONG TERM CARE APPROPRIATION; TRANSFER

(a) In fiscal year 2020, the Administration is authorized to transfer the appropriation in Sec. B.308 of this act from the Department of Vermont Health Access to the Department of Disabilities, Aging, and Independent Living. This change shall be reflected in future budget recommendations.

(b) The Secretary of Human Services shall review and assess the appropriation structure for funding licensed residential care facilities and make recommendations in the Agency's fiscal year 2021 budget proposal.

Sec. E.308.1 PERSONAL NEEDS ALLOWANCE RESET

(a) The amount of the State supplement for Medicaid beneficiaries who reside in a nursing home and receive Supplemental Security Income shall increase by \$25 per person per month on January 1, 2020.

Sec. E.312 Health – public health

(a) AIDS/HIV funding:

(1) In fiscal year 2020 and as provided in this section, the Department of Health shall provide grants in the amount of \$475,000 in AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. The Department of Health AIDS Program shall meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives. The funds shall be allocated according to an RFP process.

(2) Ryan White Title II funds for AIDS services and the Vermont Medication Assistance Program (VMAP) shall be distributed in accordance with federal guidelines. The federal guidelines shall not apply to programs or services funded solely by State general funds.

(3)(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in VMAP to assist all eligible individuals. The Secretary shall work in collaboration with persons living with HIV/AIDS to develop a plan to continue access to VMAP medications until such time as the General Assembly can take action.

(B) As provided in this section, the Secretary of Human Services shall work in collaboration with the VMAP Advisory Committee, which shall be composed of not less than 50 percent of members who are living with HIV/AIDS. If a modification to the program's eligibility requirements or benefit coverage is considered, the Committee shall make recommendations regarding the program's formulary of approved medication, related laboratory testing, nutritional supplements, and eligibility for the program.

(4) In fiscal year 2020, the Department of Health shall provide grants in the amount of \$100,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for community-based HIV prevention programs and services. These funds shall be used for HIV/AIDS prevention purposes, including syringe exchange programs; improving the availability of confidential and anonymous HIV

testing; prevention work with at-risk groups such as women, intravenous drug users, and people of color; and anti-stigma campaigns. Not more than 15 percent of the funds may be used for the administration of such services by the recipients of these funds. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health and the Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers.

(5) In fiscal year 2020, the Department of Health shall provide grants in the amount of \$150,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for syringe exchange programs. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health, the Vermont AIDS service organizations, and other Vermont HIV/AIDS prevention providers. The performance period for these grants will be State fiscal year 2020. Grant reporting shall include outcomes and results.

Sec. E.312.1 REPORT; PROMOTION OF IMMUNIZATION

(a) On or before July 1, 2019, the Commissioner of Health shall submit a report to the House Committee on Health Care and to the Senate Committee on Health and Welfare summarizing the Department's efforts to promote immunization in Vermont in accordance with the U.S. Centers for Disease Control and Prevention's recommendations. The report shall specifically address:

(1) existing efforts by the Department to promote immunization in Vermont, as well as the funding source and annual funding amount used for each effort;

(2) the availability of additional federal funds to enhance Vermont's efforts to promote immunizations; and

(3) the number of individuals under 18 years of age, between 2015 and 2018, who were granted exemptions from immunizations, and the type of exemptions granted.

Sec. E.312.2 DISTRIBUTION OF FENTANYL TESTING STRIPS

(a) The Department of Health, Alcohol and Drug Abuse Programs shall allocate \$50,000 of special funds appropriated in fiscal year 2020 for the distribution of fentanyl testing strips through active syringe service programs in the State. Priority should be given to syringe service programs that do not currently distribute testing strips to areas of the State with the highest overdose death rates and highest percentage of fentanyl involvement, and to pregnant and parenting women. The amount expended shall not exceed available funds.

The Department shall establish participation requirements for the syringe service programs receiving strips under this pilot.

Sec. E.313 33 V.S.A. § 2004 is amended to read:

§ 2004. MANUFACTURER FEE

* * *

(b) Fees collected under this section shall fund collection and analysis of information on pharmaceutical marketing activities under 18 V.S.A. §§ 4632 and 4633; analysis of prescription drug data needed by the Office of the Attorney General for enforcement activities; the Vermont Prescription Monitoring System established in 18 V.S.A. chapter 84A; the evidence-based education program established in 18 V.S.A. chapter 91, subchapter 2; statewide unused prescription drug disposal initiatives; prevention of prescription drug misuse, abuse, and diversion; the Substance Misuse Prevention Advisory Council established in 18 V.S.A. § 9803; treatment of substance use disorder; exploration of nonpharmacological approaches to pain management; a hospital antimicrobial program for the purpose of reducing hospital-acquired infections; the purchase and distribution of fentanyl testing strips; the purchase and distribution of naloxone to emergency medical services personnel; and any opioid-antagonist education, training, and distribution program operated by the Department of Health or its agents. The fees shall be collected in the Evidence-Based Education and Advertising Fund established in section 2004a of this title.

* * *

Sec. E.313.1 33 V.S.A. § 2004a is amended to read:

§ 2004a. EVIDENCE-BASED EDUCATION AND ADVERTISING FUND

(a) The Evidence-Based Education and Advertising Fund is established in the State Treasury as a special fund to be a source of financing for activities relating to fund collection and analysis of information on pharmaceutical marketing activities under 18 V.S.A. §§ 4632 and 4633; for analysis of prescription drug data needed by the Office of the Attorney General for enforcement activities; for the Vermont Prescription Monitoring System established in 18 V.S.A. chapter 84A; for the evidence-based education program established in 18 V.S.A. chapter 91, subchapter 2; for statewide unused prescription drug disposal initiatives; for the prevention of prescription drug misuse, abuse, and diversion; for the Substance Misuse Prevention Advisory Council established in 18 V.S.A. § 9803; for treatment of substance use disorder; for exploration of nonpharmacological approaches to pain management; for a hospital antimicrobial program for the purpose of reducing

hospital-acquired infections; for the purchase and distribution of fentanyl testing strips; for the purchase and distribution of naloxone to emergency medical services personnel; and for the support of any opioid-antagonist education, training, and distribution program operated by the Department of Health or its agents. Monies deposited into the Fund shall be used for the purposes described in this section.

* * *

Sec. E.314 MENTAL HEALTH FUNDING ALLOCATIONS

(a) \$1,560,800 of the funds provided to the Department of Mental Health shall be utilized to create up to 12 supported housing arrangements for Community Rehabilitation and Treatment (CRT) individuals whose acuity and particular needs have been prohibitive to community reentry. The intent of this funding is reduced inpatient use by individuals who have limited discharge options.

(b) A total of \$5,202,688 is provided to increase rates and payments to the Designated Agencies and other specialized service providers for mental health and developmental disability services and is intended to be allocated proportionally to the Departments of Mental Health and of Disabilities, Aging, and Independent Living. The \$2,601,344 provided to the Department of Mental Health for this purpose includes Designated Agencies and specialized service agencies.

Sec. E.314.1 SUCCESS BEYOND SIX; REVIEW

(a) The Success Beyond Six program is based on agreements between the Designated Agencies and local schools, supervisory unions, or districts. The Agency of Human Services does not play a role in funding decisions, however the overall program spending is part of the Medicaid program and impacts overall Medicaid spending and the budget neutrality cap.

(b) Given the limited room in the Global Commitment Medicaid budget neutrality cap, the Agency of Human Services (AHS), the Agency of Education (AOE), and Department of Mental Health (DMH) shall assess and determine how to evaluate Success Beyond Six program spending against other competing priorities in the Medicaid program.

(c) AHS, AOE, and DMH shall report to the General Assembly on Success Beyond Six evaluation and oversight not later than January 15, 2020. The report shall include:

(1) an inventory of existing methods for providing school-based mental health services;

(2) analysis of the trend in school-based mental health programming that is funded through the Success Beyond Six program fiscal mechanism;

(3) evaluation of the program attributes;

(4) determination, in partnership with the Designated Agencies, of metrics for evaluating program outcomes; and

(5) a proposal for how AHS, AOE, and DMH should participate in Success Beyond Six spending decisions.

Sec. E.316 REPORT ON ECONOMIC SERVICES DIVISION; SERVICE DELIVERY INNOVATION PILOTS

(a) On or before January 15, 2020, the Commissioner for Children and Families shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare summarizing any economic service delivery pilot programs implemented as a result of authority granted by 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.316. The report shall summarize the components of the pilot including any rules that were temporarily waived during the pilot and any recommendations resulting from the pilot.

Sec. E.316.1 [Deleted.]

Sec. E.317 [Deleted.]

Sec. E.318 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM;
ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall ~~not~~ be entitled to participate in the Program for ~~a period in excess of one month, unless that period is extended by up to three months and~~ the Commissioner may further extend that period.

(2) The subsidy authorized by this subsection shall be on a sliding scale basis. The scale shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The lower limit of the fee scale shall include families whose gross income is up to and including 100 percent of the current federal poverty guidelines. The upper income limit of the fee scale shall be neither less than 200 percent of the current federal poverty guidelines nor more than 100 percent of the State median income, adjusted for the size of the family. The scale shall be structured so that it encourages employment. If the federal poverty guidelines decrease in a given year, the Division shall maintain the previous year's federal poverty guidelines

for the purpose of determining eligibility and benefit amount under this subsection.

* * *

(4) After September 30, 2021, a regulated center-based child care program or family child care home as defined by the Department in rule shall not receive funds pursuant to this subsection that are in excess of the usual and customary rate for services at the center-based child care program or family child care home.

* * *

Sec. E.318.1 CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a) In fiscal year 2020 the Department for Children and Families' Child Development Division shall adjust the sliding fee scale and reimbursement rates as follows:

(1) to ensure that families whose gross income is up to 100 percent of the current federal poverty guidelines receive 100 percent of the available benefit and that families whose gross income is between 100 and 300 percent of the current federal poverty guidelines receive between 99 and 10 percent of the available financial assistance benefit, scaling between set eligibility levels as follows:

(A) 95 percent of the available financial assistance benefit for families at 125 percent of the current federal poverty guidelines;

(B) 75 percent of the available financial assistance benefit for families at 150 percent of the current federal poverty guidelines;

(C) 50 percent of the available financial assistance benefit for families at 200 percent of the current federal poverty guidelines; and

(D) 10 percent of the available financial assistance benefit for families at 300 percent of the current federal poverty guidelines; and

(2) align rates of reimbursement for preschool and school age children participating in the Child Care Financial Assistance Program (CCFAP) in fiscal year 2020 with the market rates reported on the 2014 Vermont Market Rate Survey and maintain rates of reimbursement for infants and toddlers participating in CCFAP in fiscal year 2020 aligned with the market rates reported on the 2017 Vermont Market Rate Survey.

Sec. E.318.2 EARLY CHILD CARE AND DEVELOPMENT PROGRAM
CESSATION

(a) The Early Care and Child Development Grant Program shall cease operation on June 30, 2019.

Sec. E.318.3 CHILD CARE PROVIDER STABILIZATION GRANTS

(a) Of the funds provided in fiscal year 2020 in Sec. B.318, \$1,000,000 is allocated for the dual purposes of:

(1) enhancing supports to child care and early learning programs that maintain the enrollment of children receiving support through the Child Care Financial Assistance Program (CCFAP) at a level of at least 50 percent of total enrollment; and

(2) expanding infant and toddler child care capacity.

(b) The Division shall award grants to eligible applicants. An eligible applicant shall:

(1) be a new or existing regulated, privately operated center-based child care program or family child care home in good regulatory standing;

(2) participate in CCFAP;

(3) provide year-round, full-day child care and early learning services;

(4) provide child care and early learning services for infants and toddlers; and

(5) participate in the SStep Ahead Recognition System (STARS).

(c) Center-based child care programs or family child care homes receiving a grant pursuant to this section shall remain in compliance with the Division's rules, continue participation in STARS, and maintain enrollment of children supported by CCFAP.

Sec. E.318.4 BRIGHT FUTURES INFORMATION SYSTEM;
MODERNIZATION PLAN

(a) The \$1,000,000 one-time funding provided in Sec. C100(a)(17) of this act is for the purpose of developing and implementing a modernization plan for the Bright Futures Information System; of which \$100,000 shall be designated for developing the modernization plan and the remainder shall be designated for implementing the plan.

(b) On or before December 1, 2019, the Commissioner shall submit a report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare providing:

- (1) an initial project plan and timeline;
- (2) a fiscal analysis of the plan; and
- (3) the project team tasked with overseeing the project's implementation.

Sec. E.318.5 CHILD CARE WORKFORCE; GRANTS INCENTIVIZING PROFESSIONAL COMMITMENT AND CONTINUING EDUCATION

(a)(1) The \$300,000 of funding provided in Sec. C.100(a)(18)(B) is to fund incentive grants for eligible individuals employed in a regulated privately operated center-based child care program or family child care home. The incentive grants shall be used to either foster job retention through hiring or retention bonuses or fund tuition assistance for continuing education. The program shall provide grants for tuition assistance, hiring or retention awards for eligible individuals employed in regulated, privately operated center-based child care programs and family child care homes.

(2) An eligible individual shall:

(A) commit to three years of employment in a privately operated center-based child care program or family child care home that is regulated by the Division for at least an average of 30 hours per week for 48 weeks of the year;

(B) receive an annual salary of not more than \$40,000; and

(C) have previously completed, or be enrolled in, courses leading to credits in early childhood development or that are related directly to working with children birth through eight years of age.

(b)(1) The Division shall administer the incentive grants set forth in this section or contract for their administration. It shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section.

(2) Incentive grants shall be available pursuant to this section on a first-come, first-served basis until appropriated funds are depleted.

Sec. E.318.6 TECHNICAL CENTER; CHILD DEVELOPMENT ASSOCIATE CREDENTIAL

(a) The \$300,000 of funding provided in Sec. C. 100(a)(18)(A) is to facilitate the implementation of the Council for Professional Regulation's Child Development Associate Credential curriculum in technical centers throughout the State.

(b) Any funds unused in subsection (a) of this section shall be reserved to fund stipends or paid internship opportunities for students who have completed, or are in the process of completing, the Child Development Associate Credential at a Vermont technical center or for the Division to develop a paid internship program for such students or both.

Sec. E.318.7 REPORT; EVALUATION OF EXPENDITURES AND PROGRAMS

(a) On or before January 1, 2024, the Commissioner for Children and Families, in consultation with stakeholders, shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare:

(1) evaluating the effectiveness of the expenditures resulting from the Child Care Financial Assistance Program rate and subsidy changes enacted for fiscal year 2020 as set forth in Sec. E.318.1 of this act, the incentive grants set forth in Sec. E.318.5 of this act, and the stipend or paid internship opportunities for individuals completing the Child Development Associate Credential at a Vermont technical center set forth in Sec. E.318.6 of this act;

(2) making recommendations as to whether the programs and expenditures set forth in Secs. E.318.1, E.318.5, and E.318.6 should continue; and

(3) evaluating how the programs and expenditures set forth in Secs. E.318.1, E.318.5, and E.318.6 contribute to Vermont's children and young people reaching their potential pursuant to 3 V.S.A. § 2311.

Sec. E.318.8 EDUCATIONAL AND EXPERIENTIAL VARIANCE

(a) For individuals operating or employed in a registered family child care home or as a director or teacher associate in a center-based program for 10 or more years prior to September 1, 2016, the Commissioner for Children and Families or designee may issue a variance to the Child Development Division's rule regarding educational and experiential requirements to allow an individual to maintain employment in that same role regardless of whether the family child care provider, family child care assistant, director, or teacher associate intends to attain the otherwise necessary educational requirements. To be eligible for a variance, the family child care provider, family child care assistant, director, or teacher associate shall:

(1) work continuously in a regulated program with a full license in good standing; and

(2) meet the Division's educational and experiential requirements in place prior to the adoption of the new rule, which was effective beginning on September 1, 2016.

(b) The Commissioner or designee shall review any violation occurring in a regulated program where a family child care provider, family child care assistant, director, or teacher associate is under variance and may revoke the variance granted by this section depending upon the seriousness and circumstances of the violation.

(c) Any variance granted under this section shall be terminated on July 1, 2024, and extensions shall not be granted beyond that date.

Sec. E.321 GENERAL ASSISTANCE HOUSING

(a) Funds appropriated to the Agency of Human Services in the General Assistance program in fiscal year 2020 may be used for temporary housing in catastrophic situations and for vulnerable populations, as defined in rules adopted by the Agency. The Commissioner for Children and Families may, by policy, provide temporary housing for a limited duration in adverse weather conditions when appropriate shelter space is not available.

Sec. E.321.1 HOUSING ASSISTANCE BENEFITS; FLEXIBILITY PROGRAM; COMMUNITY BASED ALTERNATIVES TO GENERAL ASSISTANCE TEMPORARY HOUSING

(a) For fiscal year 2020, the Agency of Human Services may continue to fund housing assistance programs within the General Assistance program to create flexibility to provide General Assistance benefits, as well as grants to support the establishment of community-based alternatives for temporary housing as part of the effort to reduce the number of individuals temporarily housed by the General Assistance program. The purpose of these housing assistance programs and community-based alternatives is to mitigate poverty and serve applicants more effectively than they are currently being served with General Assistance funds. Eligible activities shall include, among other things, the provision of shelter, overflow shelter, case management, transitional housing, deposits, down payments, rental assistance, upstream prevention, and related services that ensure that all Vermonters have access to shelter, housing, and the services they need to become safely housed. The Agency may award grants to homeless and housing service providers for eligible activities. Where such housing assistance programs and grants are provided, and community-based programs are established, the General Assistance rules shall not apply. The assistance provided under this section is not an entitlement and may be discontinued when the appropriation has been fully spent.

(b) The housing assistance and community-based programs may operate in up to 12 districts designated by the Secretary of Human Services. The Agency shall establish goals and procedures for evaluating the program overall, including performance measures that demonstrate program results, and for each district in which the Agency operates the program, it shall establish procedures for evaluating the district program and its effects.

(c) The Agency shall continue to engage interested parties, including both statewide organizations and local agencies, in the design, implementation, and evaluation of housing assistance programs and community-based alternatives to General Assistance temporary housing.

Sec. E.323 REACH UP CASE MANAGEMENT REVIEW AND
COMMUNITY ENGAGEMENT

(a) On or before October 2019, the Secretary of Human Services shall report to Joint Legislative Child Protection Oversight Committee and make recommendations on how Reach Up Case Management services can be more effectively directed to strengthen families and promote parental responsibilities. This report shall:

(1) outline the current components of the statutorily required Individualized Family Development Plan;

(2) identify what modifications are required to ensure a comprehensive assessment of the family's strengths and service needs is completed so that the family's individualized plan adequately addresses the nurturing and care of the children;

(3) review how families at risk of involvement in the child welfare system are identified and protocols for providing the preventive and upstream services to so that children can remain safely at home; and

(4) examine current practices of serving Reach Up families such as home visiting and referrals to enhance parental care and family stability.

(b) It is legislative intent that, within the Department for Children and Families, Reach Up case management engage with community-based service providers, including parent child centers, in a manner consistent with the principles referenced in 1994 Acts and Resolves No. 106.

Sec. E.323.1 33 V.S.A. § 1103 is amended to read:

§ 1103. ELIGIBILITY AND BENEFIT LEVELS

* * *

(c) The Commissioner shall adopt rules for the determination of eligibility for the Reach Up program and benefit levels for all participating families that include the following provisions:

* * *

(9) The amount of ~~\$115.00~~ \$77.00 of the Supplemental Security Income payment received by a parent excluding payments received on behalf of a child shall count toward the determination of the amount of the family's financial assistance grant.

* * *

Sec. E.323.2 33 V.S.A. § 1101 is amended to read:

§ 1101. DEFINITIONS

* * *

(15) "Parent" means ~~a biological parent, stepparent, adoptive parent, or pregnant individual;~~

(A) the same as in 15C V.S.A. § 102(16);

(B) stepparents; and

(C) pregnant individuals.

* * *

Sec. E.323.3 VACANT REACH UP CASE MANAGER POSITIONS

(a) In the event that any Reach Up Case Manager positions are vacant at the start of fiscal year 2020 or become vacant during fiscal year 2020, up to two of them may be transferred from the Economic Services Division, along with the funds budgeted to support them, to the Family Services Division and reclassified as determined by the Family Services Division.

Sec. E.324 EXPEDITED CRISIS FUEL ASSISTANCE

(a) The Commissioner for Children and Families or designee may authorize crisis fuel assistance to those income-eligible households that have applied for an expedited seasonal fuel benefit but have not yet received it, if the benefit cannot be executed in time to prevent them from running out of fuel. The crisis fuel grants authorized pursuant to this section count toward the one crisis fuel grant allowed per household for the winter heating season pursuant to 33 V.S.A. § 2609(b).

Sec. E.325 Department for children and families – office of economic opportunity

(a) Of the General Fund appropriation in Sec. B.325 of this act, \$1,092,000

shall be granted to community agencies for homeless assistance by preserving existing services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal Emergency Solutions Grants funds. Grant decisions shall be made with assistance from the Vermont Coalition to End Homelessness.

Sec. E.326 Department for children and families – OEO – weatherization assistance

(a) Of the Special Fund appropriation in Sec. B.326 of this act, \$750,000 is for the replacement and repair of home heating equipment.

Sec. E.326.1 [Deleted.]

Sec. E.326.2 33 V.S.A. § 2502 is amended to read:

§ 2502. HOME WEATHERIZATION ASSISTANCE PROGRAM

(a) The Director of the State Office of Economic Opportunity shall administer the Home Weatherization Assistance Program under such rules, regulations, funding, and funding requirements as may be imposed by federal law.

(b) In addition, the Director shall supplement, or supplant, any federal program with the State Home Weatherization Assistance Program.

(1) The State program shall provide an enhanced weatherization assistance amount exceeding the federal per unit limit allowing amounts up to an average of ~~\$8,000.00~~ \$8,500.00 per unit allocated on a cost-effective basis. The allowable average per unit may be adjusted to account for the lower cost per unit of multifamily buildings. In units where costs exceed the allowable average by more than 25 percent, prior approval of the Director of the State Economic Opportunity Office shall be required before work commences. This amount shall be adjusted annually by increasing the last year's amount by the percentage increase in the Consumer Price Index for the previous year.

* * *

Sec. E.327 WOODSIDE JUVENILE REHABILITATION CENTER;
REPORT

(a) The Secretary of Human Services shall develop an alternative proposal for long-term secure beds for delinquent youth. The proposal shall take into account the report required pursuant to 2018 Acts and Resolves No. 201, Sec. 12 and how therapeutic needs can be met.

(b) On or before January 15, 2020, the Secretary of Human Services shall submit a copy of the proposal to the House Committees on

Appropriations, on Corrections and Institutions, on Human Services, and on Judiciary, and the Senate Committees on Appropriations, on Health and Welfare, on Institutions, and on Judiciary.

Sec. E.329 TRANSFER OF NURSING HOME LICENSED BEDS;
REVIEW PROCESS

(a) The Secretary of Human Services shall develop a process for reviewing and approving the transfer of licensed beds from one nursing home to another nursing home, provided the transfer does not result in an increase in the total number of licensed nursing home beds in the State.

Sec. E.329.1 18 V.S.A. § 9434 is amended to read:

§ 9434. CERTIFICATE OF NEED; GENERAL RULES

(a) A health care facility other than a hospital shall not develop or have developed on its behalf a new health care project without issuance of a certificate of need by the Board. For purposes of this subsection, a “new health care project” includes the following:

* * *

(2)(A) A change from one licensing period to the next in the number of licensed beds of a health care facility through addition or conversion, or through relocation from one physical facility or site to another.

(B) Notwithstanding subdivision (A) of this subdivision (2), the transfer of licensed beds from one nursing home to another nursing home shall not be considered a new health care project for purposes of this subchapter if the transfer would not result in an increase in the total number of licensed nursing home beds in this State.

* * *

Sec. E.329.2 18 V.S.A. § 9434 is amended to read:

§ 9434. CERTIFICATE OF NEED; GENERAL RULES

(a) A health care facility other than a hospital shall not develop or have developed on its behalf a new health care project without issuance of a certificate of need by the Board. For purposes of this subsection, a “new health care project” includes the following:

* * *

(2)(A) A change from one licensing period to the next in the number of licensed beds of a health care facility through addition or conversion, or through relocation from one physical facility or site to another.

~~(B) Notwithstanding subdivision (A) of this subdivision (2), the transfer of licensed beds from one nursing home to another nursing home shall not be considered a new health care project for purposes of this subchapter if the transfer would not result in an increase in the total number of licensed nursing home beds in this State.~~

* * *

Sec. E.333 DEVELOPMENTAL DISABILITIES SERVICE PAYMENT
REFORM UPDATE

(a) The Agency of Human Services shall submit an update to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare Committee on the progress made on developmental disability service delivery and payment reform model on or before January 15, 2020. The update shall provide information on the decisions made to date on the proposed model for developmental disabilities payment and service delivery reform and shall include information on:

(1) anticipated costs to both providers and the State of any potential changes and any identified funding strategies;

(2) the plan to use a standardized assessment tool;

(3) how the proposed model addresses individualized services and community inclusion;

(4) stakeholder engagement, including how their feedback was incorporated into the plan;

(5) a description of how the model works in relation to payment and sustainability of the system and its workforce;

(6) how the model covers the costs of high-needs individuals;

(7) the continuation of person-centered care planning and services;

(8) maintaining choice of provider, service management, and service options; and

(9) how it will hold providers accountable for service expenditures and individual recipient outcomes.

Sec. E.333.1 DEVELOPMENTAL DISABILITIES FUNDING
ALLOCATION

(a) A total of \$5,202,688 is provided to increase rates and payments to the Designated Agencies and other specialized service providers for mental health

and developmental disability services and is intended to be allocated proportionally to the Departments of Mental Health and of Disabilities, Aging, and Independent Living. \$2,601,344 provided to the Department of Disabilities, Aging and Independent Living for this purpose includes the specialized service agencies.

Sec. E.335 CORRECTIONS APPROPRIATIONS; TRANSFER; REPORT

(a) In fiscal year 2020, the Secretary of Administration may, upon recommendation of the Secretary of Human Services, transfer unexpended funds between the respective appropriations for correctional services and for correctional services out-of-state beds. At least three days prior to any such transfer being made, the Secretary of Administration shall report the intended transfer to the Joint Fiscal Office and shall report any completed transfers to the Joint Fiscal Committee at its next scheduled meeting.

Sec. E.335.1 JUSTICE REINVESTMENT ALLOCATIONS

(a) In fiscal year 2020 and each fiscal year thereafter, the Department of Corrections shall redirect any budgetary savings in contracted services or caseload reductions in any area of corrections services and out-of-state bed need to the following justice reinvestment priorities:

(1) court diversion, community justice programs, and nonincarcerative treatment options for those suffering from either mental health or addiction problems;

(2) community organizations that develop transitional or long-term housing for offenders reentering the community; and

(3) programs operated by the Department or partner organizations serving reentering offenders regarding employment, reliable transportation, education or vocational training, substance use disorder recovery, peer support, and housing.

Sec. E.335.2 COMMUNITY WORK CREW PROGRAM RESTRUCTURE

(a) On or before October 15, 2019, the Department of Corrections shall report to the Joint Legislative Justice Oversight Committee regarding whether the Department should contract with local community justice programs to oversee the work crew sentence requirements of any individual with work crew obligations under the Department's supervision. The report shall consider the cost and public safety implications, as well as any anticipated effect on recidivism rates, of any such contractual approach to work crew supervision.

Sec. E.338 Corrections - correctional services

(a) Notwithstanding 32 V.S.A. § 3709(a), the special funds appropriation

of \$152,000 for the supplemental facility payments to Newport and Springfield shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.338.1 [Deleted.]

Sec. E.338.2 28 V.S.A. § 801b is amended to read:

§ 801b. MEDICATION-ASSISTED TREATMENT IN CORRECTIONAL FACILITIES

* * *

(e) ~~Any counseling~~ Counseling or behavioral therapies shall be provided in conjunction with the use of medication for medication-assisted treatment shall be medically necessary, as provided for in the Department of Health's "Rule Governing Medication-Assisted Therapy for Opioid Dependence for: (1) Office-Based Opioid Treatment Providers Prescribing Buprenorphine; and (2) Opioid Treatment Providers."

Sec. E.338.3 CORRECTIONS HEALTH CARE; REPORT

(a) On or before November 15, 2019, the Department of Corrections shall provide an interim report to the Joint Legislative Justice Oversight Committee regarding the Department's Peer Review of the medication-assisted treatment policy, procedure, and clinical guidelines.

Sec. E.338.4 2014 Acts and Resolves No. 131, Sec. 135, as amended by 2015 Acts and Resolves No. 4, Sec. 71 and 2017 Acts and Resolves No. 85, Sec. E.338.2 and 2018 Acts and Resolves No.87, Sec. 51, is further amended to read:

Sec. 135. EFFECTIVE DATES

This act shall take effect on passage, except that Secs. 118a and 118b (amending 18 V.S.A. § 4808 and adding 18 V.S.A. § 4809) shall take effect on July 1, 2021. [Repealed.]

Sec. E.342 20 V.S.A. § 1716 is amended to read:

§ 1716. CHIEF EXECUTIVE OFFICER

* * *

(11) Report annually on or before July 1 to the Secretary of Administration and the Senate Committee on Appropriations on the number of employees who work at the Vermont Veterans' Home for 16 hours or fewer per week. [Repealed.]

Sec. E.342.1 VERMONT VETERANS' HOME SAFETY AND ACCESS
CONTROL UPGRADES

(a) The Vermont Veterans' Home is authorized to use \$918,750 as 35 percent State match for its VA grant to address safety and access control. An additional \$140,049 shall be reserved for further use with the approval of the General Assembly.

Sec. E.342.2 VERMONT VETERANS' HOME; PHARMACY SAVINGS

(a) The Administrator of the Vermont Veterans' Home shall coordinate with the staff of Vermont's U.S. Senate delegation who have expertise relevant to the prescription drug supply system of the U.S. Veterans' Administration (VA). The Administrator shall determine the feasibility of reducing the cost of prescription medications provided by the VA and report findings, recommendations, and actions to the House and Senate Committees on Appropriations on or before January 15, 2020. A guiding principle when developing recommendations shall be patient safety and the reduction of medication error rates.

* * * LABOR * * *

Sec. E.400 LABOR PROGRAMS

(a) \$1,335,900 of the General Funds appropriated in Sec. B.400 of this act are workforce education and training funds formerly allocated through the Next Generation Fund. Up to 10 percent of these funds may be allocated for administration and the remaining funds are allocated in fiscal year 2020 as follows:

(1) \$350,000 for infrastructure and grants for internships through the Vermont Internship Program pursuant to 10 V.S.A. § 544.

(2) \$400,000 for Adult Career Technical Education Programs for the purpose of awarding grants to regional technical centers and high schools to provide adult career technical education as the term is defined in 16 V.S.A. § 1522. Each of the seventeen (17) regional Career Technical Education (CTE) Centers that provides Adult CTE programs shall be awarded a base grant of \$20,000. These grants may be used to support adult program staff or instructor salaries, scholarships for eligible adult CTE students, or curriculum development for adult CTE courses. The remaining \$60,000 is to support the coordination and organization of the State's regional adult career technical education programs.

(3) \$100,000 to support the Vermont Returnship Program pursuant to 10 V.S.A. § 545. The Department of Labor may award a performance grant to assist in the coordination, outreach, and implementation of the Program.

(4) \$75,000 to support workforce education and training activities for Vermont inmates in the State's correctional facilities that are consistent with their reentry plan. The Department may fund these activities in coordination with the Department of Corrections, a local restorative justice center, a regional Career Technical Education Center, or other qualified training provider. Training opportunities funded with this allocation will be aligned with an identified employment need, and when possible, should result in an industry-recognized credential.

(5) \$277,310 to support of demand-driven trainings or programs aimed at meeting employment needs throughout the State. High-priority sectors include health care, construction, manufacturing, transportation, hospitality, and business services. Grants may be awarded to training providers, businesses, or service providers who help out-of-school youth, veterans, dislocated workers, mature workers, individuals in recovery, or geographically isolated job seekers to overcome barriers to employment.

Sec. E.400.1 VERMONT YOUTH EMPLOYMENT PROGRAM

(a) On or before September 1, 2019, the Department of Labor shall design and begin implementation of the Vermont Youth Employment Program, the purpose of which shall be to provide paid work experiences and paid or unpaid internships for Vermont youth with individualized preemployment, academic, occupational, and technical skill development supports available as needed. In coordination with existing federal youth education, training, and employment programs, the Vermont Youth Employment Program shall include:

(1) a summer youth employment program for individuals 15–24 years of age; and

(2) a nonseasonal youth employment program for out-of-school youth as defined in 20 CRF § 681.210 or individuals 18-24 years of age who are not pursuing a post-secondary degree or credential.

(b) The Department shall implement the Program using funds from the State's Workforce Innovation and Opportunity Act grant from the U.S. Department of Labor, and other State and federal sources, to the extent allowed under applicable law.

(c) The Department shall design the Program to serve approximately 150 individual Vermonters annually, and it shall be designed to support opportunities that are easily replicable throughout the State if the program is expanded in future years.

(d) Of the General Funds appropriated to the Department of Labor, \$150,000 is allocated to support the program and may be used for program administration, wages for non-WIOA eligible youth, academic or skill

instruction, participant transportation, or other non-federally fundable expenses.

(e) The Department shall collect the following information and make it available to the General Assembly upon request:

(1) the number of youth enrolled and that have completed the program;

(2) the age and town of residence of youth at the time of enrollment;

(3) the number and types of certificates or credentials granted to participants;

(4) employment or post-secondary enrollment outcomes of participants in the second and fourth quarter of the year after enrollment;

(5) the total allocation of funding from federal, State, private, and philanthropic sources that is used to support the program; and

(6) any identified barriers that impede the success of the program either at the program or individual participant level.

* * * K-12 EDUCATION * * *

Sec. E.500 32 V.S.A. § 6075a is amended to read:

§ 6075a. ~~EDUCATION FINANCIAL SYSTEMS FUND~~

~~There is created a special fund to be called the "Education Financial Systems Fund." The purpose of the Fund is to provide for implementation of a uniform chart of accounts by the Agency of Education as provided in 2014 Acts and Resolves No. 179, Secs. E.500.2 and E.500.3, and Sec. E.500.1 as amended by 2015 Acts and Resolves No. 58, Sec. E.500.1. [Repealed.]~~

Sec. E.500.1 16 V.S.A. § 4025 is amended to read:

§ 4025. ~~EDUCATION FUND~~

* * *

(b) Monies in the Education Fund may be used for the following:

* * *

(5) To make payments for contracted services to support statewide administrative education systems, including the costs of the statewide school finance and financial management data system to complete the reporting required by subdivision 242(4) of this title and pursuant to 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.500.1.

* * *

Sec. E.500.2 EDUCATION FINANCIAL SYSTEMS FUND BALANCE
TRANSFER

(a) Notwithstanding any other provision of law, on July 1, 2019, any unencumbered balance in the Education Financial Systems Fund, established by 32 V.S.A. § 6075a, fund number 21244, shall be transferred to the Education Fund.

Sec. E.500.3 Education – finance and administration

(a) The Global Commitment funds appropriated in this section will be used for physician claims for determining medical necessity of Individualized Education Program (IEPs). It is the goal of these services to increase the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.500.4 EDUCATION FINANCIAL SYSTEMS FUND BALANCE
TRANSFER USE

(a) \$600,000 of the unencumbered balance transferred to the Education Fund from the Education Financial Systems Fund by Sec. E.500.2 of this act shall be used for additional support to provide contractor assistance and on-site trainings.

Sec. E.500.5 2018 Acts and Resolves No. 11 (Sp. Sess.), Sec. E.500.1 is amended to read:

Sec. E.500.1 ~~UNIFORM CHART OF ACCOUNTS~~ SCHOOL FINANCE
AND FINANCIAL DATA MANAGEMENT SYSTEM

(a) Not later than July 1, ~~2020~~ 2022, all Vermont supervisory unions, supervisory districts, school districts, and independent tech center districts shall utilize the same school finance and financial data management system. The system shall be selected by the Agency of Education per State procurement guidelines.

* * *

~~(c) Notwithstanding subsection (a) of this section, supervisory unions with districts that are merging into a new governance structure as of July 1, 2018 and that have executed a contract on or before May 1, 2018 to acquire a new school finance and financial data system other than the management system selected by the Agency of Education to serve the merged system may delay adoption of the system selected by the Agency until July 1, 2021. [Repealed.]~~

~~(d) Notwithstanding subsection (a) of this section, a supervisory union or a supervisory district that entered into a contract for a school finance and financial data management system on or after July 1, 2017, may delay~~

~~adoption of the system selected by the Agency until July 1, 2021 or upon expiration of the current contract, whichever is earlier. [Repealed.]~~

Sec. E.501 Education – education services

(a) \$75,000 of the funds appropriated in Sec. B.501 of this act shall increase State match payments to schools participating in the national school lunch program to increase the purchase of locally produced foods.

Sec. E.501.1 BUILDING SAFE AND HEALTHY ENVIRONMENTS FOR STUDENTS

(a) Notwithstanding any other provision of law, \$60,000 from the General Fund to the Agency of Education shall be used for a pass-through grant to Outright Vermont to provide funding for training and support of building safe, supportive, and healthy environments for all students.

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

(a) Of the appropriation authorized in this section, and notwithstanding any other provision of law, an amount not to exceed \$3,764,490 shall be used by the Agency of Education in fiscal year 2020 as funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

Sec. E.502.1 2018 Acts and Resolves No. 173, Sec. 16 is amended to read:

Sec. 16. RULEMAKING

The Agency of Education shall recommend to the State Board proposed rules that are necessary to implement this act and, on or before ~~November~~ August 1, 2019 2020, the State Board of Education shall ~~adopt~~ initiate rules that are necessary to implement this act. The State Board and the Agency of Education shall consult with the Census-based Funding Advisory Group established under Sec. 9 of this act in developing the State Board rules. The State Board rules shall include rules that establish processes for reporting, monitoring, and evaluation designed to ensure:

(1) the achievement of the goal under this act of enhancing the effectiveness, availability, and equity of services provided to all students who require additional support in Vermont's school districts; and

(2) that supervisory unions are complying with the Individuals with Disabilities Education Act, 20 U.S.C. chapter 33.

Sec. E.502.2 2018 Acts and Resolves No. 173, Sec. 23 is amended to read:

Sec. 23. EFFECTIVE DATES

* * *

(b) Sec. 5 (16 V.S.A. chapter 101) shall take effect on July 1, ~~2020~~ 2021.

* * *

Sec. E.503 Education – state-placed students

(a) The Independence Place Program of the Lund Family Center shall be considered a 24-hour residential program for the purposes of reimbursement of education costs.

(b) Education services provided to long-term residents at Woodside Juvenile Rehabilitation Center shall be eligible for reimbursement.

Sec. E.504.1 [Deleted.]

Sec. E.504.2 Education – flexible pathways

(a) Of this appropriation, \$3,026,500 from the Education Fund shall be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 943(c). Notwithstanding 16 V.S.A. § 4025(b), of this Education Fund appropriation, the amount of:

(1) \$850,000 is available for dual enrollment programs and the amount of \$42,500 is available for need-based stipends pursuant to Sec. E.605.2(a) of this act;

(2) \$100,000 is available to support the Vermont Virtual Learning Cooperative at the River Valley Technical Center School District;

(3) \$200,000 is available for secondary school reform grants; and

(4) \$450,000 is available for the Vermont Academy of Science and Technology and \$2,148,000 for Early College pursuant to 16 V.S.A. § 946.

