

House Calendar

Saturday, May 12, 2018

130th DAY OF THE ADJOURNED SESSION

House Convenes at 1:30 P.M.

TABLE OF CONTENTS

Page No.

ACTION CALENDAR

Unfinished Business of Friday, May 11, 2018

Senate Proposal of Amendment

S. 180 An act relating to the Vermont Fair Repair Act..... 3443

NEW BUSINESS

Action Under Rule 52

H.R. 28 Requesting the U.S. Food and Drug Administration to revise its draft guidance on nutritional labeling to eliminate the added sugars listing requirement for honey and pure maple syrup..... 3443

NOTICE CALENDAR

Senate Proposal of Amendment

H. 922 Making numerous revenue changes.....3443

H. 928 Compensation for certain State employees (Pay Act)..... 3451

S. 260 An act relating to funding the cleanup of State waters.....3466

Committee of Conference Report

H. 143 Automobile insurance requirements and transportation network companies.....3479

H. 711 Employment protections for crime victims.....3480

H. 764 Data brokers and consumer protection..... 3480

H. 780 Portable rides at agricultural fairs, field days, and other similar events
..... 3501

H. 910 The Open Meeting Law and the Public Records Act..... 3506

S. 281 An act relating to the mitigation of systemic racism.....3507

Ordered to Lie

H. 219 The Vermont spaying and neutering program..... 3514

S. 267 An act relating to timing of a decree nisi in a divorce proceeding.. 3514

Action Postponed Indefinitely

H. 167 Alternative approaches to addressing low-level illicit drug use.....3514

ORDERS OF THE DAY

ACTION CALENDAR

Unfinished Business of Friday, May 11 2018

Senate Proposal of Amendment

Senate proposal of amendment to House proposal of amendment

S. 180

An act relating to the Vermont Fair Repair Act

The Senate concurs in the House proposal of amendment with the following proposal of amendment thereto:

In Sec. 2, by inserting a new subsection (e) to read:

(e) Scope. The Task Force may consider issues concerning the right to repair products beyond consumer electronic products if in the scope of its work it determines such consideration to be necessary and appropriate.

And by redesignating current subsections (e)–(h) to be alphabetically correct

(For House Proposal of Amendment see House Journal May 3, 2018)

NEW BUSINESS

Action Under Rule 52

H.R. 28

House resolution requesting the U.S. Food and Drug Administration to revise its draft guidance on nutritional labeling to eliminate the added sugars listing requirement for honey and pure maple syrup