(b) Of this appropriation, \$850,000 from general funds is available for dual enrollment programs and the amount of \$42,500 from the General Fund is available for need-based stipends pursuant to Sec. E.605.2(a) of this act.

Sec. E.505 INTERSTATE SCHOOL DISTRICT

(a) Notwithstanding any other provision of law, \$25,000 of the funds appropriated in Sec. B.505 of this act shall be granted to the Stamford school district for continued study of the formation of an interstate school district that would combine the Stamford school district with the Clarksburg, Massachusetts school district.

Sec. E.507 SMALL SCHOOLS GRANTS; PRESERVING ELIGIBILITY;
PROHIBITING DUPLICATE GRANTS

(a) Notwithstanding the provisions of 16 V.S.A. § 4015 to the contrary, a district shall be eligible for a small schools grant under that section if:

(1) two or more school districts voluntarily merged to form a unified union school district that will become operational on July 1, 2019;

(2) one or more of these merging 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 2019; and

(3) 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.

(b) In determining whether a school district is an eligible school district under 16 V.S.A. § 4015(a)(1)(B)(ii)(III), 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 the supervisory union for the school district or by another member school district;

(2) the member school districts of the supervisory union have a reciprocity agreement under which they allow resident students of one member school district to attend a school in another member school district;

(3) a student who is a resident of a member school district attends the school in another member school district under the reciprocity agreement for the purpose of receiving special education services; and

(4) the person is working in the school in the other member school district to support the student receiving special education services.

(c) A union school district that receives a merger support grant pursuant to 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and Resolves No. 46, each as amended, shall not be eligible also to receive a small schools grant under this section; provided, however, that if a union school district that received a merger support grant is enlarged to include a district that received a small school grant in fiscal year 2019 (the “new member”) and the operational date of the union district as enlarged by the new member is July 1, 2019, then the union school district may apply for a small school grant pursuant to the provisions of 16 V.S.A. § 4015 in connection with any school located within the new member.

Sec. E.514 State teachers’ retirement system

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the State Teachers’ Retirement System (STRS) shall be \$126,197,389 of which \$120,247,389 shall be the State’s contribution and \$5,950,000 shall be

contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$7,116,765 is the “normal contribution,” and \$119,080,624 is the “accrued liability contribution.”

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

(a) In accordance with 16 V.S.A. § 1944b(b)(2), \$31,067,652 will be contributed to the Retired Teachers’ Health and Medical Benefits Fund.

Sec. E.515.1 PREFUNDING OF THE RETIRED TEACHERS’ HEALTH CARE AND MEDICAL BENEFITS FUND

(a) Of the amount appropriated in Sec. B.515 of this act, \$2,400,000 is intended to prefund the Retired Teachers’ Health and Medical Benefits Fund at the earliest possible date.

* * * HIGHER EDUCATION * * *

Sec. E.600 University of Vermont

(a) The Commissioner of Finance and Management shall issue warrants to pay one-twelfth of this appropriation to the University of Vermont on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$380,326 shall be transferred to EPSCoR (Experimental Program to Stimulate Competitive Research) for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

(c) If Global Commitment Fund monies are unavailable, the total grant funding for the University of Vermont shall be maintained through the General Fund or other State funding sources.

(d) The University of Vermont shall use the Global Commitment funds appropriated in this section to support Vermont physician training. The University of Vermont prepares students, both Vermonters and out-of-state, and awards approximately 100 medical degrees annually. Graduates of this program, currently representing a significant number of physicians practicing in Vermont, deliver high-quality health care services to Medicaid beneficiaries and to uninsured or underinsured persons, or both, in Vermont and across the nation.

Sec. E.602 Vermont state colleges

(a) The Commissioner of Finance and Management shall issue warrants to pay one-twelfth of this appropriation to the Vermont State Colleges on or

about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$427,898 shall be transferred to the Vermont Manufacturing Extension Center for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.602.1 VERMONT STATE COLLEGES TUITION

(a) Of the amount appropriated in Sec. B.602 of this act, \$2,500,000 is intended to mitigate tuition increases for one year.

Sec. E.603 Vermont state colleges – allied health

(a) If Global Commitment fund monies are unavailable, the total grant funding for the Vermont State Colleges shall be maintained through the General Fund or other State funding sources.

(b) The Vermont State Colleges shall use the Global Commitment funds appropriated in this section to support the dental hygiene, respiratory therapy, and nursing programs which graduate approximately 315 health care providers annually. These graduates deliver direct, high-quality health care services to Medicaid beneficiaries or uninsured or underinsured persons, or both.

Sec. E.603.1 UNIVERSITY OF VERMONT AND VERMONT STATE COLLEGES SYSTEM EFFICIENCIES AND IMPROVED RETENTION AND GRADUATION RATES

(a) The University of Vermont (UVM) and the Vermont State Colleges System (VSCS) shall:

(1) collaborate to identify cost efficiencies that would benefit both institutions. Such efficiencies may include costs related to employee health care benefits, purchasing, and the processing of accounts payable, accounts receivable, and payroll; and

(2) collaborate to implement strategies to increase retention and graduation rates at the University of Vermont and each of the colleges in the VSCS.

(b) UVM and the VSCS shall submit an interim report to the Senate and House Committees on Appropriations and the Senate and House Committees on Education on or before October 15, 2019. This report shall include:

(1) preliminary recommendations for efficiencies that should be pursued;

(2) the estimated amount of annual savings;

(3) any one-time funds needed to implement the efficiencies;

(4) any further efficiencies that should be explored; and

(5) preliminary recommendations regarding strategies to increase retention and graduation rates.

(c) If the interim report is not submitted or when submitted does not include any recommendations pursuant to subdivisions (b)(1) and (b)(5) of this section, a new working group shall immediately be created as defined in Sec. E.603.2 of this act.

Sec. E.603.2 UVM AND VSCS EFFICIENCIES AND IMPROVED
RETENTION AND GRADUATION RATES
WORKING GROUP

(a) In the event that the provisions of Sec. E.603.1 of this act do not occur there shall be established a UVM and VSCS Efficiencies and Improved Retention and Graduation Rates Working Group as follows:

(b) Membership. The Working Group shall consist of seven members as follows:

(1) two members of the Senate, one each from the Committees on Appropriations and Education, appointed by the Committee on Committees;

(2) two members of the House, one each from the Committees on Appropriations and Education, appointed by the Speaker of the House;

(3) the Commissioner of Finance and Management or designee;

(4) one person representing the University of Vermont, selected by the President of the University; and

(5) one person representing the Vermont State Colleges System, selected by the Chancellor.

(c) Meetings. The Working Group may meet up to four times. For attending a meeting of the Working Group when he or she is not receiving compensation as a member of the General Assembly, a member of the Working Group who is a member of the General Assembly shall be entitled to the same per diem compensation and reimbursement for necessary expenses as provided members of standing committees under 2 V.S.A. § 406.

(d) Report. The Working Group shall submit a report to the Senate and House Committees on Appropriations and the Senate and House Committees on Education on or before December 15, 2019. This report shall include:

(1) recommendations for efficiencies that should be pursued;

(2) the estimated amount of annual savings;

(3) any one-time funds needed to implement the efficiencies;

(4) any further efficiencies that should be explored; and

(5) recommendations regarding strategies to increase retention and graduation rates.

Sec. E.605 Vermont student assistance corporation

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

(b) Of this appropriation, not more than \$200,000 may be used by the Vermont Student Assistance Corporation for a student aspirational pilot initiative to serve one or more high schools.

(c) Of the appropriated amount remaining after accounting for subsections (a) and (b) of this section, not less than 93 percent of this appropriation shall be used for direct student aid.

Sec. E.605.1 [Deleted.]

Sec. E.605.2 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS

(a) The sum of \$85,000 shall be transferred to the Vermont Student Assistance Corporation (VSAC) from Sec. E.504.2(a)(1) and (b) of this act (flexible pathways funds appropriated for need-based stipend purposes) to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 946 to be used for the purchase of books, cost of transportation, and payment of fees. VSAC shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.

(b) VSAC shall report on the program to the House Committees on Appropriations and on Commerce and Economic Development and to the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs on or before January 15, 2020.

* * * NATURAL RESOURCES * * *

Sec. E.700 24 V.S.A. § 4752 is amended to read:

§ 4752. DEFINITIONS

As used in this chapter:

* * *

(20) “Hardship municipality” means a municipality served by a municipally owned public community water system that:

(A) has a residential population of 250 or less;

(B) has an annual household user cost that exceeds \$1,000.00 or 1.5 percent of the median household income after construction of the water supply improvements project as determined by the Secretary; and

(C) requires improvements to address an imminent public health hazard or a substantial threat to public health as determined by the Secretary.

Sec. E.700.1 24 V.S.A. § 4769 is added to read:

§ 4769. LOANS TO HARDSHIP MUNICIPALITIES

(a) Waiver of bond vote. A hardship municipality may receive a loan for an eligible project that includes a loan subsidy of up to \$200,000.00 in the form of 100 percent principal forgiveness with no interest or administrative fee from funds authorized in 24 V.S.A. § 4753(a)(3), subject to the availability of such loan subsidy. Notwithstanding the provisions of subdivision 4755(a)(3) of this title, the loan is not required to be evidenced by a municipal bond up to the amount to be forgiven.

(b) Waiver of reimbursement method required in statute. Notwithstanding the provisions of subsection 4755(b) of this title, loan funds may be disbursed to a hardship municipality for its approved project upon receipt by the Department of eligible project invoices without prior payment by the municipality.

Sec. E.700.2 LOANS TO HARDSHIP MUNICIPALITIES; REPORT

(a) For loans to hardship municipalities described in Sec. E.700.1 of this act, on or before January 15, 2020, the Secretary of Natural Resources shall submit a report to the Senate Committees on Institutions and on Appropriations and to the House Committees on Corrections and Institutions and on Appropriations with the projected demand, municipal eligibility, long-term impact on availability of loan subsidy for other purposes, and a recommendation on options for prioritizing projects.

(b) The State shall work with any hardship municipality that receives a loan under 24 V.S.A. § 4769 to develop a State approved asset management plan that includes a capital improvement plan.

Sec. E.702 WATER QUALITY TREATMENT AND TESTING:
SALISBURY FISH HATCHERY

(a) The Department of Fish and Wildlife and the Department of Environmental Conservation shall review the water quality treatment and testing currently implemented at the Salisbury fish hatchery. On or before January 15, 2022, the Department of Environmental Conservation and the Department of Fish and Wildlife, where appropriate, shall modify the water

quality treatment and testing requirements at the hatchery in order to bring the hatchery into compliance with the Vermont water quality standards. The review conducted by the Department of Fish and Wildlife and the Department of Environmental Conservation shall include evaluation of:

- (1) modifications to the discharge point of compliance at the hatchery;
- (2) rate of discharge from the hatchery;
- (3) the placement of the discharge output for the hatchery;
- (4) potential discharge treatment systems designed to bring the hatchery into compliance with the Vermont water quality standards; and
- (5) an evaluation of the appropriate monitoring and sampling protocols of the receiving State waters.

(b) Beginning on January 15, 2020, and annually thereafter until January 15, 2023, the Department of Fish and Wildlife, after consultation with the Department of Environmental Conservation, shall report to the House Committees on Natural Resources, Fish, and Wildlife, on Corrections and Institutions, on Appropriations, and on Ways and Means and the Senate Committees on Natural Resources and Energy, on Institutions, on Finance, and on Appropriations regarding implementation of the modifications resulting from the review required under subsection (a) of this section.

Sec. E.711 ENVIRONMENTAL CONTINGENCY FUND; BENNINGTON
WATER LINE EXTENSION

(a) In fiscal year 2019, there is transferred \$2,500,000 from the General Fund from a settlement with multiple gasoline refiners related to contamination from the gasoline additive methyl tertiary-butyl ether to the Environmental Contingency Fund established pursuant to 10 V.S.A. § 1283 for the purpose of extending municipal water to contaminated properties in the Town of Bennington.

Sec. E.711.1 BENNINGTON WATER LINE EXTENSION

(a) Waiver of bond vote. The Town of Bennington shall receive a loan for the Operational Unit C / Chapel Road Project in an amount of up to \$1,500,000 to receive a loan subsidy in the form of 100 percent principal forgiveness with no interest or administrative fee from funds authorized in 24 V.S.A. § 4753(a)(3). Notwithstanding the provisions of 24 V.S.A. § 4755(a)(3), the loan is not required to be evidenced by a municipal bond.

(b) Waiving reimbursement method required in statute. Notwithstanding the provisions of 24 V.S.A. § 4755(b), loan funds may be disbursed to the Town of Bennington for Operational Unit C / Chapel Road Project upon

receipt by the Agency of Natural Resources of eligible project invoices without prior payment by the Town.

(c) Cost recovery of loan funds. The loan provided pursuant to this section is to implement a remedial action approved by the Agency of Natural Resources and shall be recoverable from any person responsible for the release of a hazardous material in the same manner as funds spent pursuant to 10 V.S.A. § 1283.

Sec. E.711.2 10 V.S.A. § 1283 is amended to read:

§ 1283. CONTINGENCY FUND

* * *

(b) Disbursements under this subsection may be made for emergency purposes or to respond to other than emergency situations; provided, however, that disbursements in response to an individual situation that is not an emergency situation shall not exceed \$100,000.00 for costs attributable to each of the subdivisions of this subsection, unless the Secretary has received the approval of the General Assembly, or the Joint Fiscal Committee, in case the General Assembly is not in session. Furthermore, the balance in the Fund shall not be drawn below the amount of \$100,000.00, except in emergency situations. If the balance of the Fund becomes insufficient to allow a proper response to one or more emergencies that have occurred, the Secretary shall appear before the Emergency Board, as soon as possible, and shall request that necessary funds be provided. Within these limitations, disbursements from the Fund may be made:

* * *

(6) to pay administrative and field supervision costs incurred by the Secretary or by a municipality at the direction of the Secretary in carrying out the provisions of this subchapter. Annual disbursements, for these costs, to the Department of Environmental Conservation under this subdivision shall not exceed ~~2.0~~ 2.5 percent of annual revenues;

* * *

* * * TRANSPORTATION * * *

Sec. E.903 Transportation – program development

(a) Of the Transportation Funds appropriated in Sec. B.903 of this act, \$300,000 shall be allocated for vehicle incentive and emissions repair programs. This funding allocation in combination with the appropriation in Sec. C.100(b)(2) of this act provides a total funding amount of \$2,000,000 for vehicle incentive and emissions repair programs.

(b) If the Agency of Transportation's fiscal year 2019 maintenance of effort requirement is attained and toll credits are approved by the Federal Highway Administration in fiscal year 2020, then the appropriation of Transportation Funds in Sec. B.903 of this act is decreased by \$845,416 and the appropriation of federal funds is increased by \$845,416.

Sec. E.903.1 [Deleted.]

Sec. E.915 Transportation – town highway aid program

(a) This appropriation is authorized notwithstanding the provisions of 19 V.S.A. § 306(a).

(b) If the Agency of Transportation's fiscal year 2019 maintenance of effort requirement is attained and toll credits are approved by the Federal Highway Administration in fiscal year 2020, then spending authority and appropriation of Transportation Funds for grants is increased by \$645,416.

Sec. E.919 Transportation – municipal mitigation assistance program

(a) Notwithstanding Sec. 6(a) of 2019 H.529, an act relating to the Transportation Program and miscellaneous changes to laws related to transportation, spending authority for grants in the Municipal Mitigation Assistance Program in the Agency of Transportation's Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) is increased by \$770,000 in special funds from the Clean Water Fund as appropriated in Sec. B.919 of this act.

(b) If the Agency of Transportation's fiscal year 2019 maintenance of effort requirement is attained and toll credits are approved by the Federal Highway Administration in fiscal year 2020, then spending authority and the appropriation of Transportation Funds is increased by \$200,000.

* * * MISCELLANEOUS * * *

Sec. F.100 MEALS AND ROOMS TAX ALLOCATION FOR FISCAL YEAR 2020

(a) Notwithstanding any provision of law to the contrary, for fiscal year 2020 only, any revenue from the meals and rooms taxes in excess of \$7,500,000 that would be deposited in the Clean Water Fund under 10 V.S.A. § 1388(a)(4) shall instead be deposited in the General Fund.

* * * EFFECTIVE DATES * * *

Sec. G.100 EFFECTIVE DATES

(a) This section and Secs. C.100 (fiscal year 2019 one-time appropriations), C.101 (fiscal year 2019 one-time transfer), C.102 (fiscal year

2019 fund transfers, reversions and reserves), C.102.1 (fiscal year 2019 contingent transfers and appropriations), C.102.2 (fiscal year 2019 Secretary of State fund balance), C.103 (fiscal year Tobacco Litigation Settlement Fund transfer and yearend balance), C.104-C.107 (fiscal year 2019 budget adjustments; Legislative Branch), C.108-C.109 (fiscal year 2019 budget adjustments, Agency of Education), C.110-C.113 (fiscal year 2019 budget adjustments, teachers' retirement system and health and medical benefits), C.114 (Green Mountain Secure Retirement Plan), C.116 (fiscal year 2019 budget adjustment, one-time appropriations), C.117 (loan authorization and funding source), E.112 (energy efficiency; State buildings and facilities), E.127-E.127.2 (Joint Fiscal Committee, grants acceptance language), E.233.1 (Public Service transfer), E.301.2 (mental health and substance use disorder workforce), E.312.1 (report; promotion of immunization), E.318.2 (early childcare and development program cessation), E.318.4 (Bright Futures Information System), E.318.5 (child care workforce grants, continuing education), E.318.6 (child care curriculum), E.329 (transfer of nursing home licensed beds; review process), E.329.1 (18 V.S.A. § 9434(a); licensed nursing home beds exception) E.507 (small schools grant, preserving eligibility, prohibiting duplicate grants), and E.711-E.711.1 (Bennington water line funding and extension), shall take effect upon passage.

(b) Notwithstanding 1 V.S.A. § 214, Sec. C.115 (special fund appropriation for tax computer systems) shall take effect on passage and shall apply retroactively to January 1, 2019.

(c) Sec. E.308.1 (personal needs allowance reset) shall take effect on January 1, 2020.

(d) Sec. E.329.2 (18 V.S.A. § 9434(a); repeal of licensed nursing home beds exception) shall take effect on July 1, 2020.

(e) All remaining sections shall take effect on July 1, 2019.

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.

*M. JANE KITCHEL
RICHARD W. SEARS, JR.
RICHARD A. WESTMAN*

Committee on the part of the Senate

*CATHERINE B. TOLL
MARY S. HOOPER
PETER J. FAGAN*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative on a roll call, Yeas 24, Nays 3.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Bray, Champion, Clarkson, Cummings, Hardy, Hooker, Ingram, Kitchel, MacDonald, Mazza, McCormack, Nitka, Pearson, Perchlik, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

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

Those Senators absent and not voting were: Lyons, McNeil, Parent.

Appointment Confirmed

The following Gubernatorial appointment was confirmed separately by the Senate, upon full report given by the Committee to which it was referred:

The nomination of

Schirling, Michael of Burlington - Secretary, Agency of Commerce and Community Development - March 1, 2019 to February 28, 2021.

Was confirmed by the Senate.

Recess

On motion of Senator Ashe the Senate recessed until fall of the gavel.

Called to Order

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

Message from the House No. 86

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 the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 533. An act relating to workforce development.

And has adopted the same on its part.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 541. An act relating to changes that affect the revenue of the State.

And has adopted the same on its part.

Message from the House No. 87

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

Mr. President:

I am directed to inform the Senate that:

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

S. 141. An act relating to nutritional requirements for children's meals.

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

The House has adopted joint resolution of the following title:

J.R.H. 6. Joint resolution relating to the final adjournment of the General Assembly 2019.

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

Rules Suspended; House Proposal of Amendment Not Concurred In and Adhere; Bill Messaged

S. 141.

Pending entry on the Calendar for notice, on motion of Senator Pearson, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to nutritional requirements for children's meals.

Was taken up for immediate consideration.

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

Sec. A.100 SHORT TITLE

(a) This bill may be referred to as the BIG BILL – Fiscal Year 2020 Appropriations Act.

Sec. A.101 PURPOSE

(a) The purpose of this act is to provide appropriations for the operations of State government during fiscal year 2020. It is the express intent of the

General Assembly that activities of the various agencies, departments, divisions, boards, and commissions be limited to those that can be supported by funds appropriated in this act or other acts passed prior to June 30, 2019. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2020 so as to meet this condition unless otherwise directed by specific language in this act or other acts of the General Assembly.

Sec. A.102 APPROPRIATIONS

(a) It is the intent of the General Assembly that this act serves as the primary source and reference for appropriations for fiscal year 2020.

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

(c) Unless codified or otherwise specified, all narrative portions of this act apply only to the fiscal year ending on June 30, 2020.

Sec. A.103 DEFINITIONS

(a) As used in this act:

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

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

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

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

Sec. A.104 RELATIONSHIP TO EXISTING LAWS

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

Sec. A.105 OFFSETTING APPROPRIATIONS

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

Sec. A.106 FEDERAL FUNDS

(a) In fiscal year 2020, the Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may accept federal funds available to the State of Vermont, including block grants in lieu of or in addition to funds herein designated as federal. The Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may allocate all or any portion of such federal funds for any purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during fiscal year 2020, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2019 session of the Vermont General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for no more than 45 days prior to Legislative or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor's request for approval.

Sec. A.107 NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary positions as defined in 3 V.S.A. § 311(11), shall not be increased during fiscal year 2020 except for new positions authorized by the 2019 session. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction, nor shall positions created pursuant to the Position Pilot Program authorized in 2014 Acts and Resolves No. 179, Sec. E.100(d), as amended by 2015 Acts and Resolves No. 4, Sec. 74, by 2016 Acts and Resolves No. 172, Sec. E.100.2, by 2017 Acts and Resolves No. 85, Sec. E.100.1, and by 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.100.1.

Sec. A.108 LEGEND

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

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

(b) The C sections contain any amendments to the current fiscal year and the D sections contain fund transfers and reserve allocations for the upcoming budget year.

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

Personal services	901,632
Operating expenses	<u>209,988</u>
Total	1,111,620
Source of funds	
General fund	886,620
Special funds	150,000
Internal service funds	<u>75,000</u>
Total	1,111,620

Sec. B.101 Secretary of administration - finance

Personal services	1,251,050
Operating expenses	<u>128,367</u>
Total	1,379,417

Source of funds	
Interdepartmental transfers	<u>1,379,417</u>
Total	1,379,417
Sec. B.102 Secretary of administration - workers' compensation insurance	
Personal services	540,613
Operating expenses	<u>229,050</u>
Total	769,663
Source of funds	
Internal service funds	<u>769,663</u>
Total	769,663
Sec. B.103 Secretary of administration - general liability insurance	
Personal services	589,805
Operating expenses	<u>67,265</u>
Total	657,070
Source of funds	
Internal service funds	<u>657,070</u>
Total	657,070
Sec. B.104 Secretary of administration - all other insurance	
Personal services	16,891
Operating expenses	<u>15,284</u>
Total	32,175
Source of funds	
Internal service funds	<u>32,175</u>
Total	32,175
Sec. B.105 Agency of digital services - communications and information technology	
Personal services	48,324,719
Operating expenses	<u>23,980,357</u>
Total	72,305,076
Source of funds	
General fund	179,238
Special funds	383,707
Internal service funds	<u>71,742,131</u>
Total	72,305,076
Sec. B.106 Finance and management - budget and management	
Personal services	1,425,403
Operating expenses	<u>207,736</u>
Total	1,633,139

Source of funds	
General fund	1,286,501
Internal service funds	<u>346,638</u>
Total	1,633,139
Sec. B.107 Finance and management - financial operations	
Personal services	2,210,271
Operating expenses	<u>651,353</u>
Total	2,861,624
Source of funds	
Internal service funds	<u>2,861,624</u>
Total	2,861,624
Sec. B.108 Human resources - operations	
Personal services	8,421,206
Operating expenses	<u>1,267,123</u>
Total	9,688,329
Source of funds	
General fund	1,978,207
Special funds	277,462
Internal service funds	6,552,186
Interdepartmental transfers	<u>880,474</u>
Total	9,688,329
Sec. B.108.1 Human resources - VTHR operations	
Personal services	1,785,852
Operating expenses	<u>728,786</u>
Total	2,514,638
Source of funds	
Internal service funds	<u>2,514,638</u>
Total	2,514,638
Sec. B.109 Human resources - employee benefits & wellness	
Personal services	1,022,285
Operating expenses	<u>587,816</u>
Total	1,610,101
Source of funds	
Internal service funds	<u>1,610,101</u>
Total	1,610,101
Sec. B.110 Libraries	
Personal services	1,990,435
Operating expenses	1,157,389

Grants	<u>245,400</u>
Total	3,393,224
Source of funds	
General fund	2,062,056
Special funds	116,031
Federal funds	1,116,678
Interdepartmental transfers	<u>98,459</u>
Total	3,393,224
Sec. B.111 Tax - administration/collection	
Personal services	15,677,138
Operating expenses	<u>5,511,905</u>
Total	21,189,043
Source of funds	
General fund	19,475,589
Special funds	1,570,888
Interdepartmental transfers	<u>142,566</u>
Total	21,189,043
Sec. B.112 Buildings and general services - administration	
Personal services	684,803
Operating expenses	<u>90,379</u>
Total	775,182
Source of funds	
Interdepartmental transfers	<u>775,182</u>
Total	775,182
Sec. B.113 Buildings and general services - engineering	
Personal services	2,702,937
Operating expenses	<u>880,486</u>
Total	3,583,423
Source of funds	
Interdepartmental transfers	<u>3,583,423</u>
Total	3,583,423
Sec. B.114 Buildings and general services - information centers	
Personal services	3,482,685
Operating expenses	1,608,448
Grants	<u>35,750</u>
Total	5,126,883
Source of funds	
General fund	648,931
Transportation fund	4,019,636

Special funds	<u>458,316</u>
Total	5,126,883
Sec. B.115 Buildings and general services - purchasing	
Personal services	1,060,809
Operating expenses	<u>186,998</u>
Total	1,247,807
Source of funds	
General fund	<u>1,247,807</u>
Total	1,247,807
Sec. B.116 Buildings and general services - postal services	
Personal services	766,740
Operating expenses	<u>120,077</u>
Total	886,817
Source of funds	
General fund	85,063
Internal service funds	<u>801,754</u>
Total	886,817
Sec. B.117 Buildings and general services - copy center	
Personal services	797,852
Operating expenses	<u>137,298</u>
Total	935,150
Source of funds	
Internal service funds	<u>935,150</u>
Total	935,150
Sec. B.118 Buildings and general services - fleet management services	
Personal services	735,645
Operating expenses	<u>208,836</u>
Total	944,481
Source of funds	
Internal service funds	<u>944,481</u>
Total	944,481
Sec. B.119 Buildings and general services - federal surplus property	
Personal services	14,945
Operating expenses	<u>8,107</u>
Total	23,052
Source of funds	
Enterprise funds	<u>23,052</u>
Total	23,052

Sec. B.120 Buildings and general services - state surplus property	
Personal services	190,580
Operating expenses	<u>121,866</u>
Total	312,446
Source of funds	
Internal service funds	<u>312,446</u>
Total	312,446
Sec. B.121 Buildings and general services - property management	
Personal services	1,342,177
Operating expenses	<u>457,542</u>
Total	1,799,719
Source of funds	
Internal service funds	<u>1,799,719</u>
Total	1,799,719
Sec. B.122 Buildings and general services - fee for space	
Personal services	16,518,501
Operating expenses	<u>14,082,725</u>
Total	30,601,226
Source of funds	
Internal service funds	<u>30,601,226</u>
Total	30,601,226
Sec. B.124 Executive office - governor's office	
Personal services	1,372,645
Operating expenses	<u>472,437</u>
Total	1,845,082
Source of funds	
General fund	1,658,582
Interdepartmental transfers	<u>186,500</u>
Total	1,845,082
Sec. B.125 Legislative council	
Personal services	4,317,739
Operating expenses	<u>866,574</u>
Total	5,184,313
Source of funds	
General fund	<u>5,184,313</u>
Total	5,184,313

Sec. B.126 Legislature

Personal services	4,234,740
Operating expenses	<u>3,884,632</u>
Total	8,119,372
Source of funds	
General fund	<u>8,119,372</u>
Total	8,119,372

Sec. B.127 Joint fiscal committee

Personal services	1,858,779
Operating expenses	<u>164,274</u>
Total	2,023,053
Source of funds	
General fund	<u>2,023,053</u>
Total	2,023,053

Sec. B.128 Sergeant at arms

Personal services	785,233
Operating expenses	<u>77,971</u>
Total	863,204
Source of funds	
General fund	<u>863,204</u>
Total	863,204

Sec. B.129 Lieutenant governor

Personal services	231,651
Operating expenses	<u>31,482</u>
Total	263,133
Source of funds	
General fund	<u>263,133</u>
Total	263,133

Sec. B.130 Auditor of accounts

Personal services	3,477,063
Operating expenses	<u>157,985</u>
Total	3,635,048
Source of funds	
General fund	404,513
Special funds	53,145
Internal service funds	<u>3,177,390</u>
Total	3,635,048

Sec. B.131 State treasurer	
Personal services	3,848,234
Operating expenses	<u>222,299</u>
Total	4,070,533
Source of funds	
General fund	981,483
Special funds	2,968,779
Interdepartmental transfers	<u>120,271</u>
Total	4,070,533
Sec. B.132 State treasurer - unclaimed property	
Personal services	808,784
Operating expenses	<u>316,917</u>
Total	1,125,701
Source of funds	
Private purpose trust funds	<u>1,125,701</u>
Total	1,125,701
Sec. B.133 Vermont state retirement system	
Personal services	5,363,103
Operating expenses	<u>1,425,321</u>
Total	6,788,424
Source of funds	
Pension trust funds	<u>6,788,424</u>
Total	6,788,424
Sec. B.134 Municipal employees' retirement system	
Personal services	2,035,007
Operating expenses	<u>881,001</u>
Total	2,916,008
Source of funds	
Pension trust funds	<u>2,916,008</u>
Total	2,916,008
Sec. B.135 State labor relations board	
Personal services	218,630
Operating expenses	<u>50,179</u>
Total	268,809
Source of funds	
General fund	259,233
Special funds	6,788

Interdepartmental transfers	<u>2,788</u>
Total	268,809
Sec. B.136 VOSHA review board	
Personal services	79,740
Operating expenses	<u>12,610</u>
Total	92,350
Source of funds	
General fund	46,175
Interdepartmental transfers	<u>46,175</u>
Total	92,350
Sec. B.136.1 Ethics Commission	
Personal services	102,584
Operating expenses	<u>18,259</u>
Total	120,843
Source of funds	
Internal service funds	<u>120,843</u>
Total	120,843
Sec. B.137 Homeowner rebate	
Grants	<u>16,600,000</u>
Total	16,600,000
Source of funds	
General fund	<u>16,600,000</u>
Total	16,600,000
Sec. B.138 Renter rebate	
Grants	<u>9,500,000</u>
Total	9,500,000
Source of funds	
General fund	<u>9,500,000</u>
Total	9,500,000
Sec. B.139 Tax department - reappraisal and listing payments	
Grants	<u>3,303,324</u>
Total	3,303,324
Source of funds	
General fund	<u>3,303,324</u>
Total	3,303,324

Sec. B.140 Municipal current use	
Grants	<u>16,603,039</u>
Total	16,603,039
Source of funds	
General fund	<u>16,603,039</u>
Total	16,603,039
Sec. B.142 Payments in lieu of taxes	
Grants	<u>8,750,000</u>
Total	8,750,000
Source of funds	
Special funds	<u>8,750,000</u>
Total	8,750,000
Sec. B.143 Payments in lieu of taxes - Montpelier	
Grants	<u>184,000</u>
Total	184,000
Source of funds	
Special funds	<u>184,000</u>
Total	184,000
Sec. B.144 Payments in lieu of taxes - correctional facilities	
Grants	<u>40,000</u>
Total	40,000
Source of funds	
Special funds	<u>40,000</u>
Total	40,000
Sec. B.145 Total general government	
Source of funds	
General fund	93,659,436
Transportation fund	4,019,636
Special funds	14,959,116
Federal funds	1,116,678
Internal service funds	125,854,235
Interdepartmental transfers	7,215,255
Enterprise funds	23,052
Pension trust funds	9,704,432
Private purpose trust funds	<u>1,125,701</u>
Total	257,677,541

Sec. B.200 Attorney general	
Personal services	10,353,687
Operating expenses	1,523,368
Grants	<u>26,500</u>
Total	11,903,555
Source of funds	
General fund	5,433,266
Special funds	2,015,281
Tobacco fund	348,000
Federal funds	1,256,355
Interdepartmental transfers	<u>2,850,653</u>
Total	11,903,555
Sec. B.201 Vermont court diversion	
Personal services	2,970,189
Grants	<u>185,294</u>
Total	3,155,483
Source of funds	
General fund	2,715,486
Special funds	<u>439,997</u>
Total	3,155,483
Sec. B.202 Defender general - public defense	
Personal services	11,968,678
Operating expenses	<u>1,107,989</u>
Total	13,076,667
Source of funds	
General fund	12,487,014
Special funds	<u>589,653</u>
Total	13,076,667
Sec. B.203 Defender general - assigned counsel	
Personal services	5,919,842
Operating expenses	<u>49,819</u>
Total	5,969,661
Source of funds	
General fund	<u>5,969,661</u>
Total	5,969,661
Sec. B.204 Judiciary	
Personal services	42,107,083
Operating expenses	9,655,475

Grants	<u>121,030</u>
Total	51,883,588
Source of funds	
General fund	45,651,954
Special funds	3,248,649
Federal funds	887,586
Interdepartmental transfers	<u>2,095,399</u>
Total	51,883,588
Sec. B.205 State's attorneys	
Personal services	13,730,084
Operating expenses	<u>1,803,114</u>
Total	15,533,198
Source of funds	
General fund	12,714,313
Special funds	121,240
Federal funds	31,000
Interdepartmental transfers	<u>2,666,645</u>
Total	15,533,198
Sec. B.206 Special investigative unit	
Personal services	85,000
Operating expenses	1,100
Grants	<u>1,913,000</u>
Total	1,999,100
Source of funds	
General fund	<u>1,999,100</u>
Total	1,999,100
Sec. B.207 Sheriffs	
Personal services	4,245,584
Operating expenses	<u>415,279</u>
Total	4,660,863
Source of funds	
General fund	<u>4,660,863</u>
Total	4,660,863
Sec. B.208 Public safety - administration	
Personal services	3,686,993
Operating expenses	4,724,924
Grants	<u>200,000</u>
Total	8,611,917
Source of funds	

General fund	4,431,288
Special funds	175,000
Federal funds	441,300
Interdepartmental transfers	<u>3,564,329</u>
Total	8,611,917
Sec. B.209 Public safety - state police	
Personal services	56,917,271
Operating expenses	11,566,494
Grants	<u>1,302,805</u>
Total	69,786,570
Source of funds	
General fund	40,506,303
Transportation fund	20,250,000
Special funds	3,067,749
Federal funds	4,063,667
Interdepartmental transfers	<u>1,898,851</u>
Total	69,786,570
Sec. B.210 Public safety - criminal justice services	
Personal services	4,365,847
Operating expenses	<u>1,477,904</u>
Total	5,843,751
Source of funds	
General fund	3,147,212
Special funds	1,930,649
Federal funds	<u>765,890</u>
Total	5,843,751
Sec. B.211 Public safety - emergency management	
Personal services	2,764,385
Operating expenses	1,106,406
Grants	<u>5,111,905</u>
Total	8,982,696
Source of funds	
General fund	433,306
Special funds	230,000
Federal funds	<u>8,319,390</u>
Total	8,982,696
Sec. B.212 Public safety - fire safety	
Personal services	6,863,783
Operating expenses	3,383,347

Grants	<u>107,000</u>
Total	10,354,130
Source of funds	
General fund	477,905
Special funds	8,954,902
Federal funds	876,323
Interdepartmental transfers	<u>45,000</u>
Total	10,354,130
Sec. B.213 Public safety - Forensic Laboratory	
Personal services	3,097,286
Operating expenses	<u>1,134,268</u>
Total	4,231,554
Source of funds	
General fund	3,177,547
Special funds	78,555
Federal funds	414,702
Interdepartmental transfers	<u>560,750</u>
Total	4,231,554
Sec. B.215 Military - administration	
Personal services	767,401
Operating expenses	480,758
Grants	<u>1,426,718</u>
Total	2,674,877
Source of funds	
General fund	<u>2,674,877</u>
Total	2,674,877
Sec. B.216 Military - air service contract	
Personal services	6,024,812
Operating expenses	<u>937,929</u>
Total	6,962,741
Source of funds	
General fund	581,730
Federal funds	<u>6,381,011</u>
Total	6,962,741
Sec. B.217 Military - army service contract	
Personal services	8,692,642
Operating expenses	<u>6,093,050</u>
Total	14,785,692
Source of funds	

Federal funds	<u>14,785,692</u>
Total	14,785,692
Sec. B.218 Military - building maintenance	
Personal services	820,735
Operating expenses	<u>687,573</u>
Total	1,508,308
Source of funds	
General fund	1,448,308
Special funds	<u>60,000</u>
Total	1,508,308
Sec. B.219 Military - veterans' affairs	
Personal services	833,614
Operating expenses	173,955
Grants	<u>50,800</u>
Total	1,058,369
Source of funds	
General fund	811,151
Special funds	147,218
Federal funds	<u>100,000</u>
Total	1,058,369
Sec. B.220 Center for crime victim services	
Personal services	2,251,106
Operating expenses	756,995
Grants	<u>13,281,115</u>
Total	16,289,216
Source of funds	
General fund	1,264,158
Special funds	5,342,728
Federal funds	<u>9,682,330</u>
Total	16,289,216
Sec. B.221 Criminal justice training council	
Personal services	1,294,952
Operating expenses	<u>1,397,689</u>
Total	2,692,641
Source of funds	
General fund	2,488,016
Interdepartmental transfers	<u>204,625</u>
Total	2,692,641

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

Personal services	1,475,369
Operating expenses	438,811
Grants	<u>210,972</u>
Total	2,125,152
Source of funds	
General fund	979,008
Special funds	714,922
Federal funds	<u>431,222</u>
Total	2,125,152

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

Personal services	4,296,689
Operating expenses	752,772
Grants	<u>2,750,000</u>
Total	7,799,461
Source of funds	
General fund	2,895,182
Special funds	3,644,093
Federal funds	1,253,186
Interdepartmental transfers	<u>7,000</u>
Total	7,799,461

Sec. B.224 Agriculture, food and markets - agricultural development

Personal services	1,717,913
Operating expenses	1,080,763
Grants	<u>1,394,875</u>
Total	4,193,551
Source of funds	
General fund	2,100,030
Special funds	688,828
Federal funds	<u>1,404,693</u>
Total	4,193,551

Sec. B.225 Agriculture, food and markets - agricultural resource management and environmental stewardship

Personal services	2,446,869
Operating expenses	586,350
Grants	<u>223,334</u>
Total	3,256,553
Source of funds	

General fund	730,945
Special funds	1,816,068
Federal funds	454,022
Interdepartmental transfers	<u>255,518</u>
Total	3,256,553
Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and Environmental Lab	
Personal services	1,589,625
Operating expenses	<u>932,332</u>
Total	2,521,957
Source of funds	
General fund	921,265
Special funds	1,536,479
Interdepartmental transfers	<u>64,213</u>
Total	2,521,957
Sec. B.225.2 Agriculture, Food and Markets - Clean Water	
Personal services	2,909,421
Operating expenses	479,805
Grants	<u>3,117,000</u>
Total	6,506,226
Source of funds	
General fund	1,205,080
Special funds	4,820,618
Federal funds	93,097
Interdepartmental transfers	<u>387,431</u>
Total	6,506,226
Sec. B.226 Financial regulation - administration	
Personal services	1,949,236
Operating expenses	<u>467,013</u>
Total	2,416,249
Source of funds	
Special funds	<u>2,416,249</u>
Total	2,416,249
Sec. B.227 Financial regulation - banking	
Personal services	1,783,809
Operating expenses	<u>408,155</u>
Total	2,191,964
Source of funds	

Special funds	<u>2,191,964</u>
Total	2,191,964
Sec. B.228 Financial regulation - insurance	
Personal services	4,030,293
Operating expenses	<u>556,143</u>
Total	4,586,436
Source of funds	
Special funds	<u>4,586,436</u>
Total	4,586,436
Sec. B.229 Financial regulation - captive insurance	
Personal services	4,710,762
Operating expenses	<u>584,596</u>
Total	5,295,358
Source of funds	
Special funds	<u>5,295,358</u>
Total	5,295,358
Sec. B.230 Financial regulation - securities	
Personal services	949,284
Operating expenses	<u>234,192</u>
Total	1,183,476
Source of funds	
Special funds	<u>1,183,476</u>
Total	1,183,476
Sec. B.232 Secretary of state	
Personal services	10,521,639
Operating expenses	2,875,930
Grants	<u>150,000</u>
Total	13,547,569
Source of funds	
Special funds	11,394,045
Federal funds	<u>2,153,524</u>
Total	13,547,569
Sec. B.233 Public service - regulation and energy	
Personal services	10,723,409
Operating expenses	1,443,544
Grants	<u>2,767,237</u>
Total	14,934,190
Source of funds	

Special funds	13,407,207
Federal funds	532,983
ARRA funds	921,260
Interdepartmental transfers	50,000
Enterprise funds	<u>22,740</u>
Total	14,934,190
Sec. B.234 Public utility commission	
Personal services	3,285,568
Operating expenses	<u>471,932</u>
Total	3,757,500
Source of funds	
Special funds	<u>3,757,500</u>
Total	3,757,500
Sec. B.235 Enhanced 9-1-1 Board	
Personal services	3,803,802
Operating expenses	388,612
Grants	<u>720,000</u>
Total	4,912,414
Source of funds	
Special funds	<u>4,912,414</u>
Total	4,912,414
Sec. B.236 Human rights commission	
Personal services	627,615
Operating expenses	<u>75,932</u>
Total	703,547
Source of funds	
General fund	628,256
Federal funds	<u>75,291</u>
Total	703,547
Sec. B.236.1 Liquor & Lottery Comm. Office	
Personal services	525,243
Operating expenses	<u>5,350</u>
Total	530,593
Source of funds	
Enterprise funds	<u>530,593</u>
Total	530,593

 Sec. B.236.2 Lottery Operations

Personal services	1,733,694
Operating expenses	1,381,440
Grants	<u>100,000</u>
Total	3,215,134
Source of funds	
Enterprise funds	<u>3,215,134</u>
Total	3,215,134

Sec. B.237 Liquor control - administration

Personal services	2,743,126
Operating expenses	<u>1,120,841</u>
Total	3,863,967
Source of funds	
Enterprise funds	<u>3,863,967</u>
Total	3,863,967

Sec. B.238 Liquor control - enforcement and licensing

Personal services	2,238,782
Operating expenses	<u>453,153</u>
Total	2,691,935
Source of funds	
Tobacco fund	213,843
Federal funds	184,484
Interdepartmental transfers	5,000
Enterprise funds	<u>2,288,608</u>
Total	2,691,935

Sec. B.239 Liquor control - warehousing and distribution

Personal services	1,082,020
Operating expenses	<u>469,338</u>
Total	1,551,358
Source of funds	
Enterprise funds	<u>1,551,358</u>
Total	1,551,358

Sec. B.240 Total protection to persons and property

Source of funds	
General fund	162,533,224
Transportation fund	20,250,000
Special funds	88,767,278
Tobacco fund	561,843

Federal funds	54,587,748
ARRA funds	921,260
Interdepartmental transfers	14,655,414
Enterprise funds	<u>11,472,400</u>
Total	353,749,167
Sec. B.300 Human services - agency of human services - secretary's office	
Personal services	11,177,461
Operating expenses	6,805,654
Grants	<u>2,895,202</u>
Total	20,878,317
Source of funds	
General fund	7,775,309
Special funds	135,517
Federal funds	11,555,036
Global Commitment fund	453,000
Interdepartmental transfers	<u>959,455</u>
Total	20,878,317
Sec. B.301 Secretary's office - global commitment	
Operating expenses	3,150,212
Grants	<u>1,631,994,544</u>
Total	1,635,144,756
Source of funds	
General fund	562,258,602
Special funds	34,969,169
Tobacco fund	21,049,373
State health care resources fund	16,915,501
Federal funds	984,584,332
Interdepartmental transfers	<u>15,367,779</u>
Total	1,635,144,756
Sec. B.303 Developmental disabilities council	
Personal services	366,501
Operating expenses	94,962
Grants	<u>191,595</u>
Total	653,058
Source of funds	
Special funds	12,000
Federal funds	<u>641,058</u>
Total	653,058

 Sec. B.304 Human services board

Personal services	718,478
Operating expenses	<u>87,620</u>
Total	806,098
Source of funds	
General fund	451,554
Federal funds	332,018
Interdepartmental transfers	<u>22,526</u>
Total	806,098

Sec. B.305 AHS - administrative fund

Personal services	350,000
Operating expenses	<u>10,150,000</u>
Total	10,500,000
Source of funds	
Interdepartmental transfers	<u>10,500,000</u>
Total	10,500,000

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

Personal services	134,603,806
Operating expenses	29,905,859
Grants	<u>7,314,723</u>
Total	171,824,388
Source of funds	
General fund	29,222,317
Special funds	6,096,108
Federal funds	124,749,165
Global Commitment fund	4,214,196
Interdepartmental transfers	<u>7,542,602</u>
Total	171,824,388

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

Personal services	547,983
Grants	<u>737,800,525</u>
Total	738,348,508
Source of funds	
Global Commitment fund	<u>738,348,508</u>
Total	738,348,508

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

Grants	<u>213,712,634</u>
Total	213,712,634
Source of funds	
Global Commitment fund	<u>213,712,634</u>
Total	213,712,634

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

Grants	<u>49,211,558</u>
Total	49,211,558
Source of funds	
General fund	37,605,920
Global Commitment fund	<u>11,605,638</u>
Total	49,211,558

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

Grants	<u>32,435,074</u>
Total	32,435,074
Source of funds	
General fund	11,425,047
Federal funds	<u>21,010,027</u>
Total	32,435,074

Sec. B.311 Health - administration and support

Personal services	5,464,580
Operating expenses	5,852,063
Grants	<u>4,040,881</u>
Total	15,357,524
Source of funds	
General fund	2,867,817
Special funds	1,824,499
Federal funds	7,063,414
Global Commitment fund	3,510,576
Interdepartmental transfers	<u>91,218</u>
Total	15,357,524

Sec. B.312 Health - public health

Personal services	44,859,249
Operating expenses	8,623,418

Grants	<u>36,469,334</u>
Total	89,952,001
Source of funds	
General fund	10,159,167
Special funds	18,230,647
Tobacco fund	1,088,918
Federal funds	46,234,807
Global Commitment fund	13,068,355
Interdepartmental transfers	1,145,107
Permanent trust funds	<u>25,000</u>
Total	89,952,001
Sec. B.313 Health - alcohol and drug abuse programs	
Personal services	4,363,807
Operating expenses	255,634
Grants	<u>51,538,398</u>
Total	56,157,839
Source of funds	
General fund	1,946,686
Special funds	1,170,177
Tobacco fund	949,917
Federal funds	17,574,970
Global Commitment fund	<u>34,516,089</u>
Total	56,157,839
Sec. B.314 Mental health - mental health	
Personal services	32,082,652
Operating expenses	4,434,083
Grants	<u>234,801,390</u>
Total	271,318,125
Source of funds	
General fund	7,694,909
Special funds	1,184,904
Federal funds	9,132,390
Global Commitment fund	253,232,674
Interdepartmental transfers	<u>73,248</u>
Total	271,318,125
Sec. B.316 Department for children and families - administration & support services	
Personal services	41,876,642
Operating expenses	11,526,385

Grants	<u>1,342,620</u>
Total	54,745,647
Source of funds	
General fund	25,920,417
Special funds	2,706,557
Federal funds	23,918,495
Global Commitment fund	1,981,083
Interdepartmental transfers	<u>219,095</u>
Total	54,745,647
Sec. B.317 Department for children and families - family services	
Personal services	37,615,510
Operating expenses	4,931,546
Grants	<u>78,289,704</u>
Total	120,836,760
Source of funds	
General fund	43,958,383
Special funds	877,587
Federal funds	27,412,577
Global Commitment fund	48,476,324
Interdepartmental transfers	<u>111,889</u>
Total	120,836,760
Sec. B.318 Department for children and families - child development	
Personal services	4,718,950
Operating expenses	850,728
Grants	<u>79,671,975</u>
Total	85,241,653
Source of funds	
General fund	39,136,315
Special funds	1,820,000
Federal funds	33,144,045
Global Commitment fund	11,118,793
Interdepartmental transfers	<u>22,500</u>
Total	85,241,653
Sec. B.319 Department for children and families - office of child support	
Personal services	10,805,408
Operating expenses	<u>3,679,303</u>
Total	14,484,711
Source of funds	
General fund	4,306,156

FRIDAY, MAY 24, 2019

1893

Special funds	455,719
Federal funds	9,335,236
Interdepartmental transfers	<u>387,600</u>
Total	14,484,711
Sec. B.320 Department for children and families - aid to aged, blind and disabled	
Personal services	2,252,206
Grants	<u>10,298,023</u>
Total	12,550,229
Source of funds	
General fund	8,649,899
Global Commitment fund	<u>3,900,330</u>
Total	12,550,229
Sec. B.321 Department for children and families - general assistance	
Personal services	15,000
Grants	<u>7,112,360</u>
Total	7,127,360
Source of funds	
General fund	6,730,025
Federal funds	111,320
Global Commitment fund	<u>286,015</u>
Total	7,127,360
Sec. B.322 Department for children and families - 3SquaresVT	
Grants	<u>29,827,906</u>
Total	29,827,906
Source of funds	
Federal funds	<u>29,827,906</u>
Total	29,827,906
Sec. B.323 Department for children and families - reach up	
Operating expenses	51,517
Grants	<u>31,639,481</u>
Total	31,690,998
Source of funds	
General fund	5,473,872
Special funds	21,079,984
Federal funds	2,455,524
Global Commitment fund	<u>2,681,618</u>
Total	31,690,998

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

Grants	<u>16,019,953</u>
Total	16,019,953
Source of funds	
Special funds	1,259,217
Federal funds	<u>14,760,736</u>
Total	16,019,953

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

Personal services	522,340
Operating expenses	43,673
Grants	<u>9,809,823</u>
Total	10,375,836
Source of funds	
General fund	5,065,004
Special funds	57,990
Federal funds	4,423,154
Global Commitment fund	<u>829,688</u>
Total	10,375,836

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

Personal services	326,525
Operating expenses	44,525
Grants	<u>12,038,018</u>
Total	12,409,068
Source of funds	
Special funds	7,812,978
Federal funds	<u>4,596,090</u>
Total	12,409,068

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

Personal services	5,164,274
Operating expenses	<u>715,868</u>
Total	5,880,142
Source of funds	
General fund	5,783,142
Interdepartmental transfers	<u>97,000</u>
Total	5,880,142

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

Personal services	6,276,032
Operating expenses	<u>419,984</u>
Total	6,696,016
Source of funds	
General fund	107,003
Federal funds	<u>6,589,013</u>
Total	6,696,016

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

Personal services	32,686,936
Operating expenses	<u>5,723,801</u>
Total	38,410,737
Source of funds	
General fund	17,049,356
Special funds	1,390,457
Federal funds	18,904,640
Interdepartmental transfers	<u>1,066,284</u>
Total	38,410,737

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

Grants	<u>19,611,505</u>
Total	19,611,505
Source of funds	
General fund	7,623,375
Federal funds	7,148,466
Global Commitment fund	<u>4,839,664</u>
Total	19,611,505

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

Grants	<u>1,661,457</u>
Total	1,661,457
Source of funds	
General fund	389,154
Special funds	223,450
Federal funds	743,853
Global Commitment fund	<u>305,000</u>
Total	1,661,457

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

Grants	<u>7,024,368</u>
Total	7,024,368
Source of funds	
General fund	1,371,845
Federal funds	4,402,523
Interdepartmental transfers	<u>1,250,000</u>
Total	7,024,368

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

Grants	<u>232,748,868</u>
Total	232,748,868
Source of funds	
General fund	155,125
Special funds	15,463
Federal funds	359,857
Global Commitment fund	232,173,423
Interdepartmental transfers	<u>45,000</u>
Total	232,748,868

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

Grants	<u>5,788,057</u>
Total	5,788,057
Source of funds	
Global Commitment fund	<u>5,788,057</u>
Total	5,788,057

Sec. B.335 Corrections - administration

Personal services	3,108,496
Operating expenses	<u>238,644</u>
Total	3,347,140
Source of funds	
General fund	<u>3,347,140</u>
Total	3,347,140

Sec. B.336 Corrections - parole board

Personal services	333,919
Operating expenses	<u>81,081</u>
Total	415,000
Source of funds	

General fund	<u>415,000</u>
Total	415,000
Sec. B.337 Corrections - correctional education	
Personal services	3,366,460
Operating expenses	<u>244,932</u>
Total	3,611,392
Source of funds	
General fund	3,462,608
Interdepartmental transfers	<u>148,784</u>
Total	3,611,392
Sec. B.338 Corrections - correctional services	
Personal services	113,866,882
Operating expenses	21,526,975
Grants	<u>8,474,287</u>
Total	143,868,144
Source of funds	
General fund	137,048,955
Special funds	929,963
Federal funds	479,209
Global Commitment fund	5,013,702
Interdepartmental transfers	<u>396,315</u>
Total	143,868,144
Sec. B.339 Corrections - Correctional services-out of state beds	
Personal services	<u>6,226,759</u>
Total	6,226,759
Source of funds	
General fund	<u>6,226,759</u>
Total	6,226,759
Sec. B.340 Corrections - correctional facilities - recreation	
Personal services	391,140
Operating expenses	<u>455,845</u>
Total	846,985
Source of funds	
Special funds	<u>846,985</u>
Total	846,985
Sec. B.341 Corrections - Vermont offender work program	
Personal services	1,509,826
Operating expenses	<u>525,784</u>

Total	2,035,610
Source of funds	
Internal service funds	<u>2,035,610</u>
Total	2,035,610
Sec. B.342 Vermont veterans' home - care and support services	
Personal services	20,371,013
Operating expenses	<u>5,019,422</u>
Total	25,390,435
Source of funds	
General fund	345,783
Special funds	15,990,205
Federal funds	<u>9,054,447</u>
Total	25,390,435
Sec. B.343 Commission on women	
Personal services	333,046
Operating expenses	<u>60,085</u>
Total	393,131
Source of funds	
General fund	390,631
Special funds	<u>2,500</u>
Total	393,131
Sec. B.344 Retired senior volunteer program	
Grants	<u>151,096</u>
Total	151,096
Source of funds	
General fund	<u>151,096</u>
Total	151,096
Sec. B.345 Green Mountain Care Board	
Personal services	7,620,589
Operating expenses	<u>360,199</u>
Total	7,980,788
Source of funds	
General fund	3,192,315
Special funds	<u>4,788,473</u>
Total	7,980,788
Sec. B.346 Total human services	
Source of funds	
General fund	997,706,686

Special funds	123,880,549
Tobacco fund	23,088,208
State health care resources fund	16,915,501
Federal funds	1,420,544,308
Global Commitment fund	1,590,055,367
Internal service funds	2,035,610
Interdepartmental transfers	39,446,402
Permanent trust funds	<u>25,000</u>
Total	4,213,697,631
Sec. B.400 Labor - programs	
Personal services	29,542,710
Operating expenses	10,454,244
Grants	<u>4,575,300</u>
Total	44,572,254
Source of funds	
General fund	4,569,407
Special funds	7,049,772
Federal funds	31,540,700
Interdepartmental transfers	<u>1,412,375</u>
Total	44,572,254
Sec. B.401 Total labor	
Source of funds	
General fund	4,569,407
Special funds	7,049,772
Federal funds	31,540,700
Interdepartmental transfers	<u>1,412,375</u>
Total	44,572,254
Sec. B.500 Education - finance and administration	
Personal services	7,196,440
Operating expenses	3,695,315
Grants	<u>14,270,700</u>
Total	25,162,455
Source of funds	
General fund	3,747,829
Special funds	15,218,303
Education fund	3,367,483
Federal funds	2,199,952
Global Commitment fund	260,000

Interdepartmental transfers	<u>368,888</u>
Total	25,162,455
Sec. B.501 Education - education services	
Personal services	18,270,055
Operating expenses	1,405,450
Grants	<u>119,396,536</u>
Total	139,072,041
Source of funds	
General fund	6,384,982
Special funds	3,414,114
Tobacco fund	750,388
Federal funds	<u>128,522,557</u>
Total	139,072,041
Sec. B.502 Education - special education: formula grants	
Grants	<u>212,956,000</u>
Total	212,956,000
Source of funds	
Education fund	<u>212,956,000</u>
Total	212,956,000
Sec. B.503 Education - state-placed students	
Grants	<u>18,000,000</u>
Total	18,000,000
Source of funds	
Education fund	<u>18,000,000</u>
Total	18,000,000
Sec. B.504 Education - adult education and literacy	
Grants	<u>4,371,050</u>
Total	4,371,050
Source of funds	
General fund	3,605,000
Federal funds	<u>766,050</u>
Total	4,371,050
Sec. B.504.1 Education - Flexible Pathways	
Grants	<u>8,599,000</u>
Total	8,599,000
Source of funds	
General fund	892,500

FRIDAY, MAY 24, 2019

1901

Education fund	<u>7,706,500</u>
Total	8,599,000
Sec. B.505 Education - adjusted education payment	
Grants	<u>1,428,800,000</u>
Total	1,428,800,000
Source of funds	
Education fund	<u>1,428,800,000</u>
Total	1,428,800,000
Sec. B.506 Education - transportation	
Grants	<u>19,800,000</u>
Total	19,800,000
Source of funds	
Education fund	<u>19,800,000</u>
Total	19,800,000
Sec. B.507 Education - small school grants	
Grants	<u>8,400,000</u>
Total	8,400,000
Source of funds	
Education fund	<u>8,400,000</u>
Total	8,400,000
Sec. B.510 Education - essential early education grant	
Grants	<u>6,808,000</u>
Total	6,808,000
Source of funds	
Education fund	<u>6,808,000</u>
Total	6,808,000
Sec. B.511 Education - technical education	
Grants	<u>14,150,000</u>
Total	14,150,000
Source of funds	
Education fund	<u>14,150,000</u>
Total	14,150,000
Sec. B.511.1 State Board of Education	
Personal services	25,000
Operating expenses	<u>55,845</u>
Total	80,845
Source of funds	

General fund	<u>80,845</u>
Total	80,845
Sec. B.514 State teachers' retirement system	
Grants	<u>120,247,389</u>
Total	120,247,389
Source of funds	
General fund	113,466,168
Education fund	<u>6,781,221</u>
Total	120,247,389
Sec. B.514.1 State teachers' retirement system administration	
Personal services	5,305,211
Operating expenses	<u>1,673,583</u>
Total	6,978,794
Source of funds	
Pension trust funds	<u>6,978,794</u>
Total	6,978,794
Sec. B.515 Retired teachers' health care and medical benefits	
Grants	<u>31,067,652</u>
Total	31,067,652
Source of funds	
General fund	<u>31,067,652</u>
Total	31,067,652
Sec. B.516 Total general education	
Source of funds	
General fund	159,244,976
Special funds	18,632,417
Tobacco fund	750,388
Education fund	1,726,769,204
Federal funds	131,488,559
Global Commitment fund	260,000
Interdepartmental transfers	368,888
Pension trust funds	<u>6,978,794</u>
Total	2,044,493,226
Sec. B.600 University of Vermont	
Grants	<u>42,509,093</u>
Total	42,509,093
Source of funds	
General fund	40,485,359

FRIDAY, MAY 24, 2019

1903

Global Commitment fund	<u>2,023,734</u>
Total	42,509,093
Sec. B.602 Vermont state colleges	
Grants	<u>29,800,464</u>
Total	29,800,464
Source of funds	
General fund	<u>29,800,464</u>
Total	29,800,464
Sec. B.602.1 Vermont state colleges - Supplemental Aid	
Grants	<u>700,000</u>
Total	700,000
Source of funds	
General fund	<u>700,000</u>
Total	700,000
Sec. B.603 Vermont state colleges - allied health	
Grants	<u>1,157,775</u>
Total	1,157,775
Source of funds	
General fund	748,314
Global Commitment fund	<u>409,461</u>
Total	1,157,775
Sec. B.605 Vermont student assistance corporation	
Grants	<u>19,978,588</u>
Total	19,978,588
Source of funds	
General fund	<u>19,978,588</u>
Total	19,978,588
Sec. B.606 New England higher education compact	
Grants	<u>84,000</u>
Total	84,000
Source of funds	
General fund	<u>84,000</u>
Total	84,000
Sec. B.607 University of Vermont - Morgan Horse Farm	
Grants	<u>1</u>
Total	1
Source of funds	

General fund	<u>1</u>
Total	1
Sec. B.608 Total higher education	
Source of funds	
General fund	91,796,726
Global Commitment fund	<u>2,433,195</u>
Total	94,229,921
Sec. B.700 Natural resources - agency of natural resources - administration	
Personal services	2,302,597
Operating expenses	1,079,841
Grants	<u>19,960</u>
Total	3,402,398
Source of funds	
General fund	2,720,669
Special funds	581,818
Interdepartmental transfers	<u>99,911</u>
Total	3,402,398
Sec. B.701 Natural resources - state land local property tax assessment	
Operating expenses	<u>2,561,955</u>
Total	2,561,955
Source of funds	
General fund	2,140,455
Interdepartmental transfers	<u>421,500</u>
Total	2,561,955
Sec. B.702 Fish and wildlife - support and field services	
Personal services	17,806,224
Operating expenses	5,476,943
Grants	<u>1,118,313</u>
Total	24,401,480
Source of funds	
General fund	6,088,870
Special funds	166,892
Fish and wildlife fund	9,236,567
Federal funds	8,789,226
Interdepartmental transfers	<u>119,925</u>
Total	24,401,480

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

Personal services	957,931
Operating expenses	<u>994,054</u>
Total	1,951,985
Source of funds	
General fund	<u>1,951,985</u>
Total	1,951,985

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

Personal services	5,879,782
Operating expenses	796,027
Grants	<u>459,000</u>
Total	7,134,809
Source of funds	
General fund	4,873,880
Special funds	412,999
Federal funds	1,487,097
Interdepartmental transfers	<u>360,833</u>
Total	7,134,809

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

Personal services	8,900,714
Operating expenses	<u>2,563,470</u>
Total	11,464,184
Source of funds	
General fund	292,679
Special funds	11,111,505
Permanent trust funds	<u>60,000</u>
Total	11,464,184

Sec. B.706 Forests, parks and recreation - lands administration and recreation

Personal services	1,346,739
Operating expenses	1,384,647
Grants	<u>2,600,914</u>
Total	5,332,300
Source of funds	
General fund	853,114
Special funds	2,020,151
Federal funds	2,336,535
Interdepartmental transfers	<u>122,500</u>
Total	5,332,300

 Sec. B.708 Forests, parks and recreation - forest and parks access roads

Personal services	65,425
Operating expenses	<u>114,500</u>
Total	179,925
Source of funds	
General fund	<u>179,925</u>
Total	179,925

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

Personal services	6,617,612
Operating expenses	3,781,860
Grants	<u>150,000</u>
Total	10,549,472
Source of funds	
General fund	1,451,231
Special funds	572,936
Federal funds	809,608
Interdepartmental transfers	<u>7,715,697</u>
Total	10,549,472

Sec. B.710 Environmental conservation - air and waste management

Personal services	19,437,340
Operating expenses	8,660,985
Grants	<u>5,076,000</u>
Total	33,174,325
Source of funds	
General fund	424,736
Special funds	22,886,187
Federal funds	9,613,852
Interdepartmental transfers	<u>249,550</u>
Total	33,174,325

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

Personal services	21,732,819
Operating expenses	6,821,783
Grants	<u>32,104,881</u>
Total	60,659,483
Source of funds	
General fund	7,994,351
Special funds	19,641,195
Federal funds	31,935,599

Interdepartmental transfers	<u>1,088,338</u>
Total	60,659,483
Sec. B.713 Natural resources board	
Personal services	2,752,876
Operating expenses	<u>530,151</u>
Total	3,283,027
Source of funds	
General fund	637,074
Special funds	<u>2,645,953</u>
Total	3,283,027
Sec. B.714 Total natural resources	
Source of funds	
General fund	29,608,969
Special funds	60,039,636
Fish and wildlife fund	9,236,567
Federal funds	54,971,917
Interdepartmental transfers	10,178,254
Permanent trust funds	<u>60,000</u>
Total	164,095,343
Sec. B.800 Commerce and community development - agency of commerce and community development - administration	
Personal services	2,013,794
Operating expenses	1,331,369
Grants	<u>352,627</u>
Total	3,697,790
Source of funds	
General fund	3,677,790
Interdepartmental transfers	<u>20,000</u>
Total	3,697,790
Sec. B.801 Economic development	
Personal services	4,027,032
Operating expenses	1,102,979
Grants	<u>5,211,099</u>
Total	10,341,110
Source of funds	
General fund	4,942,394
Special funds	1,645,350
Federal funds	3,708,366

Interdepartmental transfers	<u>45,000</u>
Total	10,341,110
Sec. B.802 Housing & community development	
Personal services	3,723,802
Operating expenses	779,039
Grants	<u>11,773,050</u>
Total	16,275,891
Source of funds	
General fund	2,753,913
Special funds	5,185,233
Federal funds	7,883,744
Interdepartmental transfers	<u>453,001</u>
Total	16,275,891
Sec. B.806 Tourism and marketing	
Personal services	1,321,226
Operating expenses	1,644,599
Grants	<u>121,880</u>
Total	3,087,705
Source of funds	
General fund	3,083,118
Interdepartmental transfers	<u>4,587</u>
Total	3,087,705
Sec. B.808 Vermont council on the arts	
Grants	<u>718,589</u>
Total	718,589
Source of funds	
General fund	<u>718,589</u>
Total	718,589
Sec. B.809 Vermont symphony orchestra	
Grants	<u>141,214</u>
Total	141,214
Source of funds	
General fund	<u>141,214</u>
Total	141,214
Sec. B.810 Vermont historical society	
Grants	<u>984,956</u>
Total	984,956
Source of funds	

FRIDAY, MAY 24, 2019

1909

General fund	<u>984,956</u>
Total	984,956
Sec. B.811 Vermont housing and conservation board	
Grants	<u>30,886,467</u>
Total	30,886,467
Source of funds	
Special funds	11,900,243
Federal funds	<u>18,986,224</u>
Total	30,886,467
Sec. B.812 Vermont humanities council	
Grants	<u>217,959</u>
Total	217,959
Source of funds	
General fund	<u>217,959</u>
Total	217,959
Sec. B.813 Total commerce and community development	
Source of funds	
General fund	16,519,933
Special funds	18,730,826
Federal funds	30,578,334
Interdepartmental transfers	<u>522,588</u>
Total	66,351,681
Sec. B.900 Transportation - finance and administration	
Personal services	12,544,062
Operating expenses	2,898,007
Grants	<u>55,000</u>
Total	15,497,069
Source of funds	
Transportation fund	14,625,869
Federal funds	<u>871,200</u>
Total	15,497,069
Sec. B.901 Transportation - aviation	
Personal services	3,714,895
Operating expenses	5,298,065
Grants	<u>231,676</u>
Total	9,244,636
Source of funds	
Transportation fund	4,749,136

Federal funds	<u>4,495,500</u>
Total	9,244,636
Sec. B.902 Transportation - buildings	
Operating expenses	<u>907,746</u>
Total	907,746
Source of funds	
Transportation fund	<u>907,746</u>
Total	907,746
Sec. B.903 Transportation - program development	
Personal services	53,367,048
Operating expenses	217,771,750
Grants	<u>27,258,553</u>
Total	298,397,351
Source of funds	
Transportation fund	41,894,979
TIB fund	11,835,572
Federal funds	244,272,581
Interdepartmental transfers	191,790
Local match	<u>202,429</u>
Total	298,397,351
Sec. B.904 Transportation - rest areas construction	
Personal services	40,000
Operating expenses	<u>639,706</u>
Total	679,706
Source of funds	
Transportation fund	99,280
Federal funds	<u>580,426</u>
Total	679,706
Sec. B.905 Transportation - maintenance state system	
Personal services	45,218,248
Operating expenses	48,430,691
Grants	<u>365,000</u>
Total	94,013,939
Source of funds	
Transportation fund	91,136,152
Federal funds	2,777,787
Interdepartmental transfers	<u>100,000</u>
Total	94,013,939

Sec. B.906 Transportation - policy and planning	
Personal services	4,281,699
Operating expenses	894,939
Grants	<u>6,015,583</u>
Total	11,192,221
Source of funds	
Transportation fund	2,921,480
Federal funds	8,238,741
Interdepartmental transfers	<u>32,000</u>
Total	11,192,221
Sec. B.907 Transportation - rail	
Personal services	5,252,055
Operating expenses	<u>29,683,296</u>
Total	34,935,351
Source of funds	
Transportation fund	18,237,032
TIB fund	760,000
Federal funds	15,019,569
Interdepartmental transfers	<u>918,750</u>
Total	34,935,351
Sec. B.908 Transportation - public transit	
Personal services	1,526,070
Operating expenses	165,372
Grants	<u>32,132,957</u>
Total	33,824,399
Source of funds	
Transportation fund	8,056,111
Federal funds	<u>25,768,288</u>
Total	33,824,399
Sec. B.909 Transportation - central garage	
Personal services	4,530,648
Operating expenses	<u>15,581,390</u>
Total	20,112,038
Source of funds	
Internal service funds	<u>20,112,038</u>
Total	20,112,038

Sec. B.910 Department of motor vehicles

Personal services	21,561,929
Operating expenses	<u>11,588,772</u>
Total	33,150,701
Source of funds	
Transportation fund	31,657,492
Federal funds	1,345,934
Interdepartmental transfers	<u>147,275</u>
Total	33,150,701

Sec. B.911 Transportation - town highway structures

Grants	<u>6,333,500</u>
Total	6,333,500
Source of funds	
Transportation fund	<u>6,333,500</u>
Total	6,333,500

Sec. B.912 Transportation - town highway local technical assistance program

Personal services	357,757
Operating expenses	<u>48,550</u>
Total	406,307
Source of funds	
Transportation fund	106,307
Federal funds	<u>300,000</u>
Total	406,307

Sec. B.913 Transportation - town highway class 2 roadway

Grants	<u>7,648,750</u>
Total	7,648,750
Source of funds	
Transportation fund	<u>7,648,750</u>
Total	7,648,750

Sec. B.914 Transportation - town highway bridges

Personal services	3,239,423
Operating expenses	10,143,100
Grants	<u>451,328</u>
Total	13,833,851
Source of funds	
Transportation fund	1,304,648
TIB fund	701,815
Federal funds	10,887,721

Local match	<u>939,667</u>
Total	13,833,851
Sec. B.915 Transportation - town highway aid program	
Grants	<u>26,017,744</u>
Total	26,017,744
Source of funds	
Transportation fund	<u>26,017,744</u>
Total	26,017,744
Sec. B.916 Transportation - town highway class 1 supplemental grants	
Grants	<u>128,750</u>
Total	128,750
Source of funds	
Transportation fund	<u>128,750</u>
Total	128,750
Sec. B.917 Transportation - town highway: state aid for nonfederal disasters	
Grants	<u>1,150,000</u>
Total	1,150,000
Source of funds	
Transportation fund	<u>1,150,000</u>
Total	1,150,000
Sec. B.918 Transportation - town highway: state aid for federal disasters	
Grants	<u>180,000</u>
Total	180,000
Source of funds	
Transportation fund	20,000
Federal funds	<u>160,000</u>
Total	180,000
Sec. B.919 Transportation - municipal mitigation assistance program	
Operating expenses	204,000
Grants	<u>2,694,000</u>
Total	2,898,000
Source of funds	
Transportation fund	700,000
Special funds	770,000
Federal funds	<u>1,428,000</u>
Total	2,898,000

 Sec. B.920 Transportation - public assistance grant program

Operating expenses	500,000
Grants	<u>3,640,000</u>
Total	4,140,000
Source of funds	
Transportation fund	100,000
Special funds	640,000
Federal funds	3,000,000
Interdepartmental transfers	<u>400,000</u>
Total	4,140,000

Sec. B.921 Transportation board

Personal services	246,347
Operating expenses	<u>35,844</u>
Total	282,191
Source of funds	
Transportation fund	<u>282,191</u>
Total	282,191

Sec. B.922 Total transportation

Source of funds	
Transportation fund	258,077,167
TIB fund	13,297,387
Special funds	1,410,000
Federal funds	319,145,747
Internal service funds	20,112,038
Interdepartmental transfers	1,789,815
Local match	<u>1,142,096</u>
Total	614,974,250

Sec. B.1000 Debt service

Operating expenses	<u>82,215,729</u>
Total	82,215,729
Source of funds	
General fund	78,088,324
Transportation fund	560,231
ARRA funds	1,069,511
TIB debt service fund	<u>2,497,663</u>
Total	82,215,729

Sec. B.1001 Total debt service

Source of funds	
General fund	78,088,324
Transportation fund	560,231
ARRA funds	1,069,511
TIB debt service fund	<u>2,497,663</u>
Total	82,215,729

Sec. B.1100 [Deleted.]

Sec. B.1100.1 [Deleted.]

Sec. B.1101 [Deleted.]

Sec. B.1102 [Deleted.]

Sec. B.1103 [Deleted.]

Sec. C.100 FISCAL YEAR 2019 ONE-TIME APPROPRIATIONS

(a) In fiscal year 2019, funds are appropriated from the General Fund and shall be carried forward as follows:

(1) To the Agency of Digital Services: \$500,000 of which \$200,000 is allocated for network device upgrades to enhance network safety and \$300,000 is allocated for a network assessment.

(2) To the Department of Buildings and General Services: \$500,000 for the purpose of installing electric vehicle charging stations at State facilities and to support the purchase of fully electric vehicles for the State motor pool.

(3) To the Legislature: \$20,000 to hire consultant services for upgrades to the legislature's software program's appointment database.

(4) To the State Treasurer: \$65,000 for a pension group membership study.

(5) To the Agency of Agriculture, Food and Markets: \$75,000 for a grant to the Vermont Housing and Conservation Board for federal rural development grant writing assistance in fiscal year 2020.

(6) To the Agency of Agriculture, Food and Markets: \$1,000,000 for grants to be awarded through the Vermont Working Lands program, pursuant to 6 V.S.A. chapter 207, subchapter 2, of which \$500,000 is allocated for grants to dairy farms to provide assistance to:

(A) diversify agricultural and value-added products produced on the farm; or

(B) implement agricultural practices that improve soil health and improve water quality.

(7) To the Agency of Agriculture, Food and Markets: \$50,000 for mosquito control, pursuant to 6 V.S.A. chapter 211.

(8) To the Agency of Agriculture, Food and Markets: \$50,000 for Farm to School nutrition initiatives.

(9) To the Agency of Human Services: \$100,000 for the study required in Sec. 12 of H.524 of 2019.

(10) To the Agency of Human Services: \$1,500,000 to fund grants for the development of an electronic medical/health records system for the State's Designated Agency system.

(A) Vermont Care Partners and the Agency of Human Services shall present a plan for review and approval by the Joint Fiscal Committee at its July 2019 meeting. The plan shall summarize the development and implementation of the system and demonstrate that this project will support the goals set forth in the statewide Health Information Technology (HIT) Plan (defined in 18 V.S.A. § 9351) and meet, at a minimum, the connectivity requirements set forth in the statewide HIT plan and the requirements of the Centers for Medicaid Services (CMS). The plan shall support current payment reform initiatives and include the projected project timeline and total budget including the allocation of this appropriation. No funds shall be released prior to review and approval by the Joint Fiscal Committee.

(11) To the Department of Health for the Vermont Recovery Network: \$240,000 to be equally divided and granted directly to each of the 12 individual Recovery Centers.

(12) To the Department of Mental Health: \$60,000 for a grant to the Copeland Center for peer support services.

(13) To the Department of Mental Health: \$375,000 to provide one-time grant funding to Critical Access Hospitals, Brattleboro Memorial Hospital, and Northwest Medical Center to build capacity to provide supervision in their Emergency Departments for people under the care and custody of the Commissioner of Mental Health to ensure the safety of patients and hospital staff within compliance with federal regulations. The Department of Mental Health will monitor grantees' use of these funds to ensure utilization follows best practices related to patient safety and supervision. Grant funding will be allocated based upon historic utilization trends within available funding.

(14) To the Department for Children and Families: \$500,000 to fund LIHEAP administration for one year as the Department transitions to lower cost methods for administering this program. The Department shall evaluate the allocation methodology of the program and whether it is being administered efficiently.

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

(16) To the Department for Children and Families: \$1,000,000 for grants to the Parent Child Centers for infrastructure improvements.

(A) the Department shall report to the General Assembly on the use of these grant funds, including the recipients, grant amount and infrastructure projects.

(17) To the Department for Children and Families: \$1,000,000 to the Child Development Division to begin implementation of the plan established pursuant to Sec. E.318.4 of this act regarding information systems.

(18) To the Department for Children and Families: \$600,000 to the Child Development Division for the following:

(A) \$300,000 to facilitate the implementation of the Council for Professional Regulation's Child Development Associate Credential curriculum in technical centers throughout the State. Any unused funds appropriated pursuant to this section shall be reserved to fund grants set forth in Sec. E.318.6 of this act for students who completed the Child Development Associate Credential at a Vermont technical center.

(B) \$300,000 for grants for incentivizing child care professionals consistent with Sec. E.318.5 of this act.

(19) To the Department for Children and Families, Woodside Rehabilitation Center: \$260,000 for costs associated with transitioning from a treatment facility to a detention facility.

(20) To the Department for Children and Families, Office of Economic Opportunity, Weatherization Assistance for bridge funding: \$1,300,000.

(21) To the Department of Disabilities, Aging and Independent Living: \$750,000. These funds shall be matched with federal Medicaid funds and expended in equal amounts over fiscal years 2020 through 2022. In each year these funds shall be for the statewide administration of the Support and Services at Home (SASH) program. The intent is for this portion of statewide administration funding to transition to the statewide ACO as additional

Medicare covered lives are attributed to the ACO during this three-year period. These funds are in addition to other funding included in the Department's budget for SASH. The Department shall include a report on the SASH statewide administration with the fiscal year 2021 budget presentation.

(22) To the Department of Labor: \$70,000 to design a coordinated plan for an integrated postsecondary career and technical education system and to provide services and support for New Americans pursuant to requirements enacted during the 2019 legislative session.

(23) To the Vermont State Colleges: \$200,000 for Vermont Technical College to design and pilot Associates Degree Programs consistent with the provisions of H.533, Sec. 17 of 2019. Any program designed and implemented pursuant to this subdivision subsequent to the pilot, shall not be funded by the General Fund.

(24) To the Vermont State Colleges: \$500,000 which is intended as bridge funding to permit the Vermont State Colleges in collaboration with the University of Vermont to develop comprehensive strategies to increase retention and graduation rates pursuant to Secs. E.603.1 and E.603.2 of this act.

(25) To the Vermont State Colleges: \$120,000. The Vermont State Colleges shall be the repository for the Burlington College student records.

(26) To the Vermont Student Assistance Corporation: \$500,000 to be administered in a manner that is consistent with both the existing advancement grants program and the one-time nature of this appropriation.

(27) To the Department of Forests, Parks and Recreation: \$100,000 for supplemental funding for the Vermont Outdoor Recreation Economic Collaborative grants awarded in fiscal year 2020.

(28) To the Department of Forests, Parks and Recreation: \$120,000 for logger safety and value-added forest products initiatives as follows:

(A) To support the costs of a request for proposal to develop at least three course curriculums and associated training materials for an accident prevention and safety training program for logging contractors.

(B) Grants for the purposes of providing financial assistance to reduce the total cost of the following programs for loggers:

(i) to the Vermont Logger Education to Advance Professionalism (LEAP) program for the purpose of providing financial assistance to logging contractors to reduce the total costs of logger safety training or continuing education in logger safety; and

(ii) to the Trust to Conserve Northeast Forestlands for the purpose of cost-sharing in the certification of logging contractors in the Master Logger program.

(C) To provide grant funds of up to \$10,000 to applicants engaged in adding value to forest products within the State. These grants shall be used by the applicant to pay for expenses associated with State and local permit application costs, project consultation costs, engineering and siting costs, and expert witness analysis and testimony necessary for permitting.

(29) To the Agency of Commerce and Community Development: \$25,000 to issue as a grant for the commissioning ceremony of the USS Vermont.

(30) To the Agency of Commerce and Community Development: \$1,725,000 to fund the economic development initiatives pursuant to the provisions of H.533 of 2019.

(31) To the Department of Labor: \$275,000 to fund initiatives pursuant to the provisions of H.533 of 2019.

(32) To the Vermont Council on the Arts: \$5,000 to provide matching funds from the National Endowment for the Arts.

(33) To the Vermont Housing and Conservation Board: \$500,000 for acquisition of land that is of statewide importance.

(b) In fiscal year 2019, funds are appropriated from the AG-Fees & Reimbursements-Court Order Fund (special fund number 21638) as follows:

(1) To the Attorney General: \$250,000. This appropriation shall carry forward for use in fiscal year 2020.

(2) To the Agency of Transportation: \$1,700,000 for vehicle incentive and emissions repair programs.

(c) In fiscal year 2019, \$400,000 is appropriated from the Evidence-Based Education and Advertising Fund (special fund number 21912) to the Department of Health for the Substance Misuse Prevention Advisory Council. A portion of these funds may be used for analysis and planning including an inventory of direct substance misuse prevention funding currently allocated in the State budget. The remaining funds shall be used to implement the comprehensive statewide substance misuse prevention plan developed by the Council.

Sec. C.101 FISCAL YEAR 2019 ONE-TIME FUND TRANSFER

(a) In fiscal year 2019, funds are transferred from the General Fund as follows:

(1) \$948,271 to the Emergency Relief and Assistance Fund, established in 20 V.S.A. § 45(c).

Sec. C.102 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. D.101 as amended by 2019 Acts and Resolves No. 6, Sec. 56 is further amended to read:

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

* * *

(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	<u>4,488,000.00</u>
21928	Secretary of State Services Fund		2,607,923.00
62100	Unclaimed Property Fund	<u>2,978,680.00</u>	<u>4,178,680.00</u>

* * *

(e) The following General Fund amount shall be reserved for appropriation or transfer in the fiscal year 2020 budget: ~~\$9,815,000~~ \$850,000.

Sec. C.102.1 CONTINGENT TRANSFERS

(a) In fiscal year 2019, of the unreserved and undesignated end of fiscal year General Fund surplus remaining after satisfying the requirements of 32 V.S.A. § 308, notwithstanding 32 V.S.A. § 308c:

(1) First: fifty percent shall be transferred from the General Fund to the Vermont State Employees' Postemployment Benefits Trust Fund established by 3 V.S.A. § 479a;

(2) Second: an amount of \$9,400,000 shall be transferred to the AHS Federal Receipts Holding Account; and

(3) Third: any remaining unreserved and undesignated end of fiscal year General Fund surplus shall be reserved in the General Fund Balance Reserve.

Sec. C.102.2 FISCAL YEAR 2019; SECRETARY OF STATE FUND
BALANCE

(a) Notwithstanding 3 V.S.A. § 118(a), at the close of fiscal year 2019, the amount of \$2,607,923 shall be transferred to the General Fund pursuant to Sec. D.101 as amended by Sec. C.102 of this act. After this transfer, up to \$200,000 of any balance in the Secretary of State Services Fund number 21928, shall be appropriated and used by the Secretary of State for funding the interactive Business Portal (BizPortal) to facilitate planning and implementation for an improved process for regulatory compliance with the State.

Sec. C.103 FISCAL YEAR 2019 TOBACCO LITIGATION SETTLEMENT
FUND TRANSFER AND YEAR END BALANCE

(a) Notwithstanding 18 V.S.A. chapter 225, \$1,500,000 is transferred from the Tobacco Litigation Settlement Fund to the General Fund in fiscal year 2019.

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

Sec. C.104 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.125 is amended to read:

Sec. B.125 Legislative council

Personal services	4,063,930	4,168,930
Operating expenses	827,857	827,857
Total	4,891,787	4,996,787
Source of funds		
General fund	4,891,787	4,996,787
Total	4,891,787	4,996,787

Sec. C.105 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.126 is amended to read:

Sec. B.126 Legislature

Personal services	4,091,578	3,921,578
Operating expenses	3,809,338	3,809,338
Total	7,900,916	7,730,916
Source of funds		
General fund	7,900,916	7,730,916
Total	7,900,916	7,730,916

Sec. C.106 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.127 is amended to read:

Sec. B.127 Joint fiscal committee

Personal services	<u>1,696,568</u>	1,746,568
Operating expenses	<u>159,358</u>	<u>159,358</u>
Total	<u>1,855,926</u>	1,905,926
Source of funds		
General fund	<u>1,855,926</u>	<u>1,905,926</u>
Total	<u>1,855,926</u>	1,905,926

Sec. C.107 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.128 is amended to read:

Sec. B.128 Sergeant at arms

Personal services	<u>737,216</u>	752,216
Operating expenses	<u>68,612</u>	<u>68,612</u>
Total	<u>805,828</u>	820,828
Source of funds		
General fund	<u>805,828</u>	<u>820,828</u>
Total	<u>805,828</u>	820,828

Sec. C.108 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.503 is amended to read:

Sec. B.503 Education - state-placed students

Grants	<u>15,700,000</u>	<u>20,400,000</u>
Total	<u>15,700,000</u>	20,400,000
Source of funds		
Education fund	<u>15,700,000</u>	<u>20,400,000</u>
Total	<u>15,700,000</u>	20,400,000

Sec. C.108.1 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.507 is amended to read:

Sec. B.507 Education - small school grants

Grants	<u>7,600,000</u>	<u>7,800,000</u>
Total	<u>7,600,000</u>	7,800,000
Source of funds		
Education fund	<u>7,600,000</u>	<u>7,800,000</u>
Total	<u>7,600,000</u>	7,800,000

Sec. C.109 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.516 as amended by 2019 Acts and Resolves No. 6, Sec. 40 is further amended to read:

Sec. B.516 Total general education

Source of funds

General fund	136,968,810	136,968,810
Special funds	19,483,091	19,483,091
Tobacco fund	750,388	750,388
Education fund	<u>1,650,519,334</u>	<u>1,655,419,334</u>
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	<u>7,781,379</u>	<u>7,781,379</u>
Total	<u>1,958,248,795</u>	<u>1,963,148,795</u>

Sec. C.110 2018 (Sp. Session) Acts and Resolves No. 11, Sec. B. 514 is amended to read:

Sec. B.514 State teachers' retirement system

Grants	<u>99,940,777</u>	<u>100,440,777</u>
Total	<u>99,940,777</u>	<u>100,440,777</u>
Source of funds		
General fund	<u>92,241,519</u>	<u>92,741,519</u>
Education fund	<u>7,699,258</u>	<u>7,699,258</u>
Total	<u>99,940,777</u>	<u>100,440,777</u>

Sec. C.111 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.515 is amended to read:

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

Grants	<u>31,639,205</u>	<u>31,139,205</u>
Total	<u>31,639,205</u>	<u>31,139,205</u>
Source of funds		
General fund	<u>31,639,205</u>	<u>31,139,205</u>
Total	<u>31,639,205</u>	<u>31,139,205</u>

Sec. C.112 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.514 is amended to read:

Sec. E.514 State teachers' retirement system

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the State Teachers' Retirement System (STRS) shall be \$105,640,777 of which ~~\$99,940,777~~ \$100,440,777 shall be the State's contribution and ~~\$5,700,000~~

\$5,200,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

* * *

Sec. C.113 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.515 is amended to read:

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

(a) In accordance with 16 V.S.A. § 1944b(b)(2), ~~\$31,639,205~~ \$31,139,205 will be contributed to the Retired Teachers' Health and Medical Benefits Fund.

Sec. C.114 2017 Acts and Resolves No. 69, Sec. C.1 is amended to read:

Sec. C.1. THE GREEN MOUNTAIN SECURE RETIREMENT PLAN

(a) The State of Vermont shall, consistent with federal law and regulation, ~~adopt design~~ and implement a voluntary ~~Multiple Employer Plan (MEP)~~ ERISA-covered public retirement plan, employing a multiple employer plan or aggregated single employer plans, which shall remain in compliance with federal law and regulations once implemented, and shall be called the "Green Mountain Secure Retirement Plan."

* * *

(c) The Plan shall:

* * *

(2) automatically enroll all employees of employers that choose to participate ~~in the MEP;~~

(3) allow employees the option of withdrawing their enrollment and ending their participation ~~in the MEP;~~

* * *

~~(d) The State of Vermont shall implement the "Green Mountain Secure Retirement Plan" on or before January 15, 2019, based on the recommendations of the Public Retirement Plan Study Committee as set forth in 2016 Acts and Resolves No. 157, Sec. F.1.~~

Sec. C.115 SPECIAL FUND APPROPRIATION FOR TAX COMPUTER SYSTEMS

(a) In fiscal year 2019, \$10,000,000 is appropriated to the Department of Taxes from the Tax Computer System Modernization Special Fund established pursuant to 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, and as further amended by 2019 Acts and Resolves No. 6, Sec. 102. This appropriation shall carry forward through fiscal year 2022.

Sec. C.116 2019 Acts and Resolves No. 6, Sec. 88 is amended to read:

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:

* * *

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

(A) \$250,000 to be reserved to fund contracted 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 are 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.

(i) The Joint Fiscal Office is authorized to enter into a direct contract with the University of Vermont in lieu of a bid process. In the event that such a contract takes place, the payments shall be made in intervals of: twenty-five percent (25%) upon signing; thirty percent (30%) to be paid after approval of a final work plan by the Chairs of the House and Senate Committees on Appropriations, the House Committee on Human Services, and the Senate Committee on Health and Welfare Committee; thirty percent (30%) on agreed upon mid-contract term project status report or presentation; and fifteen percent (15%) upon report completion and presentation to the Legislature on or before January 30, 2020.

(ii) The Agency of Human Services and the Department for Children and Families shall execute memoranda and provide available data in a reasonably timely fashion and in a manner consistent with any State and federal requirements as needed for this research project.

(B) \$25,000 to be reserved to fund, contracted services if necessary as determined by the Joint Fiscal Committee, a direct contract with the Council

of State Governments Justice Center for a report to the General Assembly on or before December 15, 2019 on research and findings related to:

(i) developing and implementing a systems-level, data-driven plan to reduce the number of people with mental illnesses who are detained or incarcerated; or

(ii) developing a comprehensive approach to expungement and sealing of criminal history records to help individuals with a criminal record overcome barriers to employment and licensing through clearing their records; or

(iii) Vermont's population of incarcerated women, including the types of offenses and risk of reoffense for which this population is incarcerated and alternatives to incarceration available to this population to assist the State in its planning for correctional facilities; or

(iv) 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.

* * *

Sec. C.117 LOAN AUTHORIZATION AND FUNDING SOURCE

(a) Up to \$1,000,000 of the funds appropriated in 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.1000(a)(14) may be used in fiscal year 2019 for a bridge loan to Springfield Hospital. Repayment of these funds either through direct payment or withheld Medicaid claims shall be deposited into the General Fund.

Sec. D.100 APPROPRIATIONS; PROPERTY TRANSFER TAX

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

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

(2) The sum of \$10,804,840 is appropriated from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board (VHCB). Notwithstanding 10 V.S.A. § 312, amounts above \$10,804,840 from

the property transfer tax and surcharge established by 32 V.S.A. § 9602a that are deposited into the Vermont Housing and Conservation Trust Fund shall be transferred into the General Fund.

(A) The dedication of \$2,500,000 in revenue from the property transfer tax pursuant to 32 V.S.A. § 9610(d) for the debt payments on the affordable housing bond (10 V.S.A. § 314) is to be offset by the reduction of \$1,500,000 in the appropriation to the VHCB and \$1,000,000 from the surcharge established by 32 V.S.A. § 9602a. The fiscal year 2020 appropriation of \$10,804,840 to VHCB reflects the \$1,500,000 reduction. The affordable housing bond and related property transfer tax and surcharge provisions are repealed after the life of the bond on July 1, 2039. Once the bond is retired, the \$1,500,000 reduction in the appropriation to VHCB is intended to be restored.

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

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

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

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

Sec. D.101 FUND TRANSFERS AND REVERSIONS

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

(1) From the Clean Water Fund established by 10 V.S.A. § 1388 to the following:

(A) Agricultural Water Quality Special Fund created under 6 V.S.A. § 4803: \$3,255,000.

(B) Lake in Crisis Response Program Fund created under 10 V.S.A. § 1315: \$50,000.

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

(3) From the Transportation Infrastructure Bond Fund established by 19 V.S.A. § 11f to the Transportation Infrastructure Bonds Debt Service Fund established by 32 V.S.A. § 951a for funding fiscal year 2021 transportation infrastructure bonds debt service: \$2,502,613.

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2020:

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

<u>22005</u>	<u>AHS Central Office earned federal receipts</u>	<u>15,874,593.00</u>
<u>50300</u>	<u>Liquor Control Fund</u>	<u>1,805,000.00</u>
<u>62100</u>	<u>Unclaimed Property Fund</u>	<u>2,505,143.00</u>
	<u>Caledonia Fair</u>	<u>5,000.00</u>
	<u>North Country Hospital Loan</u>	<u>24,250.00</u>

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund in fiscal year 2020. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July meeting the final amounts transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

<u>21638</u>	<u>AG-Fees & Reimbursements-Court Order</u>	<u>2,000,000.00</u>
<u>21928</u>	<u>Secretary of State Services Fund</u>	<u>2,032,817.00</u>

(3) In fiscal year 2020, notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, \$32,455,763 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 2020:

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

<u>1210001000</u>	<u>Legislative Council</u>	<u>75,000.00</u>
<u>1210002000</u>	<u>Legislature</u>	<u>175,000.00</u>
<u>1220000000</u>	<u>Joint Fiscal Office</u>	<u>30,000.00</u>

Sec. D.101.1 FISCAL YEAR 2020 CONTINGENT TRANSFER FROM
GENERAL FUND TO RETIRED TEACHERS' HEALTH
AND MEDICAL BENEFITS FUND

(a) If the available General Fund forecast adopted by the Emergency Board in July 2019 for fiscal year 2020 (the "adopted forecast"), including the amount shifted into the General Fund from the merger with the Health Care Resources Fund, is greater than \$1,587,000,000 the Commissioner of Finance and Management shall transfer 100 percent of the amount over \$1,587,000,000 to the Retired Teachers' Health and Medical Benefits Fund established by 16 V.S.A. § 1944b.

(b) Subsection (a) of this section is designed and intended to provide an estimated \$20,000,000 for the fiscal year 2020 budget adjustment or other fiscal pressures in the fiscal year 2020 budget. Given this intent, the Emergency Board shall review the fiscal year 2020 available General Fund forecast and shall make any adjustments needed to the transfer authorized in subsection (a) of this section to accomplish this intent.

Sec. D.102 [Deleted.]

Sec. D.103 [Deleted.]

Sec. D.104 32 V.S.A. § 308b(c) is amended to read:

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

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

* * * GENERAL GOVERNMENT * * *

Sec. E.100 EXECUTIVE BRANCH POSITION AUTHORIZATIONS

(a) The establishment of the following permanent classified positions is authorized in fiscal year 2020:

(1) In the Department for Children and Families' Family Services Division – seven (7) Family Services Worker, one (1) Family Services Supervisor, and three (3) Resource Coordinator.

(2) In the Department of Disabilities, Aging, and Independent Living – one (1) Director of Deaf, Hard of Hearing, and DeafBlind Services.

(b) The establishment of the following permanent exempt position is authorized in fiscal year 2020:

(1) In the Department for Children and Families' Family Services Division – one (1) Assistant Attorney General to fill the position of a staff attorney.

(c) The conversion of classified limited service positions to classified permanent status is authorized in fiscal year 2020 as follows:

(1) In the Office of the Attorney General – one (1) Legal Assistant II (position #190071), two (2) Medicaid Analyst (position #190076 and #190080).

(d) The conversion of exempt limited service positions to exempt permanent status is authorized in fiscal year 2020 as follows:

(1) In the Office of the Attorney General – one (1) Assistant Attorney General (position #197053), two (2) Legal Division Chief (position #197054 and #197055) and one (1) Senior Assistant Attorney General (position #197059).

(e) The positions established in subsections (a) and (b) of this section shall be transferred and converted from existing vacant positions in the Executive Branch and shall not increase the total number of authorized State positions, as defined in Sec. A.107 of this act.

Sec. E.100.1 [Deleted.]

Sec. E.101 [Deleted.]

Sec. E.106 DETERMINATION OF PARAMETERS FOR THE
ESTABLISHMENT OF SPECIAL FUNDS AND SPECIAL
FUND REVIEW

(a) The Commissioner of Finance and Management, in consultation with the Legislative Joint Fiscal Office and with the assistance of the Office of Legislative Council, shall consider and make recommendations to the General Assembly regarding the circumstances under which a new special fund should be established and the parameters to which the new special fund should adhere.

(b) The Commissioner shall review existing special funds to determine if they are still viable and, if not, whether they should be eliminated.

(c) The Commissioner, in consultation with the Legislative Joint Fiscal Office shall develop a common multiyear reporting format for special funds and shall identify a group of funds to be presented in this format for the period of fiscal year 2016 through fiscal year 2019.

Sec. E.111 Tax – administration/collection

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

Sec. E.112 2015 Acts and Resolves No. 58, Sec. E.112 is amended to read:

Sec. E.112 ENERGY EFFICIENCY; STATE BUILDINGS AND FACILITIES

* * *

(b) Notwithstanding any provision of Title 30 of the Vermont Statutes Annotated, Public Service Board order, or other provision of law to the contrary:

(1) The Department and Efficiency Vermont (EVT) shall augment the Program for a preliminary period of ~~four~~ eight years commencing in fiscal year 2016 under which EVT shall provide the Department with support for the Program to deliver cost-effective energy efficiency and conservation measures to State buildings and facilities. The Department and EVT may agree to continue conducting this augmented Program in subsequent fiscal years, after considering recommendations for improvement based on evaluation of the preliminary period.

* * *

(2) In addition to the requirements of subdivision (1) of this ~~section~~ subsection, the project shall include provision by EVT of support for personnel to implement the Program during fiscal years 2016 to ~~2019~~ 2023.

* * *

(B) Under this subdivision (2), EVT shall provide up to \$290,000 during fiscal year 2016. For the remaining ~~three~~ seven fiscal years, EVT shall provide an additional amount sufficient to support annual salary and benefit adjustments. These funds shall be received in the Facilities Operations Fund established in 29 V.S.A. § 160a, and may be spent using excess receipts authority.

(3) The Public Service Board shall adjust any performance measures applicable to EVT to recognize the requirements of this section.

(c) The Department and EVT shall execute a new or amended memorandum of understanding to implement this section, which shall include targets for future energy savings, a process for determining how savings targets

are met, and details of EVT's commitment for personnel over a ~~four~~ an eight- year time period.

(d) On or before October 1 of each year commencing in 2016 and ending in ~~2019~~ 2023, the Department and EVT shall provide a joint report on the implementation of this section.

* * *

(5) The report to be submitted in 2019 and in 2023 shall contain an evaluation of the Program authorized under this section and any resulting recommendations, including recommendations related to Program continuation beyond 2023.

* * *

Sec. E.113 Buildings and general services – engineering

(a) The \$3,583,423 interdepartmental transfer in this appropriation shall be from the fiscal year 2020 General Bond Fund appropriation in the Capital Bill of the 2019 legislative session.

Sec. E.124 32 V.S.A. § 306 is amended to read:

§ 306. BUDGET REPORT

(a) The Governor shall submit to the General Assembly, not later than the third Tuesday of every annual session, a budget which shall embody his or her estimates, requests, and recommendations for appropriations or other authorizations for expenditures from the State Treasury. In the first year of the biennium, the budget shall relate to the two succeeding fiscal years. In the second year of the biennium, it shall relate to the succeeding fiscal year. The budget shall be based upon the official State revenue estimates, including the Medicaid estimated caseloads and per-member per-month expenditures, adopted by the Emergency Board pursuant to section 305a of this title.

(1) ~~The~~ As part of the budget report, the Governor shall:

(A) develop and publish annually for public review as part of the budget report a current services budget, providing the public with an estimate of what the current level of services is projected to cost in the next fiscal year;

(B) provide an estimated cost of deferred infrastructure maintenance in the State's transportation system; and

(C) itemize current services liabilities, including the total obligations and the amount estimated for full funding in the current year in which an amortization schedule exists. These shall include the following liabilities projected for the start of the budget fiscal year:

(i) pension liabilities for the Vermont State Employees' Retirement System (VSERS) and the Vermont State Teachers' Retirement System (VSTRS), and other postemployment benefit liabilities under current law and relevant Government Accounting Standards Board standards for these systems;

(ii) child care fee scale funding requirements pursuant to 33 V.S.A. § 3512 to bring total year funding to current market rates and current federal poverty levels;

(iii) Reach Up funding full benefit obligations, including the standard of need for the current fiscal year, prior to any rateable reductions made pursuant to 33 V.S.A. §1103(a), which ensure that the expenditures for the programs shall not exceed appropriations;

(iv) statutory funding levels from the Property Transfer Tax;

(v) projected fund liabilities of the funds identified in the "Notes" section of the most recent Comprehensive Annual Financial Report (CAFR), including the Workers' Compensation Fund, the State Liability Insurance Fund, the Medical Insurance Fund, and the Dental Insurance Fund; and

(vi) a summary of other nonmajor enterprise funds and internal service funds where deficits exist in excess of \$1,500,000.

(2) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

* * *

Sec. E.126 2 V.S.A. chapter 14 is added to read:

CHAPTER 14. JOINT LEGISLATIVE MANAGEMENT COMMITTEE

§ 451. CREATION OF COMMITTEE: PURPOSE

(a) Creation. There is created the Joint Legislative Management Committee. The Committee shall provide general oversight and management across the offices of the General Assembly and administrative services to the legislative offices and the legislature.

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

(1) four members of the House, which shall include representatives of the Legislative Council Committee, the Joint Fiscal Committee, and the Rules Committee, and shall consist of:

(A) the Speaker of the House; and

(B) three members of the House appointed by the Speaker, not all from the same political party, and

(2) four members of the Senate, which shall include representatives of the Legislative Council Committee, the Joint Fiscal Committee, and the Rules Committee, and shall consist of:

(A) the President Pro Tempore; and

(B) three members of the Senate appointed by the Committee on Committees, not all from the same political party.

(c) Members shall serve a term of two years or until their successors are appointed. The term of a member shall end upon his or her ceasing to be a member of the General Assembly.

(d) Interim vacancies may be filled by appointment by the Committee on Committees or the Speaker of the House in the same manner as in subsection (b) of this section.

(e) Initial appointments shall be made upon passage of this act, with initial terms concluding at the time new appointments to the Committee are made in January 2021.

(f) Subsequent appointments shall be made biennially at the same time as standing committees.

(g) The Committee shall meet immediately following the appointment of its membership to elect a chair and a vice chair and to organize and conduct its business. The Committee may meet as often as it deems necessary and a majority of the members shall constitute a quorum for the transaction of business. Meetings may be called by the Chair or by a majority of the members.

(h) For attending a meeting of Committee when he or she is not receiving compensation as a member of the General Assembly, a member of the Committee shall be entitled to the same per diem compensation and reimbursement for necessary expenses as provided members of standing committees under section 406 of this title.

Sec. E.126.1 JOINT LEGISLATIVE MANAGEMENT COMMITTEE;
INITIAL DUTIES IN 2019

(a) The Joint Legislative Management Committee, established pursuant to 2 V.S.A. § 451, shall consider and recommend the most appropriate organization, structure, and oversight of the staff and staff offices of the General Assembly. The Committee shall:

(1) Consider the recommendations contained in the National Conference of State Legislatures (NCSL) "Vermont General Assembly Legislative Branch Workforce Comparative Evaluation" March 2019 report.

(2) Consult with and consider the recommendations of:

(A) the Joint Fiscal Committee;

(B) the Legislative Council Committee;

(C) the Legislative Information Technology Committee;

(D) the Joint Rules Committee;

(E) the Chief Fiscal Officer, Director and Chief Counsel, House Clerk, Senate Secretary, and Sergeant at Arms;

(F) supervisors and employees of every staff office as the Committee deems appropriate;

(G) members of the General Assembly as the Committee deems appropriate; and

(H) any other person the Committee deems appropriate.

(b) Report. On or before November 1, 2019, the Committee shall submit to the General Assembly a written report setting forth detailed recommendations concerning the most appropriate organization, structure, and oversight of the staff and staff offices of the General Assembly.

(c) The report shall contain draft statutory language and draft budgetary changes necessary to implement the recommendations set forth in the Committee's report.

(d) Assistance. In carrying out the duties set forth in this section, the Committee shall have the assistance and support of the Joint Fiscal Office, the Office of Legislative Council, and the Sergeant at Arms.

Sec. E.126.2 LEGISLATIVE BRANCH POSITIONS

(a) Legislature: The establishment of two (2) new permanent exempt Legislative Staff positions is authorized within the legislature in fiscal year 2020. The position titles will be determined by the Joint Legislative Management Committee.

(b) Joint Fiscal Office: The establishment of one (1) new permanent exempt Administrative Research Assistant position is authorized within the legislative Joint Fiscal Office in fiscal year 2020.

Sec. E.126.3 JOINT LEGISLATIVE JUSTICE OVERSIGHT
COMMITTEE; 2019 LEGISLATIVE INTERIM

(a) During the 2019 legislative interim, the Joint Legislative Justice Oversight Committee shall consider the following criminal justice reform strategies as part of an effort that will be called Justice Reinvestment II. These policies should be pursued in order to create a smarter criminal justice system that prevents avoidable incarceration, returns people to communities without risking public safety, and reduces or eliminates the need for out-of-state prison placements or new prison bed capacity in Vermont:

(1) furlough reform, including the possible elimination of furlough;

(2) management of the detainee population;

(3) sentencing reforms, including the possible elimination of weekend and nighttime sentences, and the possible elimination of community work crew in favor of restorative justice and reentry planning;

(4) expansion of restorative justice programs including diversion and community justice centers;

(5) establishment of new transitional housing facilities and services to reintegrate offenders into the community;

(6) establishment of new treatment-centered facilities as an alternative to incarceration for certain drug and DUI offenses;

(7) parole reform, including presumptive parole and the role of the parole board; and

(8) the release of offenders for whom community-based treatment and services would be more appropriate.

(b) The Committee should utilize the expertise of the Justice Center of the Council on State Governments to the maximum extent possible, and shall report any recommendations in the form of proposed legislation to the General Assembly on or before December 15, 2019.

Sec. E.127 2 V.S.A. § 501(a) is amended to read:

(a) There is created a Joint Fiscal Committee whose membership shall be appointed ~~at the beginning~~ on or before January 15 of each biennial session of the General Assembly. The Committee shall consist of five Representatives and five Senators as follows:

* * *

Sec. E.127.1 2 V.S.A. § 503 is amended to read:

§ 503. FUNCTIONS

* * *

(b) The Joint Fiscal Committee shall:

(1) furnish research services and secretarial services of a fiscal nature to the House and Senate Committees on Appropriations, the Senate Committee on Finance, the House Committee on Ways and Means, the House and Senate Committees on Transportation, and the Joint Fiscal Committee;

(2) carry on a continuing review of the fiscal operations of the State, including revenues, budgeting, and expenditures;

(3) accept grants and approve any related limited service positions, gifts, loans, or any other thing of value, approved by the Governor, under the provisions of 32 V.S.A. § 5, when the General Assembly is not in session; and

* * *

Sec. E.127.2 32 V.S.A. § 5 is amended to read:

§ 5. ACCEPTANCE OF GRANTS

(a) ~~No~~ Definitions. As used in this section:

(1) “Loan” means a loan that is interest free or below market value.

(2) “State agency” means an Executive Branch agency, department, commission, or board.

(b) Executive Branch approval.

(1) Approval required. A State agency shall not accept the original of any grant, gift, loan, or any sum of money, or thing of value ~~may be accepted by any agency, department, commission, board, or other part of State government~~ except as follows:

(A) the State agency is granted approval pursuant to this subsection;
or

(B) Joint Fiscal Committee policies adopted pursuant to subsection (e) of this section do not require a State agency to obtain approval.

(2) Governor review.

~~(1) All such items must be submitted to the~~ The Governor who shall review each grant, gift, loan, or any sum of money, or thing of value and shall send a copy of the approval or rejection to the Joint Fiscal Committee through the Joint Fiscal Office together with the following information with respect to ~~said~~ these items:

(A) the source of the grant, gift, or loan and value;

(B) ~~the legal and referenced titles of the grant,~~ title, in the case of a grant;

(C) ~~the costs, direct and indirect, for the present and future years related to such a grant;~~

(D) ~~the receiving department and/or program which will utilize the grant, or both;~~

(E) a brief statement of purpose; and

(F) any impact on existing programs if grant there is not accepted a rejection.

~~(2)~~(3) Legislative review.

(A) The Governor's approval in subdivision (b)(2) of this section shall be final unless except as follows:

(i) When the General Assembly is not in session, within 30 days of receipt of such information the copy of an approval and related information required under subdivision (b)(2) of this section, a member of the Joint Fiscal Committee requests such grant, gift, loan, sum of money, or thing of value be placed on the Committee's agenda of the Joint Fiscal Committee; or,

(ii) when the General Assembly is in session, within 30 days of receipt of the copy of an approval and related information required under subdivision (b)(2) of this section, a member of the Committee requests that such grant, gift, loan, sum of money, or thing of value be held for legislative approval. If a copy of an approval and related information is received when the General Assembly is in session, but before the members of the Joint Fiscal Committee are appointed, one of the statutorily appointed members of the Committee may request to hold a grant for legislative approval. Legislative approval under this subdivision may be granted by legislation or resolution.

(B) In the event of such a request to hold a grant made pursuant to subdivision (3) of this subsection, the grant shall not be accepted until approved by the Joint Fiscal Committee or the Legislature General Assembly.

(C) The 30-day period described in subdivision (3)(A)(i) of this subsection may be reduced where expedited consideration is warranted in accordance with adopted Joint Fiscal Committee policies adopted pursuant to subsection (e) of this section.

(D) During the legislative session Upon receipt of the copy of an approval and related information required under subdivision (b)(2) of this section while the General Assembly is in session, the Joint Fiscal Committee shall promptly file a notice with the House and Senate Clerks for publication

in the respective calendars of any grant approval requests that are submitted by the administration.

(3)(4) Exceptions.

(A) General. ~~This~~ The review and approval process set forth in subsection (b) of this section shall not apply to the following items, ~~if the acceptance of those items will not incur additional expense to the State or create an ongoing requirement for funds, services, or facilities:~~

(i) the acceptance of grants, gifts, donations, loans, sums of money, or other things of value with a value of \$5,000.00 \$15,000.00 or less, if the acceptance of those items will not incur additional expense to the State or create an ongoing requirement for funds, services, or facilities; or

(ii) the acceptance by the Department of Forests, Parks and Recreation and the Department of Fish and Wildlife of grants, gifts, donations, loans, or other things of value with a value of \$15,000.00 or less; or

(iii) the acceptance by the Vermont Veterans' Home of grants, gifts, donations, loans, or other things of value with a value of \$10,000.00 or less a legal settlement.

(B)(i) Notification required. The receiving agency shall promptly notify the Secretary of Administration and Joint Fiscal Office ~~shall be promptly notified~~ of the source, value, and purpose of any items received under this subdivision; provided, however, that no notification is required for an item received under this subdivision with a value of less than \$1,500.00.

(ii) The Joint Fiscal Office shall report all such items received under this subdivision to the Joint Fiscal Committee quarterly. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

(4)(5) Transportation. With respect to acceptance of the original of a federal transportation earmark or of a discretionary federal grant for a transportation project, the provisions of ~~subdivisions~~ subdivision (1) ~~and (2)~~ of this subsection shall apply, except that in addition:

(A) notification of the Governor's approval or rejection shall also be made to the Chairs of the House and Senate Committees on Transportation; and

(B) such grant or earmark shall be placed on the agenda, and shall be subject to the approval, of a committee comprising the Joint Fiscal Committee and the Chairs of the House and Senate Committees on Transportation, if one of the Chairs or a member of the Joint Fiscal Committee so requests.

(c) Legislative and Judicial Branch approval.

(1) Approval required. The Legislative and Judicial Branches shall not accept the original of any grant, gift, loan, or any sum of money, or thing of value except as follows:

(A) approval is granted pursuant to the process set forth in subdivision (b)(3) of this section if the item received has a value of more than \$15,000; and

(B) notification is sent to the Joint Fiscal Committee and the Secretary of Administration of the source, value, and purpose of the item received if the item has a value of \$1,500.00 or more.

(2) Exceptions. The review process set forth in subdivision (b)(2) of this section shall not apply to the approval of any grant, gift, loan, or any sum of money, or thing of value received by the Legislative or Judicial Branches.

(b)(d) In accordance with subsection (a) of this section, Limited service position. The Joint Fiscal Committee is authorized to approve a limited service position request in conjunction with a grant, a limited service position request for a if the position is explicitly stated for a specific purpose in the grant, may be authorized and the position request is approved pursuant to the process set forth in subsection (b) of this section. The position shall terminate with the expiration of the grant funding unless otherwise funded by an act of the General Assembly. Such authorized A limited service positions position request shall not be created until the appointing authority has certified include a certification from the appointing authority to the Joint Fiscal Committee that there exists equipment and housing for the positions position or that funds are available to purchase equipment and housing for the positions position.

(e) Policies. The Joint Fiscal Committee is authorized to adopt policies to implement this section, including a policy on expedited review by the Joint Fiscal Committee when the General Assembly is not in session.

Sec. E.131 10 V.S.A. § 9 is amended to read:

§ 9. INVESTMENT IN VERMONT COMMUNITY LOAN FUND

Notwithstanding any provision of 32 V.S.A. § 433(a) to the contrary, the State Treasurer is authorized to invest up to ~~\$1,000,000.00~~ \$1,500,000.00 of short-term operating or restricted funds in the Vermont Community Loan Fund on terms acceptable to the Treasurer and consistent with prudent investment principles and guidelines pursuant to 32 V.S.A. § 433(b)-(c).

Sec. E.133 Vermont state retirement system

(a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2020, investment fees shall be paid from the corpus of the Fund.

Sec. E.139 GRAND LIST LITIGATION ASSISTANCE

(a) Of the appropriation in Sec. B.139 of this act, \$9,000 shall be transferred to the Attorney General and \$70,000 shall be transferred to the Department of Taxes, Division of Property Valuation and Review and reserved and used with any remaining funds from the amount previously transferred for final payment of expenses incurred by the Department or towns in defense of grand list appeals regarding the reappraisals of the hydroelectric plants and other property owned by TransCanada Hydro Northeast, Inc. and its successor Great River Hydro, LLC in the State of Vermont. Expenditures for this purpose shall be considered qualified expenditures under 16 V.S.A. § 4025(c).

Sec. E.142 Payments in lieu of taxes

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

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

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

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

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

* * * PROTECTION TO PERSONS AND PROPERTY * * *

Sec. E.200 Attorney general

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

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

Sec. E.204 RUTLAND ADULT TREATMENT COURT DOCKET

(a) In the event the Rutland Adult Treatment Court program does not achieve an average minimum of 20 participants per month during the months of July 2019 through June 2020, a Task Force shall meet before July 15, 2020 to discuss how to restore the number of Rutland Adult Treatment Court participants to historical levels and whether to consider the addition of a Family Treatment Court track. The Task Force established by this section shall consist of a representative appointed by the Chief Superior Judge, the Attorney General, the Defender General, and the Executive Director of the Department of State's Attorneys and Sheriffs. The Task Force shall consult with Project Vision, and shall report its recommendations to the Joint Legislative Justice Oversight Committee on or before October 1, 2020. Failure to achieve a minimum of 20 participants per month shall result in the removal of State General Funds effective November 1, 2020.

Sec. E.208 Public safety – administration

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

Sec. E.208.1 SCHOOL SAFETY AND SECURITY GRANT PROGRAM;
ADDISON-RUTLAND SUPERVISORY UNION

(a) The Department of Public Safety shall use \$82,000 of the amount appropriated in Sec. 13 of the fiscal year 2020 Capital Construction and State Bonding Act for the School Safety and Security Grant Program to reimburse capital eligible expenses paid by the Addison-Rutland Supervisory Union to implement safety and security measures at schools within the district.

Sec. E.209 Public safety – state police

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

(b) Of this appropriation, \$405,000 is allocated for grants in support of the Drug Task Force. Of this amount, \$190,000 shall be used by the Vermont Drug Task Force to fund three town task force officers. These town task force

officers shall be dedicated to enforcement efforts with respect to both regulated drugs as defined in 18 V.S.A. § 4201(29) and the diversion of legal prescription drugs. Any unobligated funds may be allocated by the Commissioner to fund the work of the Drug Task Force or carried forward.

Sec. E.212 Public safety – fire safety

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

Sec. E.215 Military – administration

(a) The amount of \$1,426,718 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard Educational Assistance program established in 16 V.S.A. § 2856 and the National Guard Tuition Benefit Program established in 16 V.S.A. § 2857.

Sec. E.219 Military – veterans’ affairs

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

Sec. E.219.1 [Deleted.]

Sec. E.220 Center for crime victim services

(a) Notwithstanding 20 V.S.A. § 2365(c), the Vermont Center for Crime Victim Services shall transfer \$49,253 from the Domestic and Sexual Violence Special Fund established in 13 V.S.A. § 5360 to the Criminal Justice Training Council for the purpose of funding one-half of the costs of the Domestic Violence Trainer position. The other half of the position will be funded with an appropriation to the Criminal Justice Training Council.

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

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

Sec. E.233 [Deleted.]

Sec. E.233.1 DEPARTMENT OF PUBLIC SERVICE TRANSFER FROM
RESERVES

(a) Notwithstanding 30 V.S.A. § 22(d)(1) and (3), on June 30 of fiscal year 2019, from any balance in the amount allocated to the Public Utility Commission from the special fund for the maintenance of engineering and accounting forces (special fund) pursuant to 30 V.S.A. § 22(c), sufficient monies shall be transferred to the Department of Public Service for the sole purpose of closing any special fund sub-account fund deficit in the Department of Public Service.

* * * HUMAN SERVICES * * *

Sec. E.300 Agency of Human Services – secretary’s office

(a) The Secretary of Human Services shall identify funds to support the Caring Dad’s Program within existing appropriations.

Sec. E.300.1 TRANSITION OF STATE HEALTH CARE RESOURCES
FUND REVENUES TO THE GENERAL FUND

(a) The Department of Finance and Management shall report 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 Sec. B.301 of this act, as amended by 2019 Acts and Resolves No. 6:

(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 Employers’ Health Care Fund 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, 2020.

Sec. E.300.2 DEPOSIT AND USE OF MASTER SETTLEMENT FUND

(a) Deposit of Master Tobacco Settlement receipts and appropriations of Tobacco Settlement funds in fiscal year 2020 are made, notwithstanding 2013 Acts and Resolves No. 50, Sec. D.104.

Sec. E.300.3 FUNDING FOR THE OFFICE OF THE HEALTH CARE
ADVOCATE

(a) Of the funds appropriated in Sec. B.300 of this act, \$1,457,406 shall be used for the contract with the Office of the Health Care Advocate.

Sec. E.300.4 SPECIALIZED HOUSING VOUCHERS

(a) The Secretary of Human Services shall convene a working group to include one representative from each of the Departments of Mental Health, of Corrections, for Children and Families, of Disabilities, Aging, and Independent Living, and of Housing and Community Development within the Agency of Commerce and Community Development; the Vermont State Housing Authority; and the Vermont Housing and Conservation Board to develop a strategy to fully utilize available federal rental assistance funds for vulnerable populations in Vermont. This rental assistance, in the form of specialized and rapid rehousing vouchers, serves specialized, vulnerable populations, including homeless families with children, homeless youths, chronically homeless individuals with mental illness, and families that have lost or are at risk of losing a child to State custody. The working group shall consult with community-based housing and human services providers and examine the following:

(1) whether existing expenditures on case management or other services for this vulnerable population could be utilized as match to draw federal specialized voucher funds; and

(2) Vermont's current allocation of housing assistance funds to ensure that Vermont maximizes the ability of the State to draw federal voucher funds; and

(3) any other recommendations the working group may make to help avoid further loss of these specialized vouchers.

(b) On or before November 1, 2019, the Secretary of Human Services shall report the findings of the working group to the Secretary of Administration for possible inclusion in the Governor's 2021 budget request and concurrently to the House Committees on Appropriations, on Health and Welfare, and on General, Housing, and Military Affairs and the Senate Committees on Appropriations, on Health and Welfare, and on Economic Development, Housing and General Affairs.

Sec. E.300.5 18 V.S.A. § 4653(a) is amended to read:

(a) On or before July 1, 2019 2020, the Agency of Human Services shall submit a formal request to the Secretary of the U.S. Department of Health and

Human Services for certification of the State's wholesale prescription drug importation program.

Sec. E.300.6 3 V.S.A. § 3028 is added to read:

§ 3028. WHOLESAL PRESCRIPTION DRUG IMPORTATION PROGRAM

(a) The Agency of Human Services shall be responsible for the development and, upon approval from the Secretary of the U.S. Department of Health and Human Services, the implementation and administration of a wholesale prescription drug importation program that complies with the applicable requirements of 21 U.S.C. § 384, including the requirements regarding safety and cost savings.

(b) The Secretary of Human Services may adopt rules pursuant to chapter 25 of this title as needed to develop, implement, and administer the program.

Sec. E.300.7 NEXT STEPS FOR IMPLEMENTING A WHOLESAL PRESCRIPTION DRUG IMPORTATION PROGRAM

(a) The Agency of Human Services shall consult with the National Academy for State Health Policy (NASHP) and with states pursuing or interested in pursuing a wholesale prescription drug importation program to identify opportunities to coordinate and work collaboratively in these efforts. On or before October 1, 2019, the Agency shall provide an update on its progress in obtaining federal approval for a wholesale prescription drug importation program pursuant to 18 V.S.A. § 4653, including the results of its consultations with NASHP and with other states, to the House Committees on Appropriations, on Health Care, and on Ways and Means; the Senate Committees on Appropriations, on Health and Welfare, and on Finance; and the Joint Fiscal Committee.

(b) The Board of Pharmacy in the Office of Professional Regulation, in consultation with the Agency of Human Services, shall explore whether any new prescription drug wholesaler license categories would be necessary in order to operate a wholesale prescription drug importation program in this State. On or before January 15, 2020, the Board shall provide its findings and recommendations with respect to new prescription drug wholesaler license categories to the House Committees on Government Operations and on Health Care and the Senate Committees on Government Operations and on Health and Welfare.

Sec. E.300.8 AGENCY OF HUMAN SERVICES; STRATEGIC PLAN;
REPORT

(a) The Agency of Human Services, in order to respond effectively to dynamic and changing societal needs, shall identify emerging trends and develop a strategic plan for addressing the most challenging issues the Agency anticipates Vermont will face within the next five to 10 years.

(b) The Agency of Human Services shall analyze and determine:

(1)(A) projected changes in the demographics of the State;

(B) increasing or emerging trends that affect or are likely to affect human services needs in the State, including social risks to be addressed; and

(C) anticipated demands on the budgets of the Agency and its departments;

(2) whether current targeted investments are successfully achieving their anticipated outcomes and, if not, why not;

(3) the appropriate programmatic, policy, and organizational reconfigurations necessary to achieve the Agency's strategic plan; and

(4) such other issues as the Agency determines are relevant to developing and achieving the Agency's strategic plan.

(c) The Agency may, within available resources, contract with an independent consultant to assist it in developing the strategic plan, analyses, and determinations required by this section.

(d)(1) On or before November 1, 2019, the Agency of Human Services shall provide a progress update on its strategic plan, analyses, and determinations to the Joint Fiscal Committee, the Health Reform Oversight Committee, the Joint Legislative Justice Oversight Committee, and the Government Accountability Committee.

(2) On or before January 15, 2020, the Agency of Human Services shall provide its final strategic plan, analyses, and determinations, including any recommendations for legislative action, to the House Committees on Appropriations, on Corrections and Institutions, on Government Operations, on Health Care, on Human Services, and on Judiciary and the Senate Committees on Appropriations, on Government Operations, on Health and Welfare, on Institutions, and on Judiciary.

Sec. E.300.9 REPORT TO THE JOINT FISCAL COMMITTEE ON FISCAL PRESSURES

(a) The Secretary of Human Services shall report to the Joint Fiscal Committee at its November 2019 meeting on the following fiscal issues:

(1) the most current estimate of timing related to the 12 beds being developed for State priority use at the Brattleboro Retreat and the fiscal year 2020 and 2021 funding implications. The Secretary shall estimate the additional needs for State funds and sources to provide funding the Administration is considering in the fiscal year 2021 budget presentation to the Legislature;

(2) the impact of the change in of Federal Children's Health Insurance match (CHIP) match on the fiscal year 2021 budget and what steps may be recommended to offset the loss of funds; and

(3) any other fiscal pressures due to changes in federal funds or other program-related changes in costs or caseloads.

Sec. E.301 Secretary's office – Global Commitment:

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

(b) In addition to the State funds appropriated in this section, a total estimated sum of \$26,348,983 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) \$23,295,650 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with \$27,204,350 of federal funds appropriated in Sec. B.301 of this act equals a total estimated expenditure of \$50,500,000. An amount equal to the amount of the federal matching funds for eligible special education school-based Medicaid services under Global Commitment shall be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

(2) \$3,053,333 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

(c) Up to \$15,400,000 is transferred from the AHS Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Sec. B.301 – Secretary’s Office – global commitment of this act.

Sec. E.301.1 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER;
REPORT

(a) In order to facilitate the end-of-year closeout for fiscal year 2020, the Secretary of Human Services, with approval from the Secretary of Administration, may make transfers among the appropriations authorized for Medicaid and Medicaid-waiver program expenses, including Global Commitment appropriations outside the Agency of Human Services. At least three business days prior to any transfer, the Agency shall submit to the Joint Fiscal Office a proposal of transfers to be made pursuant to this section. A final report on all transfers made under this section shall be made to the Joint Fiscal Committee for review at the September 2020 meeting. The purpose of this section is to provide the Agency with limited authority to modify the appropriations to comply with the terms and conditions of the Global Commitment for Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

Sec. E.301.2 MENTAL HEALTH AND SUBSTANCE USE DISORDER
WORKFORCE

(a) The \$1,500,000 allocated to the Agency of Human Services for fiscal year 2019 pursuant to 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106.1(b)(1) shall be carried forward to fiscal year 2020 and be used for loan repayment and tuition assistance to promote the recruitment and retention of high-quality providers of mental health and substance use disorder treatment services in Vermont. The funds shall be made available to individuals employed by a designated or specialized service agency in Vermont based on a three-year contractual obligation to provide mental health services or substance use disorder treatment services, or both, at a designated or specialized service agency in Vermont, for the following uses:

(1) loan repayment for master’s-level clinicians, bachelor’s-level direct-service staff, and nurses; and

(2) tuition assistance for individuals pursuing degrees to become master’s-level clinicians, bachelor’s-level direct-service staff, and nurses.

(b)(1) Loan repayment and tuition assistance funds shall be available to employees of designated and specialized service agencies as set forth in subsection (a) of this section for bachelor’s- and master’s-level degree

programs offered through accredited institutions of higher education, including online programs.

(2) The Agency may contract with Area Health Education Centers or the Vermont Student Assistance Corporation or both to administer these programs.

(c) The fiscal year 2020 appropriation pursuant to 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106.1(b)(2) shall be reserved to be addressed in the fiscal year 2020 budget adjustment or fiscal year 2021 budget processes.

Sec. E.306 VERMONT HEALTH BENEFIT EXCHANGE RULES

(a) The Agency of Human Services may adopt rules pursuant to 3 V.S.A. chapter 25 to conform Vermont's rules regarding health care eligibility and enrollment and the operation of the Vermont Health Benefit Exchange to State and federal law and guidance. The Agency may use the emergency rules process pursuant to 3 V.S.A. § 844 prior to June 30, 2020, but only in the event that new State or federal law or guidance require Vermont to amend or adopt its rules in a time frame that cannot be accomplished under the traditional rulemaking process. An emergency rule adopted under these exigent circumstances shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

Sec. E.306.1 33 V.S.A. chapter 19, subchapter 4 is added to read:

Subchapter 4. Coverage for Dental Services

§ 1991. DEFINITIONS

As used in this chapter:

(1) "Dental hygienist" means an individual licensed to practice as a dental hygienist under 26 V.S.A. chapter 12.

(2) "Dental services" means preventive, diagnostic, or corrective procedures related to the teeth and associated structures of the oral cavity.

(3) "Dental therapist" means an individual licensed to practice as a dental therapist under 26 V.S.A. chapter 12.

(4) "Dentist" means an individual licensed to practice dentistry under 26 V.S.A. chapter 12.

§ 1992. MEDICAID COVERAGE FOR ADULT DENTAL SERVICES

(a) Vermont Medicaid shall provide coverage for medically necessary dental services provided by a dentist, dental therapist, or dental hygienist working within the scope of the provider's license as follows:

(1) Up to two visits per calendar year for preventive services, including prophylaxis and fluoride treatment, with no co-payment. These services shall not be counted toward the annual maximum benefit amount set forth in subdivision (2) of this subsection.

(2) Diagnostic, restorative, and endodontic procedures, to a maximum of \$1,000.00 per calendar year, provided that the Department of Vermont Health Access may approve expenditures in excess of that amount when exceptional medical circumstances so require.

(3) Other dental services as determined by the Department by rule.

(b) The Department of Vermont Health Access shall develop a reimbursement structure for dental services in the Vermont Medicaid program that encourages dentists, dental therapists, and dental hygienists to provide preventive care.

Sec. E.306.2 AMENDMENT TO MEDICAID STATE PLAN

(a) If necessary, the Secretary of Human Services shall request approval from the Centers for Medicare and Medicaid Services for an amendment to Vermont's Medicaid State Plan to include the expanded Medicaid dental benefits set forth in 33 V.S.A. § 1992.

Sec. E.306.3 DENTAL ACCESS AND REIMBURSEMENT WORKING GROUP; REPORT

(a) The Department of Vermont Health Access, in consultation with the Board of Dental Examiners and the Vermont State Dental Society, shall convene a working group of interested stakeholders to:

(1) evaluate current Medicaid reimbursement rates to dentists, dental therapists, and other providers of dental services and determine the amount of fiscally responsible increases to the rates for specific services that would be needed in order to attract additional providers to participate in the Vermont Medicaid program;

(2) determine the feasibility of and costs associated with establishing a State dental assistance program to provide access to affordable dental services for Vermont residents who have lower income and are enrolled in Medicare; and

(3) explore opportunities to further expand access to dental care in Vermont, including:

(A) examining the potential to reimburse dentists, dental therapists, and dental hygienists for teledentistry services; and

(B) exploring the possible integration of dental services into the scope of services provided through accountable care organizations.

(b)(1) On or before November 1, 2019, the Department of Vermont Health Access shall provide to the House Committee on Health Care and the Senate Committee on Health and Welfare the working group's findings and recommendations regarding the feasibility and costs of creating a dental assistance program for Medicare beneficiaries as described in subdivision (a)(2) of this section and on opportunities to further expand access to dental care as described in subdivision (a)(3) of this section. The report shall also include the amount of funding that would be needed to achieve the reimbursement rates determined by the working group pursuant to subdivision (a)(1) of this section.

(2) The Department of Vermont Health Access shall report on the amount of funding necessary to achieve the reimbursement rates determined by the working group pursuant to subdivision (a)(1) of this section as part of the Department's fiscal year 2021 budget presentation.

Sec. E.308 LONG TERM CARE APPROPRIATION; TRANSFER

(a) In fiscal year 2020, the Administration is authorized to transfer the appropriation in Sec. B.308 of this act from the Department of Vermont Health Access to the Department of Disabilities, Aging, and Independent Living. This change shall be reflected in future budget recommendations.

(b) The Secretary of Human Services shall review and assess the appropriation structure for funding licensed residential care facilities and make recommendations in the Agency's fiscal year 2021 budget proposal.

Sec. E.308.1 PERSONAL NEEDS ALLOWANCE RESET

(a) The amount of the State supplement for Medicaid beneficiaries who reside in a nursing home and receive Supplemental Security Income shall increase by \$25 per person per month on January 1, 2020.

Sec. E.312 Health – public health

(a) AIDS/HIV funding:

(1) In fiscal year 2020 and as provided in this section, the Department of Health shall provide grants in the amount of \$475,000 in AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. The Department of Health AIDS Program shall meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives. The funds shall be allocated according to an RFP process.

(2) Ryan White Title II funds for AIDS services and the Vermont Medication Assistance Program (VMAP) shall be distributed in accordance with federal guidelines. The federal guidelines shall not apply to programs or services funded solely by State general funds.

(3)(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in VMAP to assist all eligible individuals. The Secretary shall work in collaboration with persons living with HIV/AIDS to develop a plan to continue access to VMAP medications until such time as the General Assembly can take action.

(B) As provided in this section, the Secretary of Human Services shall work in collaboration with the VMAP Advisory Committee, which shall be composed of not less than 50 percent of members who are living with HIV/AIDS. If a modification to the program's eligibility requirements or benefit coverage is considered, the Committee shall make recommendations regarding the program's formulary of approved medication, related laboratory testing, nutritional supplements, and eligibility for the program.

(4) In fiscal year 2020, the Department of Health shall provide grants in the amount of \$100,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for community-based HIV prevention programs and services. These funds shall be used for HIV/AIDS prevention purposes, including syringe exchange programs; improving the availability of confidential and anonymous HIV testing; prevention work with at-risk groups such as women, intravenous drug users, and people of color; and anti-stigma campaigns. Not more than 15 percent of the funds may be used for the administration of such services by the recipients of these funds. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health and the Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers.

(5) In fiscal year 2020, the Department of Health shall provide grants in the amount of \$150,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for syringe exchange programs. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health, the Vermont AIDS service organizations, and other Vermont HIV/AIDS prevention providers. The performance period for these grants will be State fiscal year 2020. Grant reporting shall include outcomes and results.

Sec. E.312.1 REPORT; PROMOTION OF IMMUNIZATION

(a) On or before July 1, 2019, the Commissioner of Health shall submit a report to the House Committee on Health Care and to the Senate Committee on Health and Welfare summarizing the Department's efforts to promote immunization in Vermont in accordance with the U.S. Centers for Disease Control and Prevention's recommendations. The report shall specifically address:

(1) existing efforts by the Department to promote immunization in Vermont, as well as the funding source and annual funding amount used for each effort;

(2) the availability of additional federal funds to enhance Vermont's efforts to promote immunizations; and

(3) the number of individuals under 18 years of age, between 2015 and 2018, who were granted exemptions from immunizations, and the type of exemptions granted.

Sec. E.312.2 DISTRIBUTION OF FENTANYL TESTING STRIPS

(a) The Department of Health, Alcohol and Drug Abuse Programs shall allocate \$50,000 of special funds appropriated in fiscal year 2020 for the distribution of fentanyl testing strips through active syringe service programs in the State. Priority should be given to syringe service programs that do not currently distribute testing strips to areas of the State with the highest overdose death rates and highest percentage of fentanyl involvement, and to pregnant and parenting women. The amount expended shall not exceed available funds. The Department shall establish participation requirements for the syringe service programs receiving strips under this pilot.

Sec. E.313 33 V.S.A. § 2004 is amended to read:

§ 2004. MANUFACTURER FEE

* * *

(b) Fees collected under this section shall fund collection and analysis of information on pharmaceutical marketing activities under 18 V.S.A. §§ 4632 and 4633; analysis of prescription drug data needed by the Office of the Attorney General for enforcement activities; the Vermont Prescription Monitoring System established in 18 V.S.A. chapter 84A; the evidence-based education program established in 18 V.S.A. chapter 91, subchapter 2; statewide unused prescription drug disposal initiatives; prevention of prescription drug misuse, abuse, and diversion; the Substance Misuse Prevention Oversight and Advisory Council established in 18 V.S.A. § 4803; treatment of substance use disorder; exploration of nonpharmacological approaches to pain management;

a hospital antimicrobial program for the purpose of reducing hospital-acquired infections; the purchase and distribution of fentanyl testing strips; the purchase and distribution of naloxone to emergency medical services personnel; and any opioid-antagonist education, training, and distribution program operated by the Department of Health or its agents. The fees shall be collected in the Evidence-Based Education and Advertising Fund established in section 2004a of this title.

* * *

Sec. E.313.1 33 V.S.A. § 2004a is amended to read:

§ 2004a. EVIDENCE-BASED EDUCATION AND ADVERTISING FUND

(a) The Evidence-Based Education and Advertising Fund is established in the State Treasury as a special fund to be a source of financing for activities relating to fund collection and analysis of information on pharmaceutical marketing activities under 18 V.S.A. §§ 4632 and 4633; for analysis of prescription drug data needed by the Office of the Attorney General for enforcement activities; for the Vermont Prescription Monitoring System established in 18 V.S.A. chapter 84A; for the evidence-based education program established in 18 V.S.A. chapter 91, subchapter 2; for statewide unused prescription drug disposal initiatives; for the prevention of prescription drug misuse, abuse, and diversion; for the Substance Misuse Prevention Oversight and Advisory Council established in 18 V.S.A. § 4803; for treatment of substance use disorder; for exploration of nonpharmacological approaches to pain management; for a hospital antimicrobial program for the purpose of reducing hospital-acquired infections; for the purchase and distribution of fentanyl testing strips; for the purchase and distribution of naloxone to emergency medical services personnel; and for the support of any opioid-antagonist education, training, and distribution program operated by the Department of Health or its agents. Monies deposited into the Fund shall be used for the purposes described in this section.

* * *

Sec. E.314 MENTAL HEALTH FUNDING ALLOCATIONS

(a) \$1,560,800 of the funds provided to the Department of Mental Health shall be utilized to create up to 12 supported housing arrangements for Community Rehabilitation and Treatment (CRT) individuals whose acuity and particular needs have been prohibitive to community reentry. The intent of this funding is reduced inpatient use by individuals who have limited discharge options.

(b) A total of \$5,202,688 is provided to increase rates and payments to the Designated Agencies and other specialized service providers for mental health

and developmental disability services and is intended to be allocated proportionally to the Departments of Mental Health and of Disabilities, Aging, and Independent Living. The \$2,601,344 provided to the Department of Mental Health for this purpose includes Designated Agencies and specialized service agencies.

Sec. E.314.1 SUCCESS BEYOND SIX; REVIEW

(a) The Success Beyond Six program is based on agreements between the Designated Agencies and local schools, supervisory unions, or districts. The Agency of Human Services does not play a role in funding decisions, however the overall program spending is part of the Medicaid program and impacts overall Medicaid spending and the budget neutrality cap.

(b) Given the limited room in the Global Commitment Medicaid budget neutrality cap, the Agency of Human Services (AHS), the Agency of Education (AOE), and Department of Mental Health (DMH) shall assess and determine how to evaluate Success Beyond Six program spending against other competing priorities in the Medicaid program.

(c) AHS, AOE, and DMH shall report to the General Assembly on Success Beyond Six evaluation and oversight not later than January 15, 2020. The report shall include:

(1) an inventory of existing methods for providing school-based mental health services;

(2) analysis of the trend in school-based mental health programming that is funded through the Success Beyond Six program fiscal mechanism;

(3) evaluation of the program attributes;

(4) determination, in partnership with the Designated Agencies, of metrics for evaluating program outcomes; and

(5) a proposal for how AHS, AOE, and DMH should participate in Success Beyond Six spending decisions.

Sec. E.316 REPORT ON ECONOMIC SERVICES DIVISION; SERVICE DELIVERY INNOVATION PILOTS

(a) On or before January 15, 2020, the Commissioner for Children and Families shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare summarizing any economic service delivery pilot programs implemented as a result of authority granted by 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.316. The report shall summarize the components of the pilot including any rules that were

temporarily waived during the pilot and any recommendations resulting from the pilot.

Sec. E.316.1 [Deleted.]

Sec. E.317 [Deleted.]

Sec. E.318 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM;
ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall ~~not~~ be entitled to participate in the Program for ~~a period in excess of one month, unless that period is extended by up to three months and the Commissioner may further extend that period.~~

(2) The subsidy authorized by this subsection shall be on a sliding scale basis. The scale shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The lower limit of the fee scale shall include families whose gross income is up to and including 100 percent of the current federal poverty guidelines. The upper income limit of the fee scale shall be neither less than 200 percent of the current federal poverty guidelines nor more than 100 percent of the State median income, adjusted for the size of the family. The scale shall be structured so that it encourages employment. If the federal poverty guidelines decrease in a given year, the Division shall maintain the previous year's federal poverty guidelines for the purpose of determining eligibility and benefit amount under this subsection.

* * *

(4) After September 30, 2021, a regulated center-based child care program or family child care home as defined by the Department in rule shall not receive funds pursuant to this subsection that are in excess of the usual and customary rate for services at the center-based child care program or family child care home.

* * *

Sec. E.318.1 CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a) In fiscal year 2020 the Department for Children and Families' Child Development Division shall adjust the sliding fee scale and reimbursement rates as follows:

(1) to ensure that families whose gross income is up to 100 percent of the current federal poverty guidelines receive 100 percent of the available benefit and that families whose gross income is between 100 and 300 percent of the current federal poverty guidelines receive between 99 and 10 percent of the available financial assistance benefit, scaling between set eligibility levels as follows:

(A) 95 percent of the available financial assistance benefit for families at 125 percent of the current federal poverty guidelines;

(B) 75 percent of the available financial assistance benefit for families at 150 percent of the current federal poverty guidelines;

(C) 50 percent of the available financial assistance benefit for families at 200 percent of the current federal poverty guidelines; and

(D) 10 percent of the available financial assistance benefit for families at 300 percent of the current federal poverty guidelines; and

(2) align rates of reimbursement for preschool and school age children participating in the Child Care Financial Assistance Program (CCFAP) in fiscal year 2020 with the market rates reported on the 2014 Vermont Market Rate Survey and maintain rates of reimbursement for infants and toddlers participating in CCFAP in fiscal year 2020 aligned with the market rates reported on the 2017 Vermont Market Rate Survey.

Sec. E.318.2 EARLY CHILD CARE AND DEVELOPMENT PROGRAM CESSATION

(a) The Early Care and Child Development Grant Program shall cease operation on June 30, 2019.

Sec. E.318.3 CHILD CARE PROVIDER STABILIZATION GRANTS

(a) Of the funds provided in fiscal year 2020 in Sec. B.318, \$1,000,000 is allocated for the dual purposes of:

(1) enhancing supports to child care and early learning programs that maintain the enrollment of children receiving support through the Child Care Financial Assistance Program (CCFAP) at a level of at least 50 percent of total enrollment; and

(2) expanding infant and toddler child care capacity.

(b) The Division shall award grants to eligible applicants. An eligible applicant shall:

(1) be a new or existing regulated, privately operated center-based child care program or family child care home in good regulatory standing;

-
- (2) participate in CCFAP;
 - (3) provide year-round, full-day child care and early learning services;
 - (4) provide child care and early learning services for infants and toddlers; and
 - (5) participate in the SStep Ahead Recognition System (STARS).

(c) Center-based child care programs or family child care homes receiving a grant pursuant to this section shall remain in compliance with the Division's rules, continue participation in STARS, and maintain enrollment of children supported by CCFAP.

Sec. E.318.4 BRIGHT FUTURES INFORMATION SYSTEM;
MODERNIZATION PLAN

(a) The \$1,000,000 one-time funding provided in Sec. C100(a)(17) of this act is for the purpose of developing and implementing a modernization plan for the Bright Futures Information System; of which \$100,000 shall be designated for developing the modernization plan and the remainder shall be designated for implementing the plan.

(b) On or before December 1, 2019, the Commissioner shall submit a report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare providing:

- (1) an initial project plan and timeline;
- (2) a fiscal analysis of the plan; and
- (3) the project team tasked with overseeing the project's implementation.

Sec. E.318.5 CHILD CARE WORKFORCE; GRANTS INCENTIVIZING
PROFESSIONAL COMMITMENT AND CONTINUING
EDUCATION

(a)(1) The \$300,000 of funding provided in Sec. C.100(a)(18)(B) is to fund incentive grants for eligible individuals employed in a regulated privately operated center-based child care program or family child care home. The incentive grants shall be used to either foster job retention through hiring or retention bonuses or fund tuition assistance for continuing education. The program shall provide grants for tuition assistance, hiring or retention awards for eligible individuals employed in regulated, privately operated center-based child care programs and family child care homes.

- (2) An eligible individual shall:

(A) commit to three years of employment in a privately operated center-based child care program or family child care home that is regulated by the Division for at least an average of 30 hours per week for 48 weeks of the year;

(B) receive an annual salary of not more than \$40,000; and

(C) have previously completed, or be enrolled in, courses leading to credits in early childhood development or that are related directly to working with children birth through eight years of age.

(b)(1) The Division shall administer the incentive grants set forth in this section or contract for their administration. It shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section.

(2) Incentive grants shall be available pursuant to this section on a first-come, first-served basis until appropriated funds are depleted.

Sec. E.318.6 TECHNICAL CENTER; CHILD DEVELOPMENT
ASSOCIATE CREDENTIAL

(a) The \$300,000 of funding provided in Sec. C. 100(a)(18)(A) is to facilitate the implementation of the Council for Professional Regulation's Child Development Associate Credential curriculum in technical centers throughout the State.

(b) Any funds unused in subsection (a) of this section shall be reserved to fund stipends or paid internship opportunities for students who have completed, or are in the process of completing, the Child Development Associate Credential at a Vermont technical center or for the Division to develop a paid internship program for such students or both.

Sec. E.318.7 REPORT; EVALUATION OF EXPENDITURES AND
PROGRAMS

(a) On or before January 1, 2024, the Commissioner for Children and Families, in consultation with stakeholders, shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare:

(1) evaluating the effectiveness of the expenditures resulting from the Child Care Financial Assistance Program rate and subsidy changes enacted for fiscal year 2020 as set forth in Sec. E.318.1 of this act, the incentive grants set forth in Sec. E.318.5 of this act, and the stipend or paid internship opportunities for individuals completing the Child Development Associate Credential at a Vermont technical center set forth in Sec. E.318.6 of this act;

(2) making recommendations as to whether the programs and expenditures set forth in Secs. E.318.1, E.318.5, and E.318.6 should continue; and

(3) evaluating how the programs and expenditures set forth in Secs. E.318.1, E.318.5, and E.318.6 contribute to Vermont's children and young people reaching their potential pursuant to 3 V.S.A. § 2311.

Sec. E.318.8 EDUCATIONAL AND EXPERIENTIAL VARIANCE

(a) For individuals operating or employed in a registered family child care home or as a director or teacher associate in a center-based program for 10 or more years prior to September 1, 2016, the Commissioner for Children and Families or designee may issue a variance to the Child Development Division's rule regarding educational and experiential requirements to allow an individual to maintain employment in that same role regardless of whether the family child care provider, family child care assistant, director, or teacher associate intends to attain the otherwise necessary educational requirements. To be eligible for a variance, the family child care provider, family child care assistant, director, or teacher associate shall:

(1) work continuously in a regulated program with a full license in good standing; and

(2) meet the Division's educational and experiential requirements in place prior to the adoption of the new rule, which was effective beginning on September 1, 2016.

(b) The Commissioner or designee shall review any violation occurring in a regulated program where a family child care provider, family child care assistant, director, or teacher associate is under variance and may revoke the variance granted by this section depending upon the seriousness and circumstances of the violation.

(c) Any variance granted under this section shall be terminated on July 1, 2024, and extensions shall not be granted beyond that date.

Sec. E.321 GENERAL ASSISTANCE HOUSING

(a) Funds appropriated to the Agency of Human Services in the General Assistance program in fiscal year 2020 may be used for temporary housing in catastrophic situations and for vulnerable populations, as defined in rules adopted by the Agency. The Commissioner for Children and Families may, by policy, provide temporary housing for a limited duration in adverse weather conditions when appropriate shelter space is not available.

Sec. E.321.1 HOUSING ASSISTANCE BENEFITS; FLEXIBILITY
PROGRAM; COMMUNITY BASED ALTERNATIVES
TO GENERAL ASSISTANCE TEMPORARY HOUSING

(a) For fiscal year 2020, the Agency of Human Services may continue to fund housing assistance programs within the General Assistance program to create flexibility to provide General Assistance benefits, as well as grants to support the establishment of community-based alternatives for temporary housing as part of the effort to reduce the number of individuals temporarily housed by the General Assistance program. The purpose of these housing assistance programs and community-based alternatives is to mitigate poverty and serve applicants more effectively than they are currently being served with General Assistance funds. Eligible activities shall include, among other things, the provision of shelter, overflow shelter, case management, transitional housing, deposits, down payments, rental assistance, upstream prevention, and related services that ensure that all Vermonters have access to shelter, housing, and the services they need to become safely housed. The Agency may award grants to homeless and housing service providers for eligible activities. Where such housing assistance programs and grants are provided, and community-based programs are established, the General Assistance rules shall not apply. The assistance provided under this section is not an entitlement and may be discontinued when the appropriation has been fully spent.

(b) The housing assistance and community-based programs may operate in up to 12 districts designated by the Secretary of Human Services. The Agency shall establish goals and procedures for evaluating the program overall, including performance measures that demonstrate program results, and for each district in which the Agency operates the program, it shall establish procedures for evaluating the district program and its effects.

(c) The Agency shall continue to engage interested parties, including both statewide organizations and local agencies, in the design, implementation, and evaluation of housing assistance programs and community-based alternatives to General Assistance temporary housing.

Sec. E.323 REACH UP CASE MANAGEMENT REVIEW AND
COMMUNITY ENGAGEMENT

(a) On or before October 2019, the Secretary of Human Services shall report to Joint Legislative Child Protection Oversight Committee and make recommendations on how Reach Up Case Management services can be more effectively directed to strengthen families and promote parental responsibilities. This report shall:

(1) outline the current components of the statutorily required Individualized Family Development Plan;

(2) identify what modifications are required to ensure a comprehensive assessment of the family's strengths and service needs is completed so that the family's individualized plan adequately addresses the nurturing and care of the children;

(3) review how families at risk of involvement in the child welfare system are identified and protocols for providing the preventive and upstream services to so that children can remain safely at home; and

(4) examine current practices of serving Reach Up families such as home visiting and referrals to enhance parental care and family stability.

(b) It is legislative intent that, within the Department for Children and Families, Reach Up case management engage with community-based service providers, including parent child centers, in a manner consistent with the principles referenced in 1994 Acts and Resolves No. 106.

Sec. E.323.1 33 V.S.A. § 1103 is amended to read:

§ 1103. ELIGIBILITY AND BENEFIT LEVELS

* * *

(c) The Commissioner shall adopt rules for the determination of eligibility for the Reach Up program and benefit levels for all participating families that include the following provisions:

* * *

(9) The amount of ~~\$115.00~~ \$77.00 of the Supplemental Security Income payment received by a parent excluding payments received on behalf of a child shall count toward the determination of the amount of the family's financial assistance grant.

* * *

Sec. E.323.2 33 V.S.A. § 1101 is amended to read:

§ 1101. DEFINITIONS

* * *

(15) "Parent" means ~~a biological parent, stepparent, adoptive parent, or pregnant individual;~~

(A) the same as in 15C V.S.A. § 102(16);

(B) stepparents; and

(C) pregnant individuals.

* * *

Sec. E.323.3 VACANT REACH UP CASE MANAGER POSITIONS

(a) In the event that any Reach Up Case Manager positions are vacant at the start of fiscal year 2020 or become vacant during fiscal year 2020, up to two of them may be transferred from the Economic Services Division, along with the funds budgeted to support them, to the Family Services Division and reclassified as determined by the Family Services Division.

Sec. E.324 EXPEDITED CRISIS FUEL ASSISTANCE

(a) The Commissioner for Children and Families or designee may authorize crisis fuel assistance to those income-eligible households that have applied for an expedited seasonal fuel benefit but have not yet received it, if the benefit cannot be executed in time to prevent them from running out of fuel. The crisis fuel grants authorized pursuant to this section count toward the one crisis fuel grant allowed per household for the winter heating season pursuant to 33 V.S.A. § 2609(b).

Sec. E.325 Department for children and families – office of economic opportunity

(a) Of the General Fund appropriation in Sec. B.325 of this act, \$1,092,000 shall be granted to community agencies for homeless assistance by preserving existing services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal Emergency Solutions Grants funds. Grant decisions shall be made with assistance from the Vermont Coalition to End Homelessness.

Sec. E.326 Department for children and families – OEO – weatherization assistance

(a) Of the Special Fund appropriation in Sec. B.326 of this act, \$750,000 is for the replacement and repair of home heating equipment.

Sec. E.326.1 [Deleted.]

Sec. E.326.2 33 V.S.A. § 2502 is amended to read:

§ 2502. HOME WEATHERIZATION ASSISTANCE PROGRAM

(a) The Director of the State Office of Economic Opportunity shall administer the Home Weatherization Assistance Program under such rules, regulations, funding, and funding requirements as may be imposed by federal law.

(b) In addition, the Director shall supplement, or supplant, any federal program with the State Home Weatherization Assistance Program.

(1) The State program shall provide an enhanced weatherization assistance amount exceeding the federal per unit limit allowing amounts up to an average of ~~\$8,000.00~~ \$8,500.00 per unit allocated on a cost-effective basis. The allowable average per unit may be adjusted to account for the lower cost per unit of multifamily buildings. In units where costs exceed the allowable average by more than 25 percent, prior approval of the Director of the State Economic Opportunity Office shall be required before work commences. This amount shall be adjusted annually by increasing the last year's amount by the percentage increase in the Consumer Price Index for the previous year.

* * *

Sec. E.327 WOODSIDE JUVENILE REHABILITATION CENTER;
REPORT

(a) The Secretary of Human Services shall develop an alternative proposal for long-term secure beds for delinquent youth. The proposal shall take into account the report required pursuant to 2018 Acts and Resolves No. 201, Sec. 12 and how therapeutic needs can be met.

(b) On or before January 15, 2020, the Secretary of Human Services shall submit a copy of the proposal to the House Committees on Appropriations, on Corrections and Institutions, on Human Services, and on Judiciary, and the Senate Committees on Appropriations, on Health and Welfare, on Institutions, and on Judiciary.

Sec. E.329 TRANSFER OF NURSING HOME LICENSED BEDS;
REVIEW PROCESS

(a) The Secretary of Human Services shall develop a process for reviewing and approving the transfer of licensed beds from one nursing home to another nursing home, provided the transfer does not result in an increase in the total number of licensed nursing home beds in the State.

Sec. E.329.1 18 V.S.A. § 9434 is amended to read:

§ 9434. CERTIFICATE OF NEED; GENERAL RULES

(a) A health care facility other than a hospital shall not develop or have developed on its behalf a new health care project without issuance of a certificate of need by the Board. For purposes of this subsection, a "new health care project" includes the following:

* * *

(2)(A) A change from one licensing period to the next in the number of licensed beds of a health care facility through addition or conversion, or through relocation from one physical facility or site to another.

(B) Notwithstanding subdivision (A) of this subdivision (2), the transfer of licensed beds from one nursing home to another nursing home shall not be considered a new health care project for purposes of this subchapter if the transfer would not result in an increase in the total number of licensed nursing home beds in this State.

* * *

Sec. E.329.2 18 V.S.A. § 9434 is amended to read:

§ 9434. CERTIFICATE OF NEED; GENERAL RULES

(a) A health care facility other than a hospital shall not develop or have developed on its behalf a new health care project without issuance of a certificate of need by the Board. For purposes of this subsection, a “new health care project” includes the following:

* * *

(2)(A) A change from one licensing period to the next in the number of licensed beds of a health care facility through addition or conversion, or through relocation from one physical facility or site to another.

~~(B) Notwithstanding subdivision (A) of this subdivision (2), the transfer of licensed beds from one nursing home to another nursing home shall not be considered a new health care project for purposes of this subchapter if the transfer would not result in an increase in the total number of licensed nursing home beds in this State.~~

* * *

Sec. E.333 DEVELOPMENTAL DISABILITIES SERVICE PAYMENT
REFORM UPDATE

(a) The Agency of Human Services shall submit an update to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare Committee on the progress made on developmental disability service delivery and payment reform model on or before January 15, 2020. The update shall provide information on the decisions made to date on the proposed model for developmental disabilities payment and service delivery reform and shall include information on:

(1) anticipated costs to both providers and the State of any potential changes and any identified funding strategies;

-
- (2) the plan to use a standardized assessment tool;
 - (3) how the proposed model addresses individualized services and community inclusion;
 - (4) stakeholder engagement, including how their feedback was incorporated into the plan;
 - (5) a description of how the model works in relation to payment and sustainability of the system and its workforce;
 - (6) how the model covers the costs of high-needs individuals;
 - (7) the continuation of person-centered care planning and services;
 - (8) maintaining choice of provider, service management, and service options; and
 - (9) how it will hold providers accountable for service expenditures and individual recipient outcomes.

Sec. E.333.1 DEVELOPMENTAL DISABILITIES FUNDING ALLOCATION

(a) A total of \$5,202,688 is provided to increase rates and payments to the Designated Agencies and other specialized service providers for mental health and developmental disability services and is intended to be allocated proportionally to the Departments of Mental Health and of Disabilities, Aging, and Independent Living. \$2,601,344 provided to the Department of Disabilities, Aging and Independent Living for this purpose includes the specialized service agencies.

Sec. E.335 CORRECTIONS APPROPRIATIONS; TRANSFER; REPORT

(a) In fiscal year 2020, the Secretary of Administration may, upon recommendation of the Secretary of Human Services, transfer unexpended funds between the respective appropriations for correctional services and for correctional services out-of-state beds. At least three days prior to any such transfer being made, the Secretary of Administration shall report the intended transfer to the Joint Fiscal Office and shall report any completed transfers to the Joint Fiscal Committee at its next scheduled meeting.

Sec. E.335.1 JUSTICE REINVESTMENT ALLOCATIONS

(a) In fiscal year 2020 and each fiscal year thereafter, the Department of Corrections shall redirect any budgetary savings in contracted services or caseload reductions in any area of corrections services and out-of-state bed need to the following justice reinvestment priorities:

(1) court diversion, community justice programs, and nonincarcerative treatment options for those suffering from either mental health or addiction problems;

(2) community organizations that develop transitional or long-term housing for offenders reentering the community; and

(3) programs operated by the Department or partner organizations serving reentering offenders regarding employment, reliable transportation, education or vocational training, substance use disorder recovery, peer support, and housing.

Sec. E.335.2 COMMUNITY WORK CREW PROGRAM RESTRUCTURE

(a) On or before October 15, 2019, the Department of Corrections shall report to the Joint Legislative Justice Oversight Committee regarding whether the Department should contract with local community justice programs to oversee the work crew sentence requirements of any individual with work crew obligations under the Department's supervision. The report shall consider the cost and public safety implications, as well as any anticipated effect on recidivism rates, of any such contractual approach to work crew supervision.

Sec. E.338 Corrections - correctional services

(a) Notwithstanding 32 V.S.A. § 3709(a), the special funds appropriation of \$152,000 for the supplemental facility payments to Newport and Springfield shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.338.1 [Deleted.]

Sec. E.338.2 28 V.S.A. § 801b is amended to read:

§ 801b. MEDICATION-ASSISTED TREATMENT IN CORRECTIONAL FACILITIES

* * *

(e) ~~Any counseling~~ Counseling or behavioral therapies shall be provided in conjunction with the use of medication for medication-assisted treatment shall be medically necessary. as provided for in the Department of Health's "Rule Governing Medication-Assisted Therapy for Opioid Dependence for: (1) Office-Based Opioid Treatment Providers Prescribing Buprenorphine; and (2) Opioid Treatment Providers."

Sec. E.338.3 CORRECTIONS HEALTH CARE; REPORT

(a) On or before November 15, 2019, the Department of Corrections shall provide an interim report to the Joint Legislative Justice Oversight Committee regarding the Department's Peer Review of the medication-assisted treatment policy, procedure, and clinical guidelines.

Sec. E.338.4 2014 Acts and Resolves No. 131, Sec. 135, as amended by 2015 Acts and Resolves No. 4, Sec. 71 and 2017 Acts and Resolves No. 85, Sec. E.338.2 and 2018 Acts and Resolves No.87, Sec. 51, is further amended to read:

Sec. 135. ~~EFFECTIVE DATES~~

~~This act shall take effect on passage, except that Secs. 118a and 118b (amending 18 V.S.A. § 4808 and adding 18 V.S.A. § 4809) shall take effect on July 1, 2021. [Repealed.]~~

Sec. E.342 20 V.S.A. § 1716 is amended to read:

§ 1716. CHIEF EXECUTIVE OFFICER

* * *

~~(11) Report annually on or before July 1 to the Secretary of Administration and the Senate Committee on Appropriations on the number of employees who work at the Vermont Veterans' Home for 16 hours or fewer per week. [Repealed.]~~

Sec. E.342.1 VERMONT VETERANS' HOME SAFETY AND ACCESS
CONTROL UPGRADES

(a) The Vermont Veterans' Home is authorized to use \$918,750 as 35 percent State match for its VA grant to address safety and access control. An additional \$140,049 shall be reserved for further use with the approval of the General Assembly.

Sec. E.342.2 VERMONT VETERANS' HOME; PHARMACY SAVINGS

(a) The Administrator of the Vermont Veterans' Home shall coordinate with the staff of Vermont's U.S. Senate delegation who have expertise relevant to the prescription drug supply system of the U.S. Veterans' Administration (VA). The Administrator shall determine the feasibility of reducing the cost of prescription medications provided by the VA and report findings, recommendations, and actions to the House and Senate Committees on Appropriations on or before January 15, 2020. A guiding principle when developing recommendations shall be patient safety and the reduction of medication error rates.

* * * LABOR * * *

Sec. E.400 LABOR PROGRAMS

(a) \$1,335,900 of the General Funds appropriated in Sec. B.400 of this act are workforce education and training funds formerly allocated through the Next Generation Fund. Up to 10 percent of these funds may be allocated for administration and the remaining funds are allocated in fiscal year 2020 as follows:

(1) \$350,000 for infrastructure and grants for internships through the Vermont Internship Program pursuant to 10 V.S.A. § 544.

(2) \$400,000 for Adult Career Technical Education Programs for the purpose of awarding grants to regional technical centers and high schools to provide adult career technical education as the term is defined in 16 V.S.A. § 1522. Each of the seventeen (17) regional Career Technical Education (CTE) Centers that provides Adult CTE programs shall be awarded a base grant of \$20,000. These grants may be used to support adult program staff or instructor salaries, scholarships for eligible adult CTE students, or curriculum development for adult CTE courses. The remaining \$60,000 is to support the coordination and organization of the State's regional adult career technical education programs.

(3) \$100,000 to support the Vermont Returnship Program pursuant to 10 V.S.A. § 545. The Department of Labor may award a performance grant to assist in the coordination, outreach, and implementation of the Program.

(4) \$75,000 to support workforce education and training activities for Vermont inmates in the State's correctional facilities that are consistent with their reentry plan. The Department may fund these activities in coordination with the Department of Corrections, a local restorative justice center, a regional Career Technical Education Center, or other qualified training provider. Training opportunities funded with this allocation will be aligned with an identified employment need, and when possible, should result in an industry-recognized credential.

(5) \$277,310 to support of demand-driven trainings or programs aimed at meeting employment needs throughout the State. High-priority sectors include health care, construction, manufacturing, transportation, hospitality, and business services. Grants may be awarded to training providers, businesses, or service providers who help out-of-school youth, veterans, dislocated workers, mature workers, individuals in recovery, or geographically isolated job seekers to overcome barriers to employment.

Sec. E.400.1 VERMONT YOUTH EMPLOYMENT PROGRAM

(a) On or before September 1, 2019, the Department of Labor shall design and begin implementation of the Vermont Youth Employment Program, the purpose of which shall be to provide paid work experiences and paid or unpaid internships for Vermont youth with individualized preemployment, academic, occupational, and technical skill development supports available as needed. In coordination with existing federal youth education, training, and employment programs, the Vermont Youth Employment Program shall include:

(1) a summer youth employment program for individuals 15–24 years of age; and

(2) a nonseasonal youth employment program for out-of-school youth as defined in 20 CRF § 681.210 or individuals 18-24 years of age who are not pursuing a post-secondary degree or credential.

(b) The Department shall implement the Program using funds from the State’s Workforce Innovation and Opportunity Act grant from the U.S. Department of Labor, and other State and federal sources, to the extent allowed under applicable law.

(c) The Department shall design the Program to serve approximately 150 individual Vermonters annually, and it shall be designed to support opportunities that are easily replicable throughout the State if the program is expanded in future years.

(d) Of the General Funds appropriated to the Department of Labor, \$150,000 is allocated to support the program and may be used for program administration, wages for non-WIOA eligible youth, academic or skill instruction, participant transportation, or other non-federally fundable expenses.

(e) The Department shall collect the following information and make it available to the General Assembly upon request:

(1) the number of youth enrolled and that have completed the program;

(2) the age and town of residence of youth at the time of enrollment;

(3) the number and types of certificates or credentials granted to participants;

(4) employment or post-secondary enrollment outcomes of participants in the second and fourth quarter of the year after enrollment;

(5) the total allocation of funding from federal, State, private, and philanthropic sources that is used to support the program; and

(6) any identified barriers that impede the success of the program either at the program or individual participant level.

* * * K-12 EDUCATION * * *

Sec. E.500 32 V.S.A. § 6075a is amended to read:

§ 6075a. ~~EDUCATION FINANCIAL SYSTEMS FUND~~

~~There is created a special fund to be called the “Education Financial Systems Fund.” The purpose of the Fund is to provide for implementation of a uniform chart of accounts by the Agency of Education as provided in 2014 Acts and Resolves No. 179, Secs. E.500.2 and E.500.3, and Sec. E.500.1 as amended by 2015 Acts and Resolves No. 58, Sec. E.500.1. [Repealed.]~~

Sec. E.500.1 16 V.S.A. § 4025 is amended to read:

§ 4025. EDUCATION FUND

* * *

(b) Monies in the Education Fund may be used for the following:

* * *

(5) To make payments for contracted services to support statewide administrative education systems, including the costs of the statewide school finance and financial management data system to complete the reporting required by subdivision 242(4) of this title and pursuant to 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.500.1.

* * *

Sec. E.500.2 EDUCATION FINANCIAL SYSTEMS FUND BALANCE
TRANSFER

(a) Notwithstanding any other provision of law, on July 1, 2019, any unencumbered balance in the Education Financial Systems Fund, established by 32 V.S.A. § 6075a, fund number 21244, shall be transferred to the Education Fund.

Sec. E.500.3 Education – finance and administration

(a) The Global Commitment funds appropriated in this section will be used for physician claims for determining medical necessity of Individualized Education Program (IEPs). It is the goal of these services to increase the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.500.4 EDUCATION FINANCIAL SYSTEMS FUND BALANCE
TRANSFER USE

(a) \$600,000 of the unencumbered balance transferred to the Education Fund from the Education Financial Systems Fund by Sec. E.500.2 of this act shall be used for additional support to provide contractor assistance and on-site trainings.

Sec. E.500.5 2018 Acts and Resolves No. 11 (Sp. Sess.), Sec. E.500.1 is amended to read:

Sec. E.500.1 ~~UNIFORM CHART OF ACCOUNTS~~ SCHOOL FINANCE
AND FINANCIAL DATA MANAGEMENT SYSTEM

(a) Not later than July 1, ~~2020~~ 2022, all Vermont supervisory unions, supervisory districts, school districts, and independent tech center districts shall utilize the same school finance and financial data management system. The system shall be selected by the Agency of Education per State procurement guidelines.

* * *

~~(c) Notwithstanding subsection (a) of this section, supervisory unions with districts that are merging into a new governance structure as of July 1, 2018 and that have executed a contract on or before May 1, 2018 to acquire a new school finance and financial data system other than the management system selected by the Agency of Education to serve the merged system may delay adoption of the system selected by the Agency until July 1, 2021. [Repealed.]~~

~~(d) Notwithstanding subsection (a) of this section, a supervisory union or a supervisory district that entered into a contract for a school finance and financial data management system on or after July 1, 2017, may delay adoption of the system selected by the Agency until July 1, 2021 or upon expiration of the current contract, whichever is earlier. [Repealed.]~~

Sec. E.501 Education – education services

(a) \$75,000 of the funds appropriated in Sec. B.501 of this act shall increase State match payments to schools participating in the national school lunch program to increase the purchase of locally produced foods.

Sec. E.501.1 BUILDING SAFE AND HEALTHY ENVIRONMENTS FOR
STUDENTS

(a) Notwithstanding any other provision of law, \$60,000 from the General Fund to the Agency of Education shall be used for a pass-through grant to Outright Vermont to provide funding for training and support of building safe, supportive, and healthy environments for all students.

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

(a) Of the appropriation authorized in this section, and notwithstanding any other provision of law, an amount not to exceed \$3,764,490 shall be used by the Agency of Education in fiscal year 2020 as funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

Sec. E.502.1 2018 Acts and Resolves No. 173, Sec. 16 is amended to read:

Sec. 16. RULEMAKING

The Agency of Education shall recommend to the State Board proposed rules that are necessary to implement this act and, on or before ~~November August 1, 2019~~ 2020, the State Board of Education shall ~~adopt~~ initiate rules that are necessary to implement this act. The State Board and the Agency of Education shall consult with the Census-based Funding Advisory Group established under Sec. 9 of this act in developing the State Board rules. The State Board rules shall include rules that establish processes for reporting, monitoring, and evaluation designed to ensure:

(1) the achievement of the goal under this act of enhancing the effectiveness, availability, and equity of services provided to all students who require additional support in Vermont’s school districts; and

(2) that supervisory unions are complying with the Individuals with Disabilities Education Act, 20 U.S.C. chapter 33.

Sec. E.502.2 2018 Acts and Resolves No. 173, Sec. 23 is amended to read:

Sec. 23. EFFECTIVE DATES

* * *

(b) Sec. 5 (16 V.S.A. chapter 101) shall take effect on July 1, ~~2020~~ 2021.

* * *

Sec. E.503 Education – state-placed students

(a) The Independence Place Program of the Lund Family Center shall be considered a 24-hour residential program for the purposes of reimbursement of education costs.

(b) Education services provided to long-term residents at Woodside Juvenile Rehabilitation Center shall be eligible for reimbursement.

Sec. E.504.1 [Deleted.]

Sec. E.504.2 Education – flexible pathways

(a) Of this appropriation, \$3,026,500 from the Education Fund shall be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 943(c). Notwithstanding 16 V.S.A. § 4025(b), of this Education Fund appropriation, the amount of:

(1) \$850,000 is available for dual enrollment programs and the amount of \$42,500 is available for need-based stipends pursuant to Sec. E.605.2(a) of this act;

(2) \$100,000 is available to support the Vermont Virtual Learning Cooperative at the River Valley Technical Center School District;

(3) \$200,000 is available for secondary school reform grants; and

(4) \$450,000 is available for the Vermont Academy of Science and Technology and \$2,148,000 for Early College pursuant to 16 V.S.A. § 946.

(b) Of this appropriation, \$850,000 from general funds is available for dual enrollment programs and the amount of \$42,500 from the General Fund is available for need-based stipends pursuant to Sec. E.605.2(a) of this act.

Sec. E.505 INTERSTATE SCHOOL DISTRICT

(a) Notwithstanding any other provision of law, \$25,000 of the funds appropriated in Sec. B.505 of this act shall be granted to the Stamford school district for continued study of the formation of an interstate school district that would combine the Stamford school district with the Clarksburg, Massachusetts school district.

Sec. E.507 SMALL SCHOOLS GRANTS; PRESERVING ELIGIBILITY;
PROHIBITING DUPLICATE GRANTS

(a) Notwithstanding the provisions of 16 V.S.A. § 4015 to the contrary, a district shall be eligible for a small schools grant under that section if:

(1) two or more school districts voluntarily merged to form a unified union school district that will become operational on July 1, 2019;

(2) one or more of these merging 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 2019; and

(3) 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.

(b) In determining whether a school district is an eligible school district under 16 V.S.A. § 4015(a)(1)(B)(ii)(III), 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 the supervisory union for the school district or by another member school district;

(2) the member school districts of the supervisory union have a reciprocity agreement under which they allow resident students of one member school district to attend a school in another member school district;

(3) a student who is a resident of a member school district attends the school in another member school district under the reciprocity agreement for the purpose of receiving special education services; and

(4) the person is working in the school in the other member school district to support the student receiving special education services.

(c) A union school district that receives a merger support grant pursuant to 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and Resolves No. 46, each as amended, shall not be eligible also to receive a small schools grant under this section; provided, however, that if a union school district that received a merger support grant is enlarged to include a district that received a small school grant in fiscal year 2019 (the "new member") and the operational date of the union district as enlarged by the new member is July 1, 2019, then the union school district may apply for a small school grant pursuant to the provisions of 16 V.S.A. § 4015 in connection with any school located within the new member.

Sec. E.514 State teachers' retirement system

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the State Teachers' Retirement System (STRS) shall be \$126,197,389 of which \$120,247,389 shall be the State's contribution and \$5,950,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$7,116,765 is the "normal contribution," and \$119,080,624 is the "accrued liability contribution."

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

(a) In accordance with 16 V.S.A. § 1944b(b)(2), \$31,067,652 will be contributed to the Retired Teachers' Health and Medical Benefits Fund.

Sec. E.515.1 PREFUNDING OF THE RETIRED TEACHERS' HEALTH CARE AND MEDICAL BENEFITS FUND

(a) Of the amount appropriated in Sec. B.515 of this act, \$2,400,000 is intended to prefund the Retired Teachers' Health and Medical Benefits Fund at the earliest possible date.

* * * HIGHER EDUCATION * * *

Sec. E.600 University of Vermont

(a) The Commissioner of Finance and Management shall issue warrants to pay one-twelfth of this appropriation to the University of Vermont on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$380,326 shall be transferred to EPSCoR (Experimental Program to Stimulate Competitive Research) for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

(c) If Global Commitment Fund monies are unavailable, the total grant funding for the University of Vermont shall be maintained through the General Fund or other State funding sources.

(d) The University of Vermont shall use the Global Commitment funds appropriated in this section to support Vermont physician training. The University of Vermont prepares students, both Vermonters and out-of-state, and awards approximately 100 medical degrees annually. Graduates of this program, currently representing a significant number of physicians practicing in Vermont, deliver high-quality health care services to Medicaid beneficiaries and to uninsured or underinsured persons, or both, in Vermont and across the nation.

Sec. E.602 Vermont state colleges

(a) The Commissioner of Finance and Management shall issue warrants to pay one-twelfth of this appropriation to the Vermont State Colleges on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$427,898 shall be transferred to the Vermont Manufacturing Extension Center for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.602.1 VERMONT STATE COLLEGES TUITION

(a) Of the amount appropriated in Sec. B.602 of this act, \$2,500,000 is intended to mitigate tuition increases for one year.

Sec. E.603 Vermont state colleges – allied health

(a) If Global Commitment fund monies are unavailable, the total grant funding for the Vermont State Colleges shall be maintained through the General Fund or other State funding sources.

(b) The Vermont State Colleges shall use the Global Commitment funds appropriated in this section to support the dental hygiene, respiratory therapy, and nursing programs which graduate approximately 315 health care providers annually. These graduates deliver direct, high-quality health care services to Medicaid beneficiaries or uninsured or underinsured persons, or both.

Sec. E.603.1 UNIVERSITY OF VERMONT AND VERMONT STATE COLLEGES SYSTEM EFFICIENCIES AND IMPROVED RETENTION AND GRADUATION RATES

(a) The University of Vermont (UVM) and the Vermont State Colleges System (VSCS) shall:

(1) collaborate to identify cost efficiencies that would benefit both institutions. Such efficiencies may include costs related to employee health care benefits, purchasing, and the processing of accounts payable, accounts receivable, and payroll; and

(2) collaborate to implement strategies to increase retention and graduation rates at the University of Vermont and each of the colleges in the VSCS.

(b) UVM and the VSCS shall submit an interim report to the Senate and House Committees on Appropriations and the Senate and House Committees on Education on or before October 15, 2019. This report shall include:

(1) preliminary recommendations for efficiencies that should be pursued;

(2) the estimated amount of annual savings;

(3) any one-time funds needed to implement the efficiencies;

(4) any further efficiencies that should be explored; and

(5) preliminary recommendations regarding strategies to increase retention and graduation rates.

(c) If the interim report is not submitted or when submitted does not include any recommendations pursuant to subdivisions (b)(1) and (b)(5) of this section, a new working group shall immediately be created as defined in Sec. E.603.2 of this act.

Sec. E.603.2 UVM AND VSCS EFFICIENCIES AND IMPROVED
RETENTION AND GRADUATION RATES
WORKING GROUP

(a) In the event that the provisions of Sec. E.603.1 of this act do not occur there shall be established a UVM and VSCS Efficiencies and Improved Retention and Graduation Rates Working Group as follows:

(b) Membership. The Working Group shall consist of seven members as follows:

(1) two members of the Senate, one each from the Committees on Appropriations and Education, appointed by the Committee on Committees;

(2) two members of the House, one each from the Committees on Appropriations and Education, appointed by the Speaker of the House;

(3) the Commissioner of Finance and Management or designee;

(4) one person representing the University of Vermont, selected by the President of the University; and

(5) one person representing the Vermont State Colleges System, selected by the Chancellor.

(c) Meetings. The Working Group may meet up to four times. For attending a meeting of the Working Group when he or she is not receiving compensation as a member of the General Assembly, a member of the Working Group who is a member of the General Assembly shall be entitled to the same per diem compensation and reimbursement for necessary expenses as provided members of standing committees under 2 V.S.A. § 406.

(d) Report. The Working Group shall submit a report to the Senate and House Committees on Appropriations and the Senate and House Committees on Education on or before December 15, 2019. This report shall include:

(1) recommendations for efficiencies that should be pursued;

(2) the estimated amount of annual savings;

(3) any one-time funds needed to implement the efficiencies;

(4) any further efficiencies that should be explored; and

(5) recommendations regarding strategies to increase retention and graduation rates.

Sec. E.605 Vermont student assistance corporation

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

(b) Of this appropriation, not more than \$200,000 may be used by the Vermont Student Assistance Corporation for a student aspirational pilot initiative to serve one or more high schools.

(c) Of the appropriated amount remaining after accounting for subsections (a) and (b) of this section, not less than 93 percent of this appropriation shall be used for direct student aid.

Sec. E.605.1 [Deleted.]

Sec. E.605.2 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS

(a) The sum of \$85,000 shall be transferred to the Vermont Student Assistance Corporation (VSAC) from Sec. E.504.2(a)(1) and (b) of this act (flexible pathways funds appropriated for need-based stipend purposes) to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 946 to be used for the purchase of books, cost of transportation, and payment of fees. VSAC shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.

(b) VSAC shall report on the program to the House Committees on Appropriations and on Commerce and Economic Development and to the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs on or before January 15, 2020.

* * * NATURAL RESOURCES * * *

Sec. E.700 24 V.S.A. § 4752 is amended to read:

§ 4752. DEFINITIONS

As used in this chapter:

* * *

(20) “Hardship municipality” means a municipality served by a municipally owned public community water system that:

(A) has a residential population of 250 or less;

(B) has an annual household user cost that exceeds \$1,000.00 or 1.5 percent of the median household income after construction of the water supply improvements project as determined by the Secretary; and

(C) requires improvements to address an imminent public health hazard or a substantial threat to public health as determined by the Secretary.

Sec. E.700.1 24 V.S.A. § 4769 is added to read:

§ 4769. LOANS TO HARDSHIP MUNICIPALITIES

(a) Waiver of bond vote. A hardship municipality may receive a loan for an eligible project that includes a loan subsidy of up to \$200,000.00 in the form of 100 percent principal forgiveness with no interest or administrative fee from funds authorized in 24 V.S.A § 4753(a)(3), subject to the availability of such loan subsidy. Notwithstanding the provisions of subdivision 4755(a)(3) of this title, the loan is not required to be evidenced by a municipal bond up to the amount to be forgiven.

(b) Waiver of reimbursement method required in statute. Notwithstanding the provisions of subsection 4755(b) of this title, loan funds may be disbursed to a hardship municipality for its approved project upon receipt by the Department of eligible project invoices without prior payment by the municipality.

Sec. E.700.2 LOANS TO HARDSHIP MUNICIPALITIES; REPORT

(a) For loans to hardship municipalities described in Sec. E.700.1 of this act, on or before January 15, 2020, the Secretary of Natural Resources shall submit a report to the Senate Committees on Institutions and on Appropriations and to the House Committees on Corrections and Institutions and on Appropriations with the projected demand, municipal eligibility, long-term impact on availability of loan subsidy for other purposes, and a recommendation on options for prioritizing projects.

(b) The State shall work with any hardship municipality that receives a loan under 24 V.S.A. § 4769 to develop a State approved asset management plan that includes a capital improvement plan.

Sec. E.702 WATER QUALITY TREATMENT AND TESTING:
SALISBURY FISH HATCHERY

(a) The Department of Fish and Wildlife and the Department of Environmental Conservation shall review the water quality treatment and testing currently implemented at the Salisbury fish hatchery. On or before January 15, 2022, the Department of Environmental Conservation and the Department of Fish and Wildlife, where appropriate, shall modify the water quality treatment and testing requirements at the hatchery in order to bring the hatchery into compliance with the Vermont water quality standards. The review conducted by the Department of Fish and Wildlife and the Department of Environmental Conservation shall include evaluation of:

- (1) modifications to the discharge point of compliance at the hatchery;
- (2) rate of discharge from the hatchery;

- (3) the placement of the discharge output for the hatchery;
- (4) potential discharge treatment systems designed to bring the hatchery into compliance with the Vermont water quality standards; and
- (5) an evaluation of the appropriate monitoring and sampling protocols of the receiving State waters.

(b) Beginning on January 15, 2020, and annually thereafter until January 15, 2023, the Department of Fish and Wildlife, after consultation with the Department of Environmental Conservation, shall report to the House Committees on Natural Resources, Fish, and Wildlife, on Corrections and Institutions, on Appropriations, and on Ways and Means and the Senate Committees on Natural Resources and Energy, on Institutions, on Finance, and on Appropriations regarding implementation of the modifications resulting from the review required under subsection (a) of this section.

Sec. E.711 ENVIRONMENTAL CONTINGENCY FUND; BENNINGTON
WATER LINE EXTENSION

(a) In fiscal year 2019, there is transferred \$2,500,000 from the General Fund from a settlement with multiple gasoline refiners related to contamination from the gasoline additive methyl tertiary-butyl ether to the Environmental Contingency Fund established pursuant to 10 V.S.A. § 1283 for the purpose of extending municipal water to contaminated properties in the Town of Bennington.

Sec. E.711.1 BENNINGTON WATER LINE EXTENSION

(a) Waiver of bond vote. The Town of Bennington shall receive a loan for the Operational Unit C / Chapel Road Project in an amount of up to \$1,500,000 to receive a loan subsidy in the form of 100 percent principal forgiveness with no interest or administrative fee from funds authorized in 24 V.S.A. § 4753(a)(3). Notwithstanding the provisions of 24 V.S.A. § 4755(a)(3), the loan is not required to be evidenced by a municipal bond.

(b) Waiving reimbursement method required in statute. Notwithstanding the provisions of 24 V.S.A. § 4755(b), loan funds may be disbursed to the Town of Bennington for Operational Unit C / Chapel Road Project upon receipt by the Agency of Natural Resources of eligible project invoices without prior payment by the Town.

(c) Cost recovery of loan funds. The loan provided pursuant to this section is to implement a remedial action approved by the Agency of Natural Resources and shall be recoverable from any person responsible for the release of a hazardous material in the same manner as funds spent pursuant to 10 V.S.A. § 1283.

Sec. E.711.2 10 V.S.A. § 1283 is amended to read:

§ 1283. CONTINGENCY FUND

* * *

(b) Disbursements under this subsection may be made for emergency purposes or to respond to other than emergency situations; provided, however, that disbursements in response to an individual situation that is not an emergency situation shall not exceed \$100,000.00 for costs attributable to each of the subdivisions of this subsection, unless the Secretary has received the approval of the General Assembly, or the Joint Fiscal Committee, in case the General Assembly is not in session. Furthermore, the balance in the Fund shall not be drawn below the amount of \$100,000.00, except in emergency situations. If the balance of the Fund becomes insufficient to allow a proper response to one or more emergencies that have occurred, the Secretary shall appear before the Emergency Board, as soon as possible, and shall request that necessary funds be provided. Within these limitations, disbursements from the Fund may be made:

* * *

(6) to pay administrative and field supervision costs incurred by the Secretary or by a municipality at the direction of the Secretary in carrying out the provisions of this subchapter. Annual disbursements, for these costs, to the Department of Environmental Conservation under this subdivision shall not exceed ~~2.0~~ 2.5 percent of annual revenues;

* * *

* * * TRANSPORTATION * * *

Sec. E.903 Transportation – program development

(a) Of the Transportation Funds appropriated in Sec. B.903 of this act, \$300,000 shall be allocated for vehicle incentive and emissions repair programs. This funding allocation in combination with the appropriation in Sec. C.100(b)(2) of this act provides a total funding amount of \$2,000,000 for vehicle incentive and emissions repair programs.

(b) If the Agency of Transportation’s fiscal year 2019 maintenance of effort requirement is attained and toll credits are approved by the Federal Highway Administration in fiscal year 2020, then the appropriation of Transportation Funds in Sec. B.903 of this act is decreased by \$845,416 and the appropriation of federal funds is increased by \$845,416.

Sec. E.903.1 [Deleted.]

Sec. E.915 Transportation – town highway aid program

(a) This appropriation is authorized notwithstanding the provisions of 19 V.S.A. § 306(a).

(b) If the Agency of Transportation’s fiscal year 2019 maintenance of effort requirement is attained and toll credits are approved by the Federal Highway Administration in fiscal year 2020, then spending authority and appropriation of Transportation Funds for grants is increased by \$645,416.

Sec. E.919 Transportation – municipal mitigation assistance program

(a) Notwithstanding Sec. 6(a) of 2019 H.529, an act relating to the Transportation Program and miscellaneous changes to laws related to transportation, spending authority for grants in the Municipal Mitigation Assistance Program in the Agency of Transportation’s Proposed Fiscal Year 2020 Transportation Program (Revised February 21, 2019) is increased by \$770,000 in special funds from the Clean Water Fund as appropriated in Sec. B.919 of this act.

(b) If the Agency of Transportation’s fiscal year 2019 maintenance of effort requirement is attained and toll credits are approved by the Federal Highway Administration in fiscal year 2020, then spending authority and the appropriation of Transportation Funds is increased by \$200,000.

* * * MISCELLANEOUS * * *

Sec. F.100 MEALS AND ROOMS TAX ALLOCATION FOR FISCAL YEAR 2020

(a) Notwithstanding any provision of law to the contrary, for fiscal year 2020 only, any revenue from the meals and rooms taxes in excess of \$7,500,000 that would be deposited in the Clean Water Fund under 10 V.S.A. § 1388(a)(4) shall instead be deposited in the General Fund.

* * * EFFECTIVE DATES * * *

Sec. G.100 EFFECTIVE DATES

(a) This section and Secs. C.100 (fiscal year 2019 one-time appropriations), C.101 (fiscal year 2019 one-time transfer), C.102 (fiscal year 2019 fund transfers, reversions and reserves), C.102.1 (fiscal year 2019 contingent transfers and appropriations), C.102.2 (fiscal year 2019 Secretary of State fund balance), C.103 (fiscal year Tobacco Litigation Settlement Fund transfer and yearend balance), C.104-C.107 (fiscal year 2019 budget adjustments; Legislative Branch), C.108-C.109 (fiscal year 2019 budget adjustments, Agency of Education), C.110-C.113 (fiscal year 2019 budget adjustments, teachers’ retirement system and health and medical benefits),

C.114 (Green Mountain Secure Retirement Plan), C.116 (fiscal year 2019 budget adjustment, one-time appropriations), C.117 (loan authorization and funding source), E.112 (energy efficiency; State buildings and facilities), E.127–E.127.2 (Joint Fiscal Committee, grants acceptance language), E.233.1 (Public Service transfer), E.301.2 (mental health and substance use disorder workforce), E.312.1 (report; promotion of immunization), E.318.2 (early childcare and development program cessation), E.318.4 (Bright Futures Information System), E.318.5 (child care workforce grants, continuing education), E.318.6 (child care curriculum), E.329 (transfer of nursing home licensed beds; review process), E.329.1 (18 V.S.A. § 9434(a); licensed nursing home beds exception) E.507 (small schools grant, preserving eligibility, prohibiting duplicate grants), and E.711–E.711.1 (Bennington water line funding and extension), shall take effect upon passage.

(b) Notwithstanding 1 V.S.A. § 214, Sec. C.115 (special fund appropriation for tax computer systems) shall take effect on passage and shall apply retroactively to January 1, 2019.

(c) Sec. E.308.1 (personal needs allowance reset) shall take effect on January 1, 2020.

(d) Sec. E.329.2 (18 V.S.A. § 9434(a); repeal of licensed nursing home beds exception) shall take effect on July 1, 2020.

(e) All remaining sections shall take effect on July 1, 2019.

After passage, the title of the bill is to be amended to read:

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

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Pearson, the Senate refused to concur in the House proposal of amendment and adhered.

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

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

H. 107.

House bill entitled:

An act relating to paid family and medical leave.

Was taken up.

Thereupon, pending third reading of the bill, Senators Sirotkin, Balint and Clarkson moved to amend the Senate proposal of amendment by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. PURPOSE

It is the intent of the General Assembly that:

(1) the Family and Medical Leave Insurance Program established by this act shall provide employees with affordable Family and Medical Leave Insurance benefits;

(2) the Commissioner of Financial Regulation shall seek a private insurance carrier to provide the benefits required under the Program;

(3) if the Commissioner is able to identify an insurance carrier that can provide the required benefits in a more cost-effective manner than would be possible if benefits were provided by the State, the Commissioner shall enter into a contract with that insurance carrier to administer the Program and provide the benefits required by this act beginning in October of 2020; and

(4) if the Commissioner is unable to identify a suitable insurance carrier, the Program shall be administered by the Department of Labor in coordination with the Departments of Financial Regulation and of Taxes, and benefits shall become available beginning in July of 2021.

Sec. 2. 21 V.S.A. chapter 5, subchapter 13 is added to read:

Subchapter 13. Family and Medical Leave Insurance

§ 571. DEFINITIONS

As used in this subchapter:

(1) "Average weekly wage" means the employee's total wages from his or her two highest-earning quarters in the last four completed calendar quarters divided by 26.

(2) "Bonding leave" means a leave of absence from employment by an employee for:

(A) the employee's pregnancy;

(B) the birth of the employee's child; or

(C) the initial placement of a child 18 years of age or younger with the employee for the purpose of adoption or foster care.

(3) "Domestic partner" has the same meaning as in 17 V.S.A. § 2414.

(4) "Employee" means an individual who receives payments with respect to services performed for an employer from which the employer is

required to withhold Vermont income tax pursuant to 32 V.S.A. chapter 151, subchapter 4.

(5) “Employer” means an individual, organization, governmental body, partnership, association, corporation, legal representative, trustee, receiver, trustee in bankruptcy, and any common carrier by rail, motor, water, air, or express company doing business in or operating within this State.

(6) “Family care leave” means a leave of absence from employment by an employee for a serious illness of the employee’s family member.

(7) “Family member” means:

(A) the employee’s child or foster child;

(B) a step child or ward who lives with the employee;

(C) the employee’s spouse, domestic partner, or civil union partner;

(D) the employee’s parent or the parent of the employee’s spouse, domestic partner, or civil union partner;

(E) the employee’s sibling;

(F) the employee’s grandparent;

(G) the employee’s grandchild; or

(H) a child for whom the employee stands in loco parentis or an individual who stood in loco parentis for the employee when he or she was a child.

(8) “In loco parentis” means a child for whom the employee has day-to-day responsibilities to care for and financially support, or, in the case of the employee, an individual who had such responsibility for the employee when he or she was a child.

(9) “Medical leave” means a leave of absence from employment by an employee for his or her own serious illness.

(10) “Qualified employee” means an employee who has:

(A) earned wages from which contributions were withheld pursuant to sections 573 and 574 of this subchapter during at least two of the last four completed calendar quarters; and

(B) earned wages from which contributions were withheld pursuant to sections 573 and 574 of this subchapter during the last four completed calendar quarters in an amount that is equal to or greater than 1,040 hours at the minimum wage established pursuant to section 384 of this chapter.

(11) “Serious illness” means an accident, disease, or physical or mental condition that:

(A) poses imminent danger of death;

(B) requires inpatient care in a hospital; or

(C) requires continuing in-home care under the direction of a physician.

(12) “Vermont average weekly wage” means the most recent average weekly wage for Vermont as calculated by the U.S. Bureau of Labor Statistics.

(13) “Wages” means payments that are included in the definition of wages set forth in 26 U.S.C. § 3401.

§ 572. FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM;
ADMINISTRATION

(a) The Family and Medical Leave Insurance Program is established in the Department of Labor for the provision of Family and Medical Leave Insurance benefits to eligible employees pursuant to this section.

(b)(1) The Commissioner of Financial Regulation shall endeavor to identify and contract with a suitable insurance company to provide paid family and medical leave insurance in accordance with this subchapter.

(2)(A) On or before July 1, 2019, the Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall develop and issue a request for information related to the provision of family and medical leave insurance by a private insurance carrier on behalf of the State that satisfies the requirements of this subchapter. The request for information shall also seek input regarding the cost and administrative feasibility of the insurance carrier administering the collection of contributions on behalf of the Department of Taxes pursuant to section 574 of this subchapter.

(B) Responses to the request for information shall be due on or before August 15, 2019.

(3) On or before September 1, 2019, the Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall develop and issue a request for proposals for an insurance carrier to provide family and medical leave insurance that satisfies the requirements of this subchapter. An insurance carrier shall not be selected unless it can demonstrate that it would be able to provide the required insurance benefits and comply with the provisions of this subchapter in a more cost-effective manner than if the Family and Medical Leave Insurance Program were administered by the State.

(4) The Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall evaluate the proposals received in response to the request for proposals and shall select, on or before November 15, 2019, the proposal that the Commissioner determines:

(A) best satisfies the requirements of this subchapter;

(B) will provide the required insurance benefits and comply with the provisions of this subchapter in a more cost-effective manner than if the Family and Medical Leave Insurance Program were administered by the State; and

(C) delivers the greatest value to the State and Vermont's employees and employers.

(5) An agreement with an insurance carrier to provide family and medical leave insurance pursuant to this section shall include provisions that:

(A) permit the Commissioner of Financial Regulation to terminate the agreement for noncompliance with this chapter; and

(B) in the event the General Assembly enacts legislation providing for mandatory coverage for medical leave, require the Commissioner of Financial Regulation and the insurance carrier to reopen the agreement to make any amendments that are necessary to ensure that the agreement complies with the requirements of the legislation.

(6)(A) An agreement with an insurance carrier pursuant to this subsection shall be for a period of not more than four years.

(B) Not later than six months prior to the expiration of the agreement pursuant to this subsection, the Commissioner of Financial Regulation shall determine whether to renew the agreement for an additional period of not more than four years or to issue a new request for proposals for an insurance carrier to provide family and medical leave insurance that satisfies the requirements of this subchapter.

(7) The insurance carrier shall have its books and financial records related to the provision of family and medical leave insurance pursuant to this subchapter audited annually and shall provide a copy of the annual audit to the Commissioner of Financial Regulation.

(c)(1) In the event that the Commissioner of Financial Regulation is unable to secure a suitable insurance carrier pursuant to subsection (b) of this section, the Paid Family and Medical Leave Insurance Program shall be administered by the Department of Labor pursuant to the provisions of this subchapter.

(2) In the event that the Paid Family and Medical leave Insurance Program is administered by the Department of Labor, the Commissioner of Labor may contract with one or more third-party administrators for actuarial support, Program and fund administration, the processing of benefits claims and payments, and the initial determination of appeals.

§ 573. CONTRIBUTIONS

(a) An employer that does not elect to meet its obligations under this subchapter as provided pursuant to section 577 shall remit the contributions required by subsection (b) of this section to the Commissioner of Taxes on a quarterly basis as provided pursuant to 32 V.S.A. § 5842(a)(1) beginning with the calendar quarter that starts on April 1, 2020.

(b)(1)(A) Contributions for bonding and family care insurance shall be equal to 0.20 percent of each employee's covered wages.

(B) Contributions for medical leave benefits for employees who have elected to obtain coverage pursuant to section 577a of this subchapter shall be equal to 0.38 percent of the employee's covered wages.

(2) An employer shall have the option of paying some or all of the contributions due from an employee's covered wages or may deduct and withhold the full amount of the contribution due from the employee's covered wages.

(c) As used in this section, the term "covered wages" shall include all wages paid to an employee up to the amount of the maximum Social Security Taxable Wage.

(d)(1) The General Assembly shall annually review and, if necessary, adjust the rates of contribution established pursuant to subsection (b) of this section for the next fiscal year. The rates shall equal the amount necessary to provide Family and Medical Leave Insurance benefits pursuant to this subchapter, to administer the Family and Medical Leave Insurance Program during the next fiscal year, and, if a reserve is necessary, to ensure that it is adequately funded.

(2) On or before February 1 of each year, the Commissioner of Financial Regulation, in consultation with the insurance carrier that the State has contracted with, if any, and the Commissioners of Labor and of Taxes, shall report to the General Assembly the rates of contribution necessary to provide Family and Medical Leave Insurance benefits pursuant to this subchapter, to administer the Program during the next fiscal year, and, if a reserve is necessary, to ensure that it is adequately funded.

§ 574. COLLECTION OF CONTRIBUTIONS; REMITTANCE

(a) The Commissioner of Taxes shall collect all contributions required pursuant to section 573 of this subchapter and deposit them into the Family and Medical Leave Insurance Special Fund.

(b)(1) The Commissioner of Taxes shall require the withholding of the contributions required pursuant to section 573 of this subchapter from wages paid by any employer, as if the contributions were an additional Vermont income tax subject to the withholding requirements of 32 V.S.A. § 5841(a). The administrative and enforcement provisions of 32 V.S.A. chapter 151, subchapter 4 shall apply to the withholding requirement under this section as if the contributions withheld were a Vermont income tax.

(2) An employer that has received approval from the Commissioner of Financial Regulation for an alternative insurance or benefit plan pursuant to the provisions of section 577 shall not be required to withhold contributions pursuant to this section.

(c)(1) The Commissioner of Taxes may enter into a memorandum of understanding with the private insurance carrier contracted with by the Commissioner of Financial Regulation pursuant to section 572 of this subchapter, the Commissioner of Financial Regulation, or the Commissioner of Labor as necessary to carry out the provisions of this section.

(2) The Commissioner of Taxes may contract with the private insurance carrier contracted with by the Commissioner of Financial Regulation pursuant to section 572 of this subchapter to administer the collection of contributions pursuant to this section.

§ 575. BENEFITS

(a)(1) A qualified employee shall be permitted to receive a total of not more than 12 weeks of Family and Medical Leave Insurance benefits in a calendar year, which may include:

(A) up to 12 weeks of benefits for bonding leave taken by the employee, provided that if both parents are qualified employees they shall be permitted to receive a combined total of not more than 16 weeks of Parental and Family Leave Insurance benefits in a calendar year for bonding leave;

(B) up to eight weeks of benefits for family care leave taken by the employee; and

(C) for an employee who has elected to obtain medical leave coverage pursuant to the provisions of section 577a of this subchapter, up to six weeks of benefits for medical leave taken by the employee.

(2) Notwithstanding subdivision (1)(B) of this subsection, with respect to a serious illness of an individual who is a sibling or grandparent of one or more qualified employees, the qualified employees who are a sibling or grandchild of that individual shall be permitted to receive a combined total of not more than six weeks of Parental and Family Leave Insurance benefits in a calendar year for family care leave related to that individual.

(b)(1) The weekly benefit amount for a qualified employee awarded Family and Medical Leave Insurance benefits under this section shall be determined as follows:

(A) the portion of the qualified employee's average weekly wage that is less than or equal to 55 percent of the Vermont average weekly wage shall be replaced at a rate of 90 percent; and

(B) the portion of the qualified employee's average weekly wage that is greater than 55 percent of the Vermont average weekly wage shall be replaced at a rate of 55 percent.

(2) Notwithstanding subdivision (1) of this subsection, no qualified employee may receive Parental and Family Leave Insurance benefits that exceed the Vermont average weekly wage.

(c)(1)(A) Each qualified employee shall complete a waiting period before he or she may receive benefits for a medical leave or family care leave.

(B) The waiting period shall consist of the first five calendar days in a calendar year for which the qualified employee would otherwise be eligible to receive benefits for a medical leave or family care leave.

(C) Family and Medical Leave Insurance benefits shall not be payable for any day in the waiting period.

(2) A qualified employee shall only have one waiting period in a calendar year.

(3) No waiting period shall be required before a qualified employee is eligible to receive Family and Medical Leave Insurance benefits in relation to a bonding leave.

(d) A qualified employee may receive Family and Medical Leave Insurance benefits for an intermittent leave or leave for a portion of a week. The benefit amount for an intermittent leave or leave for a portion of a week shall be calculated in increments of one full day or one fifth of the qualified employee's weekly benefit amount.

(e) Family and Medical Leave Insurance benefits paid pursuant to this subchapter may be used as wage replacement for a leave taken pursuant to

section 472 of this title or the federal Family and Medical Leave Act, 29 U.S.C. §§ 2611–2654. The receipt of benefits paid pursuant to this subchapter shall not extend the leave provided pursuant to section 472 of this title or the federal Family and Medical Leave Act.

(f)(1) A qualified employee shall not be permitted to receive Family and Medical Leave Insurance benefits for any day for which he or she is receiving:

(A) wages;

(B) payment for the use of vacation leave, sick leave, or other accrued paid leave;

(C) payment pursuant to a disability insurance plan;

(D) unemployment insurance benefits pursuant to chapter 17 of this title or the law of any other state; or

(E) compensation for temporary partial disability or temporary total disability pursuant to chapter 9 of this title, the workers' compensation law of any state, or any similar law of the United States.

(2) Notwithstanding subdivision (1) of this subsection, an employer may provide its employees with additional income to supplement the amount of the benefits provided pursuant to this section provided that the sum of the additional income and the benefits provided pursuant to this section does not exceed the employee's average weekly wage.

§ 576. APPLICATION FOR BENEFITS; PAYMENT; TAX WITHHOLDING

(a) A qualified employee, or his or her agent, shall file an application for Family and Medical Leave Insurance benefits under this subchapter on a form approved by the Commissioner of Labor. The determination of whether the qualified employee is eligible to receive Family and Medical Leave Insurance benefits shall be based on the following criteria:

(1) The claim is for a bonding leave, a family care leave, or, if applicable, a medical leave and the need for the leave is adequately documented.

(2) The claimant satisfies the requirements to be a qualified employee as defined pursuant to subdivision 571(10) of this subchapter.

(3) The claimant has specified the anticipated start date and duration of the leave.

(b)(1) A determination shall be made in relation to each claim within not more than five business days after the date the claim is filed. The time to

make a determination on a claim may be extended by not more than 15 business days if necessary to obtain documents or information that are needed to make the determination.

(2) An application for Family and Medical Leave Insurance benefits may be filed:

(A) up to 60 days before an anticipated leave; or

(B) in the event of a premature birth or an unanticipated serious illness, within 60 days after the leave begins.

(3)(A) Benefits shall be paid to a qualified employee for the time period beginning on the day his or her leave began less any waiting period required pursuant to subsection 575(c) of this subchapter.

(B) The first benefit payment shall be sent to the qualified employee within 14 days after the leave begins or the claim is approved, whichever is later, and subsequent payments shall be sent biweekly.

(4) The provisions of section 1367 of this title shall apply to Family and Medical Leave Insurance benefits.

(c)(1) An individual filing a claim for Family and Medical Leave Insurance benefits shall, at the time of filing, be advised that Family and Medical Leave Insurance benefits may be subject to income tax and that the individual's benefits may be subject to withholding.

(2) All procedures specified by 26 U.S.C. chapter 24 and 32 V.S.A. chapter 151, subchapter 4 pertaining to the withholding of income tax shall be followed in relation to the payment of Family and Medical Leave Insurance benefits.

(d) As used in this section, "agent" means an individual who holds a valid power of attorney for the employee or other legal authorization to act on the employee's behalf that is acceptable to the Commissioner of Labor.

§ 577. EMPLOYER OPTION; ALTERNATIVE INSURANCE OR BENEFITS

(a) As an alternative to and in lieu of participating in the Family and Medical Leave Insurance Program, an employer may, upon approval by the Commissioner of Financial Regulation, comply with the requirements of this subchapter through the use of an alternative insurance plan or benefit plan that provides to all of its employees benefits for bonding and family care leave that are equivalent to or more generous than the benefits provided pursuant to this subchapter. An employer may elect to provide such benefits by:

(1) establishing and maintaining to the satisfaction of the Commissioner of Financial Regulation self-insurance necessary to provide equivalent or more generous benefits;

(2) purchasing insurance coverage for the payment of equivalent or more generous benefits from any insurance carrier authorized to provide family and medical leave insurance in this State;

(3) establishing an employee benefits plan that provides equivalent or more generous benefits; or

(4) any combination of subdivisions (1) through (3) of this subsection.

(b)(1) The Commissioner of Financial Regulation may approve an alternative insurance or benefit plan under this section upon making a determination that it provides benefits that are equivalent to or more generous than the benefits provided pursuant to this subchapter.

(2)(A) Nothing in this section shall be construed to required that the benefits provided by an alternative insurance or benefit plan be identical to the benefits provided pursuant to this subchapter.

(B) The Commissioner shall determine whether the benefits provided by a proposed alternative insurance or benefit plan are equivalent to or more generous than the benefits provided pursuant to this subchapter by weighing the relative value of the alternative plan's length of leave, wage replacement, and cost to employees against the provisions of this subchapter.

(C) The Commissioner shall not approve an alternative insurance or benefit plan under this section unless the plan either:

(i) provides employees with coverage for medical leave for a period of at least six weeks at the same level of wage replacement as the plan provides for family care leave; or

(ii) offers employees the option to obtain, at a reasonable cost, coverage for medical leave for a period of at least six weeks at the same level of wage replacement as the plan provides for family care leave.

(c)(1) Except as otherwise provided pursuant to subdivision (4) of this subsection, an alternative insurance or benefit plan shall only be permitted to become effective on January 1 following its approval and shall remain in effect until it is discontinued pursuant to subdivision (3) of this subsection.

(2)(A) An employer shall submit an application to the Commissioner of Financial Regulation for approval of a new or modified alternative insurance or benefit plan on or before October 15 of the calendar year prior to when it shall take effect.

(B) The Commissioner shall make a determination and notify the employer of whether its application has been approved on or before December 1. If the application is approved, the Commissioner shall also provide a copy of the notice to the Commissioners of Labor and of Taxes on or before December 1.

(3) An employer may discontinue its alternative insurance or benefit plan on January 1 of any year by filing notice of its intent to discontinue the plan with the Commissioners of Financial Regulation, of Labor, and of Taxes on or before November 1 of the prior year.

(4)(A) Notwithstanding any provisions of subdivisions (1) and (2) of this subsection to the contrary, for calendar year 2020, an employer shall submit an application for a new alternative insurance or benefit plan on or before February 1.

(B) The Commissioner shall make a determination and notify the employer of whether its application has been approved on or before March 15. If the application is approved, the Commissioner shall also provide a copy of the notice to the Commissioners of Labor and of Taxes on or before March 15.

(C) Beginning on April 1, 2020, an employer that receives approval for an alternative insurance or benefit plan pursuant to this subdivision (4) shall be exempt from withholding contributions as provided pursuant to subdivision 574(b)(2) of this subchapter.

(d) Nothing in this subchapter shall be construed to diminish an employer's obligation to comply with any collective bargaining agreement or paid time off policy that provides more generous benefits than the benefits provided pursuant to this subchapter.

§ 577a. MEDICAL LEAVE COVERAGE; ELECTION

(a)(1) An employee may elect to obtain coverage for medical leave by submitting an enrollment form approved by the Commissioner of Taxes to either:

(A) his or her employer and the Commissioner of Taxes; or

(B) if his or her employer has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, his or her employer.

(2) An employee who elects to enroll in medical leave coverage shall submit the form required pursuant to subdivision (a)(1) of this section not later than December 1 of the year prior to the year in which the employee intends to begin medical leave coverage.

(b)(1) An employee who has enrolled in medical leave coverage pursuant to the provisions of subsection (a) of this section shall become liable for the additional contribution amount required pursuant to subdivision 573(b)(1)(B) of this subchapter or the additional cost for medical leave coverage under his or her employer's alternative plan beginning on the next January 1 following his or her enrollment.

(2)(A) An employee who enrolls in medical leave coverage through the Family and Medical Leave Insurance Program shall remain enrolled for a minimum period of three years. At the conclusion of his or her initial three-year period, and annually thereafter, the employee may discontinue his or her medical leave coverage pursuant to subsection (c) of this section.

(B) An employee who enrolls in medical leave coverage through an alternative insurance or benefits plan offered by his or her employer shall remain enrolled for the minimum period required pursuant to the plan. At the conclusion of the minimum required period, and annually thereafter, the employee may discontinue his or her medical leave coverage pursuant to subsection (c) of this section.

(3) The employee shall be liable for the additional medical leave contribution amount required pursuant to subdivision 573(b)(1)(B) of this subchapter or the additional cost for medical leave coverage under his or her employer's alternative plan until he or she discontinues medical leave coverage pursuant to subsection (c) of this section.

(4) The employee shall become eligible to use medical leave benefits upon satisfying the requirements to be a qualified employee pursuant to subdivision 571(10) of this subchapter or meeting the eligibility requirements for his or her employer's alternative insurance or benefits plan, as appropriate.

(c)(1) An employee may discontinue medical leave coverage by submitting, not later than December 1, of the year prior to the calendar year in which the employee intends to discontinue coverage, a form approved by the Commissioner of Taxes to either:

(A) his or her employer and the Commissioner of Taxes; or

(B) if his or her employer has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, his or her employer.

(2) On the next January 1 after the timely submission of the form required pursuant to subdivision (1) of this subsection, the employee shall no longer:

(A) be eligible for medical leave benefits; and

(B) be liable for the additional contribution amount required pursuant to subdivision 573(b)(1)(B) of this subchapter or the additional cost for medical leave coverage under his or her employer's alternative plan.

(d)(1) An employee who is ceasing employment in Vermont or becoming self-employed may discontinue his or her medical leave coverage effective on his or her last day of employment by submitting a form approved by the Commissioner of Taxes to either:

(A) his or her employer and the Commissioner of Taxes; or

(B) if his or her employer has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, his or her employer.

(2) Upon the effective date of the employee's discontinuation of coverage, he or she shall no longer be:

(A) eligible for medical leave benefits; and

(B) liable for the additional contribution amount required pursuant to subdivision 573(b)(1)(B) of this subchapter or the additional cost for medical leave coverage under his or her employer's alternative plan.

(e)(1) For an employee who has elected to obtain medical leave coverage through the Family and Medical Leave Insurance Program:

(A) If during the initial three-year period, he or she experiences a break in employment and is subsequently rehired by any employer participating in the Family and Medical Leave Insurance Program, the employee shall remain enrolled in medical leave coverage and the period of his or her break in employment shall count toward the initial three-year period.

(B) If at any time, he or she separates from employment with an employer that is participating in the Family and Medical Leave Insurance Program in order to take a job with another employer that is participating in the Family and Medical Leave Insurance Program, the employee shall remain enrolled in medical leave coverage and, if applicable, the period of any break in employment shall count toward the initial three-year period.

(C) If at any time, he or she separates from employment with an employer that is participating in the Family and Medical Leave Insurance Program and subsequently begins employment with an employer that has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, the employee's medical leave coverage under the Family and Medical Leave Insurance Program shall cease on the day he or she commences employment with the new employer.

(2)(A) If an employee who has elected to obtain medical leave coverage through an alternative insurance or benefits plan approved pursuant to section 577 of this subchapter separates from employment with his or her employer that has received approval for an alternative plan in order to take a job with another employer, the employee's medical leave coverage under the alternative plan shall cease on the day he or she separates from employment with the current employer.

(B) On the date the employee separates from employment, he or she shall no longer be eligible for medical leave benefits under the alternative plan, and shall no longer be liable for the additional cost for medical leave coverage under his or her former employer's alternative plan.

(f)(1) Notwithstanding any provision of subsection (a) to the contrary, an employee who elects to enroll in medical leave coverage for calendar year 2020, shall, on or before March 1, 2020, submit an enrollment form approved by the Commissioner of Taxes to either:

(A) the Commissioner of Taxes and his or her employer; or

(B) if his or her employer has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, his or her employer.

(2) An employee who has enrolled in medical leave coverage pursuant to the provisions of subdivision (1) of this subsection shall become liable for the additional contribution amount required pursuant to subdivision 573(b)(1)(B) of this subchapter or the additional cost for medical leave coverage under his or her employer's alternative plan beginning on April 1, 2020.

(3)(A) An employee who has enrolled pursuant to subdivision (1) of this subsection in medical leave coverage offered through the Family and Medical Leave Insurance Program shall be eligible to discontinue that coverage on January 1, 2023 by submitting the required form not later than December 1, 2022.

(B) An employee who has enrolled pursuant to subdivision (1) of this subsection in medical leave coverage offered through his or her employer's alternative insurance or benefits plan shall be eligible to discontinue that coverage no later than January 1, 2023 by submitting the required form at least 30 days prior to the date on which his or her coverage will cease.

§ 578. DISQUALIFICATIONS

A qualified employee shall be disqualified for benefits for any week in which he or she has received:

(1) compensation for temporary partial disability or temporary total disability under the workers' compensation law of any state or under a similar law of the United States; or

(2) unemployment insurance benefits under the law of any state.

§ 579. APPEALS

(a) An employer or employee aggrieved by a decision under section 576 or 578 of this subchapter may file an initial appeal of the decision with the insurance carrier that the State has contracted with.

(b) Within 20 days after receiving notice of the insurance carrier's decision on the initial appeal, the employer or employee may appeal the decision to an administrative law judge as provided pursuant to sections 1348 and 1351-1357 of this title.

(c) Within 30 days after receiving notice of the administrative law judge's decision, either party may appeal that decision to the Supreme Court.

§ 580. FALSE STATEMENT OR REPRESENTATION; PENALTY

A person who willfully makes a false statement or representation for the purpose of obtaining any benefit or payment or to avoid payment of any required contributions under the provisions of this subchapter, either for himself or herself or for any other person, after notice and opportunity for hearing, may be assessed an administrative penalty of not more than \$20,000.00 and shall forfeit all or a portion of any right to benefits under the provisions of this subchapter, as determined to be appropriate by the Commissioner of Labor or Commissioner of Financial Regulation, as appropriate.

§ 581. REHIRING; LIMITED RIGHT; SENIORITY AND BENEFITS
PROTECTED

(a)(1)(A) An employee who is not entitled to job protection pursuant to section 472 of this chapter and is separated from employment in relation to a leave for which he or she receives Family and Medical Leave Insurance benefits pursuant to this subchapter shall have a limited right to be rehired by his or her employer following the conclusion of his or her leave.

(B) The employer shall offer the employee the first available suitable position based on the position the employee held at the time his or her leave began.

(C) If the employee declines the offer, he or she shall not be entitled to any further employment offers from the employer.

(2) An employee shall not be entitled to be rehired pursuant to the provisions of this section if:

(A) the employee fails to inform the employer of:

(i) the need for the leave;

(ii) his or her interest in being rehired at the conclusion of the leave; and

(iii) the date on which his or her leave is anticipated to conclude;

(B) the employee had been given notice, or had given notice, prior to providing his or her employer with notice of the leave;

(C) the employer can demonstrate by clear and convincing evidence that during the leave, or prior to the employee's reinstatement, the employee's position would have been terminated or the employee laid off for reasons unrelated to the leave or the reason for which the employee took the leave; or

(D) the employee has exhausted his or her right to job protection for the leave pursuant to section 472 of this chapter and the federal Family and Medical Leave Act, 29 U.S.C. §§ 2611–2654.

(3) An employee's right to be rehired pursuant to the provisions of this section shall expire two years after the date on which his or her leave concluded.

(b) Upon being rehired pursuant to the provisions of this section, an employee shall regain any seniority and unused accrued paid leave he or she was entitled to prior to the leave, less any accrued paid leave used during the leave.

(c) Nothing in this section shall be construed to diminish an employee's rights pursuant to subsection 472(f) of this chapter.

(d)(1) An employee aggrieved by an employer's failure to comply with the provisions of this section may bring an action in the Civil Division of the Superior Court in the county where the employment is located for compensatory and punitive damages or equitable relief, including restraint of prohibited acts, restitution of wages or other benefits, reinstatement, costs, and other appropriate relief.

(2) A copy of the complaint shall be filed with the Commissioner of Labor.

(3) The court shall award reasonable attorney's fees to the employee if he or she prevails.

§ 582. PROTECTION FROM RETALIATION OR INTERFERENCE

(a) An employer shall not discharge or in any other manner retaliate against an employee who exercises or attempts to exercise his or her rights under this subchapter. The provisions against retaliation in subdivision 495(a)(8) of this title shall apply to this subchapter.

(b) An employer shall not interfere with, restrain, or otherwise prevent an employee from exercising or attempting to exercise his or her rights pursuant to this subchapter.

(c) An employee aggrieved by a violation of the provisions of this subchapter may bring an action in Superior Court seeking compensatory and punitive damages or equitable relief, including restraint of prohibited acts, restitution of wages or other benefits, reinstatement, costs, reasonable attorney's fees, and other appropriate relief.

§ 583. CONFIDENTIALITY OF INFORMATION

(a) Information obtained from an employer or individual in the administration of this subchapter and determinations of an individual's right to receive benefits that reveal an employer's or individual's identity in any manner shall be kept confidential and, to the extent that such information is obtained by the State, shall be exempt from public inspection and copying under the Public Records Act. Such information shall not be admissible as evidence in any action or proceeding other than one brought pursuant to the provisions of this subchapter.

(b) Notwithstanding subsection (a) of this section:

(1) an individual or his or her duly authorized agent may be provided with information to the extent necessary for the proper presentation of his or her claim for benefits or to inform him or her of his or her existing or prospective rights to benefits; and

(2) an employer may be provided with information that the Commissioner of Financial Regulation, of Labor, or of Taxes determines is necessary to enable the employer to discharge fully its obligations and protect its rights under this subchapter.

§ 584. RULEMAKING

(a) The Commissioner of Taxes shall adopt rules as necessary to implement the provisions of section 574 of this subchapter. The rules adopted by the Commissioner of Taxes shall include:

(1) procedures for the collection of contributions;

(2) reporting and record-keeping requirements for employers; and

(3) requirements for forms related to enrollment in medical leave coverage and discontinuance of medical leave coverage.

(b) The Commissioner of Financial Regulation shall adopt rules as necessary to implement the provisions of section 577 of this subchapter. The rules adopted by the Commissioner of Financial Regulation shall include requirements and criteria for the approval of an employer's alternative insurance or benefit plan pursuant to section 577 of this subchapter and for determining whether a proposed plan provides benefits that are equivalent to or more generous than the benefits provided pursuant to this subchapter.

(c)(1) The Commissioner of Labor shall adopt rules as necessary to implement all other provisions of this subchapter. The rules adopted by the Commissioner of Labor shall include:

(A) acceptable documentation for demonstrating eligibility for benefits;

(B) requirements for providing certification from a health care provider of the need for family care leave or medical leave that are modeled on the federal rules governing certification of a serious health condition under the Family and Medical Leave Act;

(C) requirements for obtaining authorization for an individual's health care provider to disclose information necessary to make a determination of the individual's eligibility for benefits;

(D) procedures for appeals pursuant to subsection 579(b) of this subchapter; and

(E) rules to permit an employee to authorize the Department, in compliance with all applicable provisions of federal law, to disclose unemployment insurance information to the insurance carrier as necessary to determine if the employee meets the requirements to be a qualified employee as defined pursuant to subdivision 571(10) of this subchapter.

(2) The Commissioner of Labor shall create a form that will permit an employee to provide informed consent for the Department to disclose unemployment insurance information to the insurance carrier as necessary to determine if the employee meets the requirements to be a qualified employee as defined pursuant to subdivision 571(10) of this subchapter. The form shall satisfy all applicable requirements under federal law.

§ 585. FAMILY AND MEDICAL LEAVE INSURANCE SPECIAL FUND

The Family and Medical Leave Insurance Special Fund is created pursuant to 32 V.S.A. chapter 7, subchapter 5. The Fund shall consist of contributions collected from employers pursuant to section 574 of this subchapter. The Fund

may be expended by the Commissioner of Taxes for the payment of premiums related to the Family and Medical Leave Insurance Program and by the Commissioners of Financial Regulation, of Labor, and of Taxes for the administration of the Family and Medical Leave Insurance Program. All interest earned on Fund balances shall be credited to the Fund.

Sec. 3. 21 V.S.A. § 586 is added to read:

§ 586. OVERPAYMENT OF BENEFITS; COLLECTION

(a)(1) Any individual who by nondisclosure or misrepresentation of a material fact, by him or her or by another person, has received Family and Medical Leave Insurance benefits when he or she failed to fulfill a requirement for the receipt of benefits pursuant to this chapter or while he or she was disqualified from receiving benefits pursuant to section 578 of this chapter shall be liable to repay to the Commissioner of Labor the amount received.

(2) Upon determining that an individual has received benefits under this chapter that he or she was not entitled to, the Commissioner of Labor shall provide the individual with notice of the determination. The notice shall include a statement that the individual is liable to repay to the Commissioner the amount of overpaid benefits and shall identify the basis of the overpayment and the time period in which the benefits were paid.

(3) The determination shall be made within not more than three years after the date of the overpayment.

(b)(1) An individual liable under this section shall repay the overpaid amount to the Commissioner for deposit into the Family and Medical Leave Insurance Special Fund.

(2) If the Commissioner finds that the individual intentionally misrepresented or failed to disclose a material fact with respect to his or her claim for benefits, in addition to the repayment under subdivision (1) of this subsection, the person shall pay an additional penalty of 15 percent of the amount of the overpaid benefits, which shall also be deposited into the Fund.

(3) The Commissioner may collect the amounts due under this section in civil action in the Superior Court.

(c) If an individual is liable to repay any amount pursuant to this section, the Commissioner may withhold, in whole or in part, any future benefits payable to the individual pursuant to this chapter and credit the withheld benefits against the amount due from the individual until it is repaid in full, less any penalties assessed under subdivision (b)(2) of this section.

(d) In addition to the remedy provided pursuant to this section, an individual who intentionally misrepresented or failed to disclose a material fact

with respect to his or her claim for benefits may be subject to the penalties provided pursuant to section 580 of this title.

Sec. 4. ADOPTION OF RULES

(a) On or before January 1, 2020, the Commissioner of Taxes shall adopt rules necessary to implement the provisions of 21 V.S.A. § 574, which shall include:

- (1) procedures for the collection of contributions;
- (2) reporting and record-keeping requirements for employers; and
- (3) requirements for forms related to enrollment in medical leave coverage and discontinuance of medical leave coverage.

(b) On or before January 1, 2020, the Commissioner of Financial Regulation shall adopt rules as necessary to implement the provisions of 21 V.S.A. § 577. The rules adopted by the Commissioner of Financial Regulation shall include requirements and criteria for the approval of an employer's alternative insurance or benefit plan pursuant to 21 V.S.A. § 577 and for determining whether a proposed plan provides benefits that are equivalent to or more generous than the benefits provided pursuant to 21 V.S.A. chapter 5, subchapter 13.

(c) On or before June 1, 2020, the Commissioner of Labor shall adopt rules necessary to implement all other provisions of 21 V.S.A. chapter 5, subchapter 13, which shall include:

- (1) acceptable documentation for demonstrating eligibility for benefits;
- (2) requirements for providing certification from a health care provider of the need for family care leave or medical leave that are modeled on the federal rules governing certification of a serious health condition under the Family and Medical Leave Act;
- (3) requirements for obtaining authorization for an individual's health care provider to disclose information necessary to make a determination of the individual's eligibility for benefits;
- (4) procedures for appealing a decision pursuant to 21 V.S.A. § 579(b);
- (5) the establishment of the existence of an in loco parentis relationship between an employee and another individual; and
- (6) rules to permit an employee to authorize the Department, in compliance with all applicable provisions of federal law, to disclose unemployment insurance information to the insurance carrier as necessary to determine if the employee meets the requirements to be a qualified employee as defined pursuant to subdivision 571(10) of this chapter.

Sec. 5. EDUCATION AND OUTREACH

On or before June 1, 2020, the Commissioner of Labor shall develop and make available on the Department of Labor's website information and materials to educate and inform employers and employees about the Family and Medical Leave Insurance Program established pursuant to 21 V.S.A. chapter 5, subchapter 13.

Sec. 6. ESTABLISHMENT OF FAMILY AND MEDICAL LEAVE
INSURANCE PROGRAM; EXPENDITURES FROM SPECIAL
FUND

The Commissioner of Finance and Management may, pursuant to 32 V.S.A. § 588(4)(C), issue warrants for expenditures from the Family and Medical Leave Insurance Special Fund necessary to establish the Family and Medical Leave Insurance Program in anticipation of the receipt on or after April 1, 2020 of contributions submitted pursuant to 21 V.S.A. §§ 573 and 574.

Sec. 7. ADEQUACY OF RESERVES; REPORT

Annually, on or before January 15, 2021, 2022, and 2023, the Commissioner of Labor, in consultation with the Commissioners of Finance and Management, of Financial Regulation, and of Taxes, shall submit a written report to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance regarding the amount and adequacy of the reserves in the Family and Medical Leave Insurance Special Fund and any recommendations for legislative action necessary to ensure that an adequate reserve is maintained in the Fund.

Sec. 8. 21 V.S.A. § 471 is amended to read:

§ 471. DEFINITIONS

As used in this subchapter:

(1) "Employer" means an individual, organization ~~or~~, governmental body, partnership, association, corporation, legal representative, trustee, receiver, trustee in bankruptcy, and any common carrier by rail, motor, water, air or express company doing business in or operating within this State ~~which for the purposes of parental leave that employs 10 or more individuals who are employed for an average of at least 30 hours per week during a year and for the purposes of family leave employs 15 or more individuals for an average of at least 30 hours per week during a year.~~

* * *

(3) “Family leave” means a leave of absence from employment by an employee who works for an employer ~~which~~ that employs ~~15~~ 10 or more individuals who are employed for an average of at least 30 hours per week during the year for one of the following reasons:

(A) the serious illness of the employee; ~~or~~

(B) the serious illness of the employee’s ~~child, stepchild or ward who lives with the employee, foster child, parent, spouse or parent of the employee’s spouse~~ family member;

(4) ~~“Parental leave” means a leave of absence from employment by an employee who works for an employer which employs 10 or more individuals who are employed for an average of at least 30 hours per week during the year for one of the following reasons:~~

(C) the employee’s pregnancy;

~~(A)~~(D) the birth of the employee’s child; or

~~(B)~~(E) the initial placement of a child ~~16~~ 18 years of age or younger with the employee for the purpose of adoption or foster care.

(4) “Family member” means:

(A) the employee’s child or foster child;

(B) a step child or ward who lives with the employee;

(C) the employee’s spouse, domestic partner, or civil union partner;

(D) the employee’s parent or the parent of the employee’s spouse, domestic partner, or civil union partner;

(E) the employee’s sibling;

(F) the employee’s grandparent;

(G) the employee’s grandchild; or

(H) a child for whom the employee stands in loco parentis or an individual who stood in loco parentis for the employee when he or she was a child.

* * *

(6) “Commissioner” means the Commissioner of Labor.

(7) “Domestic partner” has the same meaning as in 17 V.S.A. § 2414.

(8) “In loco parentis” means a child for whom the employee has day-to-day responsibilities to care for and financially support, or, in the case of the employee, an individual who had such responsibility for the employee when he or she was a child.

Sec. 9. 21 V.S.A. § 472 is amended to read:

§ 472. FAMILY LEAVE

(a) During any 12-month period, an employee shall be entitled to take unpaid leave for a period not to exceed 12 weeks for the following reasons:

(1) ~~for parental leave, during the employee's pregnancy and;~~

(2) following the birth of ~~an~~ the employee's child ~~or;~~

(3) within a year following the initial placement of a child ~~16~~ 18 years of age or younger with the employee for the purpose of adoption ~~or foster care;~~

~~(2)~~(4) ~~for family leave, for the serious illness of the employee;~~ or

(5) ~~the serious illness of the employee's child, stepchild or ward of the employee who lives with the employee, foster child, parent, spouse, or parent of the employee's spouse family member.~~

(b) During the leave, at the employee's option, the employee may use accrued sick leave ~~or,~~ vacation leave ~~or,~~ any other accrued paid leave, ~~not to exceed six weeks~~ Family and Medical Leave Insurance benefits pursuant to subchapter 13 of this chapter, or short-term disability insurance or other insurance benefits. ~~Utilization~~ Use of accrued paid leave, Family and Medical Leave Insurance benefits, or other insurance benefits shall not extend the leave provided ~~herein~~ by this section.

* * *

(d) The employer shall post and maintain in a conspicuous place in and about each of ~~his or her~~ its places of business printed notices of the provisions of this subchapter on forms provided by the Commissioner of Labor.

(e)(1) An employee shall give his or her employer reasonable written notice of intent to take family leave under this subchapter. Notice shall include the date the leave is expected to commence and the estimated duration of the leave.

(2) In the case of the adoption or birth of a child, an employer shall not require that notice be given more than six weeks prior to the anticipated commencement of the leave.

(3) In the case of an unanticipated serious illness or premature birth, the employee shall give the employer notice of the commencement of the leave as soon as practicable.

(4) In the case of serious illness of the employee or a member of the employee's family, an employer may require certification from a physician to verify the condition and the amount and necessity for the leave requested.

(5) An employee may return from leave earlier than estimated upon approval of the employer.

(6) An employee shall provide reasonable notice to the employer of his or her need to extend the leave to the extent provided by this chapter.

* * *

(h) Except for a serious illness of the employee, an employee who does not return to employment with the employer who provided the family leave shall return to the employer the value of any compensation paid to or on behalf of the employee during the leave, except payments of Family and Medical Leave Insurance benefits and payments or for accrued sick leave ~~or~~, vacation leave, or other paid leave. An employer may elect to waive the rights provided pursuant to this subsection.

Sec. 10. 21 V.S.A. § 1344 is amended to read:

§ 1344. DISQUALIFICATIONS

(a) An individual shall be disqualified for benefits:

* * *

(5) For any week with respect to which the individual is receiving or has received remuneration in the form of:

* * *

(F) Family and Medical Leave Insurance benefits pursuant to chapter 5, subchapter 13 of this title.

* * *

Sec. 11. 21 V.S.A. § 1325 is amended to read:

§ 1325. EMPLOYERS' EXPERIENCE-RATING RECORDS;
DISCLOSURE TO SUCCESSOR ENTITY

(a)(1) The Commissioner shall maintain an experience-rating record for each employer. Benefits paid shall be charged against the experience-rating record of each subject employer who provided base-period wages to the eligible individual. Each subject employer's experience-rating charge shall bear the same ratio to total benefits paid as the total base-period wages paid by that employer bear to the total base-period wages paid to the individual by all base-period employers. The experience-rating record of an individual subject base-period employer shall not be charged for benefits paid to an individual under any of the following conditions:

* * *

(G) The individual was employed by that employer as a result of another employee taking leave under chapter 5, subchapter 13 of this title, and the individual's employment was terminated as a result of the reinstatement of the other employee following his or her leave under chapter 5, subchapter 13 of this title.

* * *

Sec. 12. SELF-EMPLOYED INDIVIDUAL; OPT-IN; REPORT

On or before January 15, 2021, the Commissioner of Labor, in consultation with the insurance carrier that the State has contracted with, if any, and the Commissioners of Financial Regulation and of Taxes, shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs regarding the potential for permitting self-employed individuals to elect to obtain coverage through the Family and Medical Leave Insurance Program. In particular, the report shall examine the experience of other states that allow self-employed individuals to obtain coverage under their family and medical leave insurance programs, and the potential impact of permitting self-employed individuals to elect to obtain coverage through the Family and Medical Leave Insurance Program on the Program, contribution rates, and administrative costs. The report shall also include a recommendation for legislative action necessary to permit self-employed individuals to elect to obtain coverage through the Family and Medical Leave Insurance Program.

Sec. 13. POTENTIAL TRANSITION TO STATE-OPERATED FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM; REPORT

On or before January 15, 2023, the Commissioner of Labor, in consultation with the Commissioners of Financial Regulation and of Taxes, shall report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs regarding the potential for transitioning the Family and Medical Leave Insurance Program to a program that is fully administered and operated by the State. The report shall identify the potential costs to the State of such a transition and the amount of time necessary to successfully accomplish the transition, as well as the expected impacts on contribution rates, administrative efficiency, and the experience of employers and employees. The report shall also examine and contrast the potential benefits and drawbacks of ensuring the solvency of a program that is fully administered and operated by the State by either maintaining a reserve or obtaining reinsurance. The report shall include a recommendation regarding whether the Family and Medical Leave Insurance Program should transition to a program that is fully administered and operated by the State.

Sec. 14. 3 V.S.A. § 638 is added to read:

§ 638. FAMILY AND MEDICAL LEAVE INSURANCE

(a) All State employees shall be provided with family and medical leave insurance that satisfies the requirements of 21 V.S.A. chapter 5, subchapter 13.

(b) The State shall bargain with the appropriate collective bargaining representative for each bargaining unit of State employees to determine:

(1) whether State employees will be covered by the Family and Medical Leave Insurance Program or an alternative insurance or benefit plan established pursuant to 21 V.S.A. § 577;

(2) if the State employees will be covered by the Family and Medical Leave Insurance Program, the portion of the contribution rate established pursuant to 21 V.S.A. § 573 that the State and the employees will be responsible for; and

(3) if the State employees will be covered by an alternative insurance or benefit plan established pursuant to 21 V.S.A. § 577, the cost of the program to the employees, and the length of leave and level of wage replacement that the employees will be eligible for.

(c)(1) The contribution rate determined pursuant to subdivision (b)(2) of this section or the cost of the plan to the employees determined pursuant to subdivision (b)(3) of this section shall be the same for all State employees, regardless of whether the employees are permitted to collectively bargain pursuant to 3 V.S.A. chapter 27 or 28.

(2) The length of leave and level of wage replacement determined pursuant to subdivision (b)(3) of this section shall be the same for all State employees, regardless of whether the employees are permitted to collectively bargain pursuant to 3 V.S.A. chapter 27 or 28.

(3) Notwithstanding subdivisions (1) and (2) of this subsection, the sworn Vermont State Police Officers below the rank of Lieutenant shall not be required to have the same rate of contribution or the same cost of the plan, length of leave, and level of wage replacement as other State employees.

Sec. 15. REQUEST FOR INFORMATION; REQUEST FOR PROPOSALS;
REPORTS

(a) On or before July 15, 2019, the Commissioner of Financial Regulation shall submit a copy of the request for information to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

(b) On or before September 1, 2019, the Commissioner of Finance shall submit a brief summary of the responses to the request for information together with copies of all the responses to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance. The Commissioner of Financial Regulation may redact confidential business information from the copies of the responses to the request for information before submitting them.

(c) On or before September 15, 2019, the Commissioner of Financial Regulation shall submit a copy of the request for proposals to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

(d) On or before December 15, 2019, the Commissioner of Financial Regulation shall submit a written report summarizing the outcome of the request for proposal process to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

Sec. 16. PLAN FOR STATE OPERATION OF FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM; REPORT

In the event that the Commissioner of Financial Regulation is unable to secure a suitable insurance company to provide paid family and medical leave insurance pursuant to the provisions of 21 V.S.A. § 572(b), the Commissioner of Labor, in consultation with the Commissioners of Financial Regulation and of Taxes, shall, on or before January 15, 2020, submit a written report outlining a plan for the State to operate the Family and Medical Leave Insurance Program to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance. The report shall include a detailed explanation of how the State will implement Family and Medical Leave Insurance Program and carry out the requirements of 21 V.S.A. chapter 5, subchapter 13, including specific details and requirements related to staffing, information technology development, the development of rules and procedures, ensuring adequate reserves in the Family and Medical Leave Insurance Special Fund, and, if appropriate, the utilization of one or more third-party administrators. The report shall also include a recommendation for any legislative action necessary for the State to successfully implement the Family and Medical Leave Insurance Program.

Sec. 17. APPROPRIATIONS; POSITIONS

(a)(1) The sum of \$1,000,000.00 is appropriated from the Family and Medical Leave Insurance Special Fund to the Department of Taxes in fiscal year 2020 for temporary staffing needs related to the adoption of rules, the development of information technology systems necessary to implement the provisions of 21 V.S.A. § 574, and, if applicable, to contract with the private insurance carrier selected pursuant to 21 V.S.A. § 572 to administer the collection of Family and Medical Leave Insurance contributions.

(2) The sum of \$217,900.00 is appropriated from the Family and Medical Leave Insurance Special Fund to the Department of Labor for staffing needs related to the adoption of rules and for the development of forms, procedures, and outreach and education materials related to the Family and Medical Leave Insurance Program established pursuant to 21 V.S.A. chapter 5, subchapter 13.

(b) The establishment of one new administrator position in the Department of Labor is authorized in fiscal year 2020.

Sec. 18. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

* * *

(d) The Commissioner shall disclose a return or return information:

* * *

(7) to the Joint Fiscal Office pursuant to subsection 10503(e) of this title and subject to the conditions and limitations specified in that subsection; and

(8) to the Commissioner of Financial Regulation, the Commissioner of Labor, or the private insurance carrier contracted with by the Commissioner of Financial Regulation pursuant to 21 V.S.A. § 572, provided the information is related to the administration of the Family and Medical Leave Insurance Program created pursuant to 21 V.S.A. chapter 5, subchapter 13.

* * *

Sec. 19. 21 V.S.A. § 1314 is amended to read:

§ 1314. REPORTS AND RECORDS; SEPARATION INFORMATION;
DETERMINATION OF ELIGIBILITY; FAILURE TO REPORT
EMPLOYMENT INFORMATION; DISCLOSURE OF
INFORMATION TO OTHER STATE AGENCIES TO
INVESTIGATE MISCLASSIFICATION OR MISCODING

* * *

(e)(1) Subject to such restrictions as the Board may ~~by regulation~~ prescribe by rule, information from unemployment insurance records may be made available to any public officer or public agency of this or any other state or the federal government dealing with the administration or regulation of relief, public assistance, unemployment compensation, a system of public employment offices, wages and hours of employment, workers' compensation, misclassification or miscoding of workers, occupational safety and health, or a public works program for purposes appropriate to the necessary operation of those offices or agencies. The Commissioner may also make information available to colleges, universities, and public agencies of the State for use in connection with research projects of a public service nature, and to the Vermont Economic Progress Council with regard to the administration of 32 V.S.A. chapter 105, subchapter 2; but no person associated with those institutions or agencies may disclose that information in any manner that would reveal the identity of any individual or employing unit from or concerning whom the information was obtained by the Commissioner.

* * *

(8)(A) The Department of Labor shall disclose, upon request, to the insurance carrier that the Commissioner of Financial Regulation has contracted with to operate the Family and Medical Leave Insurance Program pursuant to section 572 of this title, any information in its records related to an identified individual that is necessary for the purpose of determining the individual's eligibility for Family and Medical Leave Insurance benefits pursuant to chapter 5, subchapter 13 of this title.

(B) The Commissioner shall enter into an agreement with the insurance carrier that governs the use of the disclosed information and complies with all requirements of 20 C.F.R. § 603.10.

(C) The information requested shall not be released unless the individual to whom the requested information relates has signed a consent form, approved by the Commissioner, that permits the release of the requested information.

(D) The requested information shall not be released unless the insurance carrier agrees to reimburse the Department of Labor for the costs involved in furnishing the requested information.

* * *

Sec. 20. POTENTIAL TRANSITION TO MANDATORY COVERAGE FOR
MEDICAL LEAVE FOR AN EMPLOYEE'S OWN SERIOUS
ILLNESS; REPORT

(a) On or before January 15, 2020, the Commissioner of Labor, in

consultation with the Commissioners of Financial Regulation and of Taxes, shall report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs regarding the potential for transitioning, not later than July 1, 2022, from voluntary, opt-in coverage for medical leave to mandatory coverage for medical leave for all employees. The report shall examine:

(1) the potential cost of such a transition;

(2) the potential impacts on contribution rates, administrative efficiency, and the experience of employers and employees;

(3) any projected changes in the usage of Family and Medical Leave Insurance benefits; and

(4) any potential changes to the agreement between the State and the private insurance carrier that the State has contracted with pursuant to 21 V.S.A. § 572 that the transition may make necessary.

(b) The report shall include a detailed description of any legislative changes that would be necessary to accomplish the transition.

(c) As used in this section:

(1) “Employee” has the same meaning as in 21 V.S.A. § 571(4).

(2) “Medical leave” has the same meaning as in 21 V.S.A. § 571(9).

Sec. 21. EFFECTIVE DATES

(a) This section and Secs. 1, 2, 4, 5, 6, 12, 13, 14, 15, 16, 17, 18, 19, and 20 shall take effect on passage.

(b) Secs. 3 and 7 shall not take effect until December 1, 2019, and shall not take effect at all if the Commissioner of Financial Regulation secures a suitable insurance carrier to provide paid family and medical leave insurance pursuant to the provisions of 21 V.S.A. § 572(b).

(c) Secs. 8, 9, 10, and 11 shall take effect on October 1, 2020.

(d)(1)(A) If the Commissioner of Financial Regulation secures a private insurance carrier pursuant to 21 V.S.A. § 572, contributions shall begin being paid pursuant to 21 V.S.A. §§ 573 and 574 on April 1, 2020, and, beginning on October 1, 2020, employees may begin to receive benefits pursuant to 21 V.S.A. chapter 5, subchapter 13.

(B) If the Commissioner of Financial Regulation is unable to secure a private insurance carrier pursuant to 21 V.S.A. § 572, contributions shall begin being paid pursuant to 21 V.S.A. §§ 573 and 574 on July 1, 2020, and, beginning on July 1, 2021, employees may begin to receive benefits pursuant to 21 V.S.A. chapter 5, subchapter 13.

(2) An employer that is subject to a collective bargaining agreement shall not be required to pay contributions or be subject to the provisions of 21 V.S.A. chapter 5, subchapter 13 until either the effective date of the next collective bargaining agreement after April 1, 2020 or the effective date of a supplement to or provision of an existing collective bargaining agreement that specifically addresses the provisions of 21 V.S.A. chapter 5, subchapter 13 in order to permit the employer and the collective bargaining representative to negotiate regarding the employer's and employees' shares of the contribution rate and whether the employer will provide benefits through an alternative plan established pursuant to 21 V.S.A. § 577.

Which was agreed to.

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

House Proposal of Amendment Concurred In with Amendment

S. 23.

House proposal of amendment to Senate bill entitled:

An act relating to increasing the minimum wage.

Was taken up.

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

Sec. 1. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

(a)(1) ~~An~~ Except as otherwise provided pursuant to subdivision (B) of this subdivision (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,~~ and on each subsequent January 1, the minimum wage rate shall be increased by two and one quarter times 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, provided that the rate of increase shall not be more than five and one half percent, until the minimum wage is equal to or greater than \$15.00. On January 1 of the first year after the minimum wage rate reaches an amount that is equal to or greater

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 . 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 pursuant to subdivision (1) of this subsection 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:

(A) service or tipped employees as defined pursuant to subsection (a) of this section; or

(B) service or tipped employees who are paid at least the federal minimum wage established pursuant to 29 U.S.C. § 206(a)(1) and non-supervisory employees who do not customarily and regularly receive more than \$120.00 per month in tips for direct and personal customer service.

(f)(1) Notwithstanding 2 V.S.A. § 20(d), on or before December 1, 2019, and on or before each subsequent December 1 until the minimum wage established pursuant to subdivision (a)(1) of this section reaches \$15.00, the Commissioner of Taxes shall submit a written report to the Governor and the

General Assembly regarding whether the inflation-adjusted revenues from the sales tax imposed pursuant to 32 V.S.A. § 9771 and the use tax imposed pursuant to 32 V.S.A. § 9773 for the 12-month period ending on September 30 of that year have decreased by two percent or more relative to the revenues from the sales tax and use tax for the 12-month period ending on September 30 of the previous year.

(2) Notwithstanding subdivision (a)(1) of this section, the minimum wage rate established pursuant to subdivision (a)(1) shall be increased by 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 or by five percent, whichever is smaller, on January 1 of the next calendar year if both of the following occur:

(A) the Commissioner of Taxes' report indicates that the inflation-adjusted revenues from the sales tax imposed pursuant to 32 V.S.A. § 9771 and the use tax imposed pursuant to 32 V.S.A. § 9773 for the 12-month period ending on September 30 of that year have decreased by two percent or more relative to the revenues from the sales tax and use tax for the 12-month period ending on September 30 of the previous year; and

(B) the official State revenue estimate for the General Fund in the current or next fiscal year has been reduced by two percent or more.

Sec. 2. 21 V.S.A. § 383 is amended to read:

§ 383. DEFINITIONS

Terms used in this subchapter have the following meanings As used in this subchapter, unless a different meaning is clearly apparent from the language or context:

(1) "Commissioner," means the Commissioner of Labor or designee.

(2) "Employee," means any individual employed or permitted to work by an employer except:

* * *

(G) ~~taxi-cab~~ taxicab drivers;

(H) outside salespersons; and

(I) secondary school students under 18 years of age working during all or any part of the school year or regular vacation periods. As used in this subdivision (2)(I), "regular vacation periods" does not include the period between two successive academic years.

(3) “Occupation,” means an industry, trade, or business or branch thereof, or a 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

(a) It is the intent of the General Assembly that investments and initiatives set forth in this section and Sec. 4 of this act are meant to complement the anticipated redesign of the Child Care Financial Assistance Program, which shall be monitored by the General Assembly.

(b) In fiscal year 2020, of the funds appropriated from the General Fund to the Department for Children and Families’ Child Development Division, \$1,250,000.00 shall be used to restore the base for the Child Care Financial Assistance Program (CCFAP) and \$6,900,000.00 shall be used to adjust the sliding fee scale and reimbursement rates in CCFAP as follows:

(1) adjust the sliding fee scale of CCFAP to ensure that families whose gross income is up to 100 percent of the current federal poverty guidelines receive 100 percent of the available benefit and that families whose gross income is between 100 and 300 percent of the current federal poverty guidelines receive between 99 and 10 percent of the available financial assistance benefit, scaling between set eligibility levels as follows:

(A) 95 percent of the available financial assistance benefit for families at 125 percent of the current federal poverty guidelines;

(B) 75 percent of the available financial assistance benefit for families at 150 percent of the current federal poverty guidelines;

(C) 50 percent of the available financial assistance benefit for families at 200 percent of the current federal poverty guidelines; and

(D) 10 percent of the available financial assistance benefit for families at 300 percent of the current federal poverty guidelines; and

(2) align rates of reimbursement for preschool and school age children participating in CCFAP in fiscal year 2020 with the market rates reported on the 2015 Vermont Market Rate Survey and maintain rates of reimbursement for infants and toddlers participating in CCFAP in fiscal year 2020 with the market rates reported on the 2017 Vermont Market Rate Survey.

Sec. 4. 33 V.S.A. § 3512(a)(4) is added to read:

(4) Beginning on January 1, 2025 and each subsequent year the minimum wage is increased thereafter, the Commissioner for Children and Families shall amend the Department for Children and Families' Child Care Financial Assistance Program to:

(A) adjust the sliding fee scale to correspond with each minimum wage increase required pursuant to 21 V.S.A. § 384(a)(1) in order to ensure that the benefit percentage at each new minimum wage level is not lower than the percentage applied under the former minimum wage; and

(B) adjust the rate of reimbursement paid to providers on behalf of families participating in the Child Care Financial Assistance Program in a manner that offsets the estimated increased cost of child care in Vermont resulting from an increase in the minimum wage required pursuant to 21 V.S.A. § 384(a)(1).

Sec. 5. INCREASES FOR EMPLOYEES OF CERTAIN MEDICAID-PARTICIPATING PROVIDERS AND INDEPENDENT DIRECT SUPPORT PROVIDERS; REPORT

(a) On or before December 15, 2019, the Secretary of Human Services, in consultation with the Joint Fiscal Office and relevant service providers, shall submit a written report to the House Committees on Appropriations, on General, Housing, and Military Affairs, on Health Care, and on Human Services and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Health and Welfare regarding the projected costs for fiscal years 2020 and 2021 of increasing Medicaid reimbursement rates to:

(1) Medicaid participating providers, including designated agencies, specialized service agencies, home health agencies, nursing homes, residential care homes, assisted living residences, and adult day agencies, by an amount necessary to facilitate the payment of wages to their employees who are providing services pursuant to the State Medicaid Program that are equal to at least the minimum wage set forth in 21 V.S.A. § 384; and

(2) independent direct support providers who are providing home- and community-based services pursuant to the State Medicaid Program to facilitate the payment of wages to those independent direct support providers that are equal to at least the minimum wage set forth in 21 V.S.A. § 384.

(b)(1) On or before August 15, 2019, the Secretary of Human Services shall request any documentation of wages and related costs that the Secretary determines to be necessary to develop the projections required pursuant to subsection (a) of this section from:

(A) Medicaid participating providers with employees who are providing services pursuant to the State Medicaid Program and earn wages that are at or near the minimum wage set forth in 21 V.S.A. § 384; and

(B) any fiscal services agency providing payroll services in relation to independent direct support providers who are providing home- and community-based services pursuant to the State Medicaid Program.

(2) Service providers and fiscal services agencies shall, on or before October 15, 2019, provide to the Secretary the documentation requested pursuant to subdivision (1) of this subsection.

(3) Any service provider that fails to provide the information requested by the Secretary pursuant to this subsection shall forfeit the right in fiscal years 2020 and 2021 to any increase in Medicaid reimbursement rates that is proposed pursuant to subsection (a) of this section.

Sec. 6. MINIMUM WAGE FOR EMPLOYERS PROVIDING BENEFITS;
STUDY COMMITTEE; REPORT

(a) Creation. There is created the Minimum Wage for Employers Providing Benefits Study Committee to examine the possibility of creating a separate minimum wage rate for employers that provide certain benefits to their employees that would increase more slowly than the standard minimum wage.

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

(1) a current member of the House of Representatives, who shall be appointed by the Speaker of the House;

(2) a current member of the Senate, who shall be appointed by the Committee on Committees;

(3) a representative of employers, who shall be appointed by the Speaker of the House;

(4) a representative of employees earning wages that are at or near the minimum wage, who shall be appointed by the Committee on Committees; and

(5) the Commissioner of Labor or designee.

(c) Powers and duties. The Committee shall study the possibility of creating a separate minimum wage rate for employers that provide certain benefits to their employees that would increase more slowly than the standard minimum wage, including the following topics:

(1) the experience of jurisdictions that have created a second minimum wage rate for employers that provide certain benefits to their employees that would increase more slowly than the standard minimum wage;

(2) the advantages and drawbacks of permitting an employer to qualify for a minimum wage rate that increases more slowly than the standard minimum wage by providing certain types of benefits, including health insurance, retirement, child care reimbursement, family and medical leave, and tuition reimbursement; and

(3) an appropriate minimum value of benefits that must be provided to qualify an employer for a second minimum wage rate that increases more slowly than the standard minimum wage.

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

(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 for legislative action.

(f) Meetings.

(1) The member from the House 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 31, 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.

(2) Other members of the Committee who are not otherwise compensated for their attendance at meetings 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.

(3) Payments to members of the Committee authorized under this subsection shall be made from monies appropriated to the General Assembly.

Sec. 7. 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. 8. TIPPED AND STUDENT MINIMUM WAGE STUDY

COMMITTEE; REPORT

(a) Creation. There is created the tipped and student minimum wage study committee to examine the effects of altering or eliminating the basic wage rate for tipped employees in Vermont and of eliminating the subminimum wage for secondary school students during the school year.

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

(1) one member of the House appointed by the Speaker of the House;

(2) one member of the Senate 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 in the food service or hospitality industry, appointed by the Speaker of the House; and

(6) one member representing tipped workers in the food service or hospitality industry, appointed by the Committee on Committees.

(c) Powers and duties. The Committee shall study the effects of altering 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 tipped wage 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 tipped wage 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 impact in states that have decoupled their tipped wage from the standard minimum wage 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;

(4) the projected impact in Vermont of altering 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

(5) 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 Office of Legislative Council and the Joint Fiscal Office.

(e) Report. On or before December 15, 2019, 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 recommendations, if any, for legislative action related to Vermont's basic wage for tipped employees and subminimum wage for secondary school students.

(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 six 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 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 six meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 9. MINIMUM WAGE FOR AGRICULTURAL WORKERS;
WORKING GROUP; REPORT

(a) Creation. There is created the Agricultural Minimum Wage Working Group to examine the wage and hour laws for agricultural workers.

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

(1) one member of the House appointed by the Speaker of the House;

(2) one member of the Senate appointed by the Committee on Committees;

(3) The Secretary of Agriculture or designee; and

(4) The Commissioner of Labor or designee.

(c) Powers and duties. The Working Group shall study the wage and hour laws for agricultural workers, including the following issues:

(1) the overlapping legal requirements of the federal Fair Labor Standards Act and Vermont's wage and hour laws with respect to agricultural employees and employers;

(2) particular issues and challenges related to federal and State wage and hour laws that Vermont's agricultural employees and employers face; and

(3) how other states have addressed similar issues and challenges in their wage and hour laws.

(d) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Office of Legislative Council.

(e) Report. On or before December 15, 2019, the Working Group shall submit a written report to the House Committees on Agriculture and on General, Housing, and Military Affairs and the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The member from the House shall call the first meeting of the Working Group 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 Working Group shall cease to exist on January 30, 2020.

(g) Compensation and reimbursement. 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 four meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 10. LEGISLATIVE COUNCIL; DRAFT LEGISLATION

On or before January 15, 2020, the Office of Legislative Council shall prepare and submit a draft bill to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs that makes statutory amendments of a technical nature to modernize the statutory language of 21 V.S.A. chapter 5, subchapter 3. The draft bill shall also identify provisions of 21 V.S.A. chapter 5, subchapter 3 that may require amendment in order to eliminate out-of-date and obsolete provisions. The Office of Legislative Council shall consult with the Commissioner of Labor to identify language requiring modernization and provisions that are out-of-date or obsolete.

Sec. 11. 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.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Sirotkin, Balint and Clarkson moved that the Senate concur in the House proposal of amendment with an amendment as follows:

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

Sec. 1. 21 V.S.A. § 384(a) is amended to read:

(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 \$12.20, 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.

Sec. 2. INCREASES FOR EMPLOYEES OF CERTAIN MEDICAID-PARTICIPATING PROVIDERS AND INDEPENDENT DIRECT SUPPORT PROVIDERS; REPORT

(a) On or before December 15, 2019, the Secretary of Human Services, in consultation with the Joint Fiscal Office and relevant service providers, shall submit a written report to the House Committees on Appropriations, on General, Housing, and Military Affairs, on Health Care, and on Human

Services and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Health and Welfare regarding the projected costs for fiscal years 2020 and 2021 of increasing Medicaid reimbursement rates to:

(1) Medicaid participating providers, including designated agencies, specialized service agencies, home health agencies, nursing homes, residential care homes, assisted living residences, and adult day agencies, by an amount necessary to facilitate the payment of wages to their employees who are providing services pursuant to the State Medicaid Program that are equal to at least the minimum wage set forth in 21 V.S.A. § 384; and

(2) independent direct support providers who are providing home- and community-based services pursuant to the State Medicaid Program to facilitate the payment of wages to those independent direct support providers that are equal to at least the minimum wage set forth in 21 V.S.A. § 384.

(b)(1) On or before August 15, 2019, the Secretary of Human Services shall request any documentation of wages and related costs that the Secretary determines to be necessary to develop the projections required pursuant to subsection (a) of this section from:

(A) Medicaid participating providers with employees who are providing services pursuant to the State Medicaid Program and earn wages that are at or near the minimum wage set forth in 21 V.S.A. § 384; and

(B) any fiscal services agency providing payroll services in relation to independent direct support providers who are providing home- and community-based services pursuant to the State Medicaid Program.

(2) Service providers and fiscal services agencies shall, on or before October 15, 2019, provide to the Secretary the documentation requested pursuant to subdivision (1) of this subsection.

(3) Any service provider that fails to provide the information requested by the Secretary pursuant to this subsection shall forfeit the right in fiscal years 2020 and 2021 to any increase in Medicaid reimbursement rates that is proposed pursuant to subsection (a) of this section.

Sec. 3. TIPPED AND STUDENT MINIMUM WAGE STUDY COMMITTEE; REPORT

(a) Creation. There is created the tipped and student minimum wage study committee to examine the effects of altering or eliminating the basic wage rate for tipped employees in Vermont and of eliminating the subminimum wage for secondary school students during the school year.

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

- (1) one member of the House appointed by the Speaker of the House;
- (2) one member of the Senate 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 in the food service or hospitality industry, appointed by the Speaker of the House; and
- (6) one member representing tipped workers in the food service or hospitality industry, appointed by the Committee on Committees.

(c) Powers and duties. The Committee shall study the effects of altering 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 tipped wage 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 tipped wage 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 impact in states that have decoupled their tipped wage from the standard minimum wage 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;
- (4) the projected impact in Vermont of altering 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

(5) 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 Office of Legislative Council and the Joint Fiscal Office.

(e) Report. On or before December 15, 2019, 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 recommendations, if any, for legislative action related to Vermont's basic wage for tipped employees and subminimum wage for secondary school students.

(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 six 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 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 six meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 4. MINIMUM WAGE FOR AGRICULTURAL WORKERS; WORKING GROUP; REPORT

(a) Creation. There is created the Agricultural Minimum Wage Working Group to examine the wage and hour laws for agricultural workers.

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

- (1) one member of the House appointed by the Speaker of the House;
- (2) one member of the Senate appointed by the Committee on Committees;
- (3) the Secretary of Agriculture or designee; and
- (4) the Commissioner of Labor or designee.

(c) Powers and duties. The Working Group shall study the wage and hour laws for agricultural workers, including the following issues:

- (1) the overlapping legal requirements of the federal Fair Labor Standards Act and Vermont's wage and hour laws with respect to agricultural employees and employers;
- (2) particular issues and challenges related to federal and State wage and hour laws that Vermont's agricultural employees and employers face; and
- (3) how other states have addressed similar issues and challenges in their wage and hour laws.

(d) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Office of Legislative Council.

(e) Report. On or before December 15, 2019, the Working Group shall submit a written report to the House Committees on Agriculture and on General, Housing, and Military Affairs and the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The member from the House shall call the first meeting of the Working Group 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 Working Group shall cease to exist on January 30, 2020.

(g) Compensation and reimbursement. 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 four meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

Which was agreed to.

Rules Suspended; Bills Messaged

On motion of Senator Mazza, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 23, H. 107, H. 542.

Message from the House No. 88

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 the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 542. An act relating to making appropriations for the support of government.

And has adopted the same on its part.

Message from the House No. 89

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

Mr. President:

I am directed to inform the Senate that the House has on its part completed the business of the first half of the Biennial session and is ready to adjourn until January 7, 2020, pursuant to the provisions of J.R.H. 6.

Joint Senate Resolution Adopted on the Part of the Senate**J.R.S. 28.**

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. 28. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, May 24, 2019, it be to meet again no later than Wednesday, May 29, 2019.

Adjournment

On motion of Senator Mazza, the Senate adjourned, to reconvene on Tuesday, May 29, 2019, at four o'clock in the afternoon pursuant to J.R.S. 28.

Monday, May 27, 2019

Pursuant to the Vermont Constitution, Chapter II, § 6, under Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, at 11:00 A.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Adjournment

The time for meeting of the Senate having arrived and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until four o'clock in the afternoon on Wednesday, May 29, 2019.

WEDNESDAY, MAY 29, 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 then led the members of the Senate in the pledge of allegiance.

Joint Resolution Adopted in Concurrence

J.R.H. 6.

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

Resolved by the Senate and House of Representatives

That when the President of the Senate and the Speaker of the House of Representatives adjourn their respective houses on the twenty fourth day of

May, 2019 they shall do so to reconvene on the seventh day of January, 2020, at ten o'clock in the forenoon.

Secretary Directed to Inform the House of Completion of Business

On motion of Senator Mazza, the Secretary was directed to inform the House that the Senate has completed the business of the session and is ready to adjourn pursuant to the provisions of J.R.H. 6.

Committee Appointed to Inform Governor of Completion of Business

On motion of Senator Mazza, the President appointed the following three Senators as members of a committee to wait upon His Excellency, Philip B. Scott, the Governor, and inform him that the Senate has completed the business of the session and is ready to adjourn pursuant to the provisions of J.R.H. 6:

Senator Balint
Senator Benning
Senator Pearson

Report of Committee

The Committee appointed to wait upon His Excellency, the Governor, to inform him that the Senate had, on its part, completed the business of the session and was ready to adjourn pursuant to the provisions of J.R.H. 6, performed the duties assigned to it and escorted the Governor to the rostrum where he delivered his remarks in person.

Remarks of Governor

The Governor, the Honorable Philip B. Scott, assumed the rostrum and briefly addressed the Senate.

Departure of Governor

The Governor, having completed the delivery of his message, was escorted from the Chamber by the committee appointed by the Chair.

Final Adjournment

On motion of Senator Mazza, at four o'clock and twenty-seven minutes in the evening (4:27 P.M.), the Senate adjourned to January 7, 2020, at ten o'clock in the forenoon, pursuant to the provisions of J.R.H. 6.

Messages Received After Final Adjournment

After final adjournment, the following messages were received by the Secretary:

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the thirtieth day of May, 2019 he approved and signed bills originating in the Senate of the following titles:

S. 43. An act relating to limiting prior authorization requirements for medication-assisted treatment.

S. 58. An act relating to the State hemp program.

S. 133. An act relating to juvenile jurisdiction.

Message from the House No. 90

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on May 28, 2019, he approved and signed bills originating in the House of the following titles:

H. 79. An act relating to eligibility for farm-to-school grant assistance.

H. 205. An act relating to the regulation of neonicotinoid pesticides.

H. 287. An act relating to small probate estates.

H. 330. An act relating to repealing the statute of limitations for civil actions based on childhood sexual abuse.

H. 526. An act relating to town clerk recording fees and town restoration and preservation reserve funds.

The Governor has informed the House that on May 30, 2019, he approved and signed bills originating in the House of the following titles:

H. 511. An act relating to criminal statutes of limitations.

H. 512. An act relating to miscellaneous court and Judiciary related amendments.

H. 518. An act relating to fair and impartial policing.

H. 543. An act relating to capital construction and State bonding.

H. 547. An act relating to approval of an amendment to the charter of the City of Montpelier.

Message from the House No. 91

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 4, 2019, he approved and signed a bill originating in the House of the following title:

H. 536. An act relating to education finance.

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the tenth day of June, 2019 he approved and signed bills originating in the Senate of the following titles:

S. 7. An act relating to social service integration with Vermont's health care system.

S. 31. An act relating to informed health care financial decision making and the consent policy for the Vermont Health Information Exchange.

S. 41. An act relating to regulating entities that administer tax-advantaged accounts for health-related expenses.

S. 73. An act relating to licensure of ambulatory surgical centers.

S. 112. An act relating to earned good time.

S. 131. An act relating to insurance and securities.

S. 134. An act relating to background investigations for State employees with access to federal tax information.

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the tenth day of June, 2019 he returned without signature and *vetoed* a bill originating in the Senate of the following title:

S. 169. An act relating to firearms procedures.

Text of Communication from Governor

The text of the communication to the Senate from His Excellency, the Governor, whereby he vetoed and returned unsigned **Senate Bill No. S. 169** to the Senate is as follows:

“June 10, 2019

The Honorable John Bloomer, Jr.
Secretary of the Senate
115 State Street
Montpelier, VT 05633-5401

Dear Secretary Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning S.169, *An act relating firearms procedures* without my signature in the time permitted by the Constitution because of my objections described herein.

Last year, I called for and signed a package of historic gun safety reforms because I believe they make schools, communities, families and individuals safer, while upholding Vermonters’ constitutional rights.

Over the last year, among other gun safety measures, we have established:

- Mandatory background check requirements;
- Extreme risk protection orders, giving families tools to remove guns from those who may harm themselves or others;
- The ability of law enforcement to remove firearms from those accused of domestic violence; and
- Requirements increasing the age to buy a firearm from 18 to 21.

With these measures in place, we must now prioritize strategies that address the underlying causes of violence and suicide. I do not believe S.169 addresses these areas.

Moving forward, I ask the Legislature to work with me to strengthen our mental health system, reduce adverse childhood experiences, combat addiction, and provide every Vermonter with hope and economic opportunity.

Sincerely,
/s/Philip B. Scott
Governor”

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the fourteenth day of June, 2019 he approved and signed a bill originating in the Senate of the following title:

S. 149. An act relating to miscellaneous changes to laws related to vehicles and the Department of Motor Vehicles.

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the seventeenth day of June, 2019 he approved and signed bills originating in the Senate of the following titles:

S. 30. An act relating to the regulation of hydrofluorocarbons.

S. 40. An act relating to testing and remediation of lead in the drinking water of schools and child care facilities.

S. 107. An act relating to elections corrections.

S. 111. An act relating to the U.S. Department of Veterans Affairs’ Airborne Hazards and Open Burn Pit Registry.

S. 113. An act relating to the management of single-use products.

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the seventeenth day of June, 2019 he returned without signature and *vetoed* a bill originating in the Senate of the following title:

S. 37. An act relating to medical monitoring.

Text of Communication from Governor

The text of the communication to the Senate from His Excellency, the Governor, whereby he vetoed and returned unsigned **Senate Bill No. S. 37** to the Senate is as follows:

“June 17, 2019

The Honorable John Bloomer, Jr.
Secretary of the Senate
115 State Street
Montpelier, VT 05633-5401

Dear Secretary Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning S.37, *An act relating to medical monitoring*, without my signature because of my objections described herein:

Since I took office, we have taken many steps to ensure safe drinking water in our communities and hold responsible parties accountable for toxic pollution, including:

- Implementing Act 55 of 2017 to hold parties that contaminate groundwater responsible for connecting impacted Vermonters to municipal water;
- Passing S.49 of 2019, which I proudly signed in May, to take the next step in Vermont’s response to PFOA and the related chemical class known as PFAS;
- Securing an agreement with St. Gobain to extend waterlines to 470 homes or businesses in Bennington and North Bennington;
- Funding to finish waterline extensions to the remaining impacted homes on the east side of Bennington;
- Funding for lead testing and remediation in all Vermont schools and childcare centers;
- Establishing long-term funding sources for phosphorous remediation in state waterways; and
- Proposing and passing an enhanced service delivery model for water quality projects.

As a state, we have shown a significant commitment to ensuring Vermonters have clean and safe water and have existing legal avenues to

pursue bad actors who jeopardize Vermonters' health – and we will continue to do so.

While we made progress this year in the discussion about medical monitoring, S.37 as passed, lacks the clarity needed by Vermont employers who our state relies on to provide good jobs. Numerous Vermont employers have expressed concerns to me, and to Legislators, that the unknown legal and financial risks, and increased liability, is problematic for continued investment in Vermont.

If Vermont manufacturers and others cannot secure insurance or cover claims, then our economy will weaken, jobs will be lost, tax revenue will decline and, ultimately, all Vermonters lose.

I continue to believe we do not have to choose between Vermonters health and the availability of jobs.

The good news is there is a path forward. The bipartisan amendment introduced by Representatives Beck, Houghton, Gannon, Bancroft and Fagan, during third reading of the bill on the House Floor on May 16, would provide affected Vermonters with a remedy based on a well-established legal test. If the Legislature makes these changes, I can support this proposal.

Based on the objections outlined above, I must return this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution. I am very confident that we are close to a solution that will benefit Vermonters without causing Vermonters to lose their jobs and harming our economy, should the Legislature choose to revisit this bill in January.

Sincerely,

/s/Philip B. Scott
Governor

PBS/kp”

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the nineteenth day of June, 2019 he approved and signed bills originating in the Senate of the following titles:

S. 55. An act relating to the regulation of toxic substances and hazardous materials.

S. 96. An act relating to the provision of water quality services.

S. 105. An act relating to miscellaneous judiciary procedures.

S. 162. An act relating to promoting economic development.

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the nineteenth day of June, 2019 he did not approve and *allowed to become law without his signature* a bill originating in the Senate of the following title:

S. 18. An act relating to consumer justice enforcement.

Text of Communication from Governor

The text of the communication to the Senate from His Excellency, the Governor, setting for his reasons for refusing to sign and *allowing to become law without his signature*, **Senate Bill No. S. 18**, is as follows:

“June 19, 2019

Vermont General Assembly
115 State Street
Montpelier, VT 05633

Dear Legislators:

Today, I am letting S.18, *an act relating to consumer justice enforcement* go into law without my signature.

I appreciate the Legislature’s work to address the concerns I expressed regarding impacts on charitable organizations, community groups, Vermont’s outdoor recreation sector, and the tech industry. With these changes, I can now support the consumer protection goals of the bill.

However, I cannot sign it because, in my view, it is technically flawed. Language which presumes the waiver of an individual’s right to a jury trial or to bring a class action to be unconscionable would likely be preempted by the Federal Arbitration Act. I am concerned this may be misleading and confusing to consumers who think they have protections that are unenforceable due to federal law. For this reason, I am letting S.18 become law without my signature and hope the Legislature will correct this issue in the future.

Sincerely,

/s/Philip B. Scott
Governor

- c: The Honorable Mitzi Johnson, Speaker of the House
The Honorable Tim Ashe, President Pro Tempore
The Honorable William MaGill, Clerk of the Vermont House of
Representatives
The Honorable John Bloomer, Secretary of the Vermont Senate”

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the twentieth day of June, 2019 he approved and signed bills originating in the Senate of the following titles:

- S. 95.** An act relating to municipal utility capital investment.
- S. 146.** An act relating to substance misuse prevention.
- S. 160.** An act relating to agricultural development.

Message from the House No. 92

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 10, 2019, he approved and signed bills originating in the House of the following titles:

- H. 57.** An act relating to preserving the right to abortion.
- H. 132.** An act relating to adopting protections against housing discrimination for victims of domestic and sexual violence.
- H. 135.** An act relating to the authority of the Agency of Digital Services.
- H. 292.** An act relating to miscellaneous natural resources and energy subjects.
- H. 508.** An act relating to approval of amendments to the charter of the Town of Bennington.

H. 514. An act relating to miscellaneous tax provisions.

The Governor has informed the House that on June 14, 2019, he approved and signed a bill originating in the House of the following title:

H. 529. An act relating to the Transportation Program and miscellaneous changes to laws related to transportation.

The Governor has informed the House that on June 17, 2019, he approved and signed bills originating in the House of the following titles:

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

H. 63. An act relating to weatherization, a Public Utility Commission proceeding, and unclaimed beverage container deposits.

H. 524. An act relating to health insurance and the individual mandate.

H. 525. An act relating to miscellaneous agricultural subjects.

The Governor has informed the House that on June 18, 2019, he approved and signed bills originating in the House of the following titles:

H. 527. An act relating to Executive Branch and Judicial Branch fees.

H. 541. An act relating to changes that affect the revenue of the State.

H. 542. An act relating to making appropriations for the support of government.

The Governor has informed the House that on June 19, 2019, he approved and signed a bill originating in the House of the following title:

H. 13. An act relating to miscellaneous amendments to alcoholic beverage and tobacco laws.

The Governor has informed the House that on June 20, 2019, he approved and signed bills originating in the House of the following titles:

H. 513. An act relating to broadband deployment throughout Vermont.

H. 533. An act relating to workforce development.

Committees Appointed After Final Adjournment**Appointment of Senate Members to Advisory Council on Child Poverty and Strengthening Families**

Pursuant to the provisions of Act No. 207. § 1(b)(1)(A) (Acts of 2017)(Adj. Sess.), the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Advisory Council on Advisory Council on Child Poverty and Strengthening Families during this biennium:

Senator Ingram
Senator McCormack
Senator McNeil

Appointment of Senate Members to the Joint Legislative Management Oversight Committee

Pursuant to the provisions of 2 V.S.A. § 451(b)(2), the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Joint Legislative Management Oversight Committee during this biennium:

Senator Ashe, *ex officio*
Senator Kitchel
Senator Mazza
Senator Benning

CERTIFICATION

“STATE OF VERMONT

Office of the Secretary of the Senate
Senate Chamber
State House
Montpelier, Vermont 05633

I hereby certify that the foregoing Journal is a true and correct record of the proceedings of the Senate of the State of Vermont for the first year of the biennial session of 2019.

This was the first year of the seventy-fifth biennial session of the General Assembly, beginning Constitutionally on the first Wednesday after the first Monday of January (being the ninth day of January, 2019), and ending on the twenty-ninth day of May, 2019.

Attest:

/s/John H. Bloomer, Jr.

JOHN H. BLOOMER, JR.
Secretary of the Senate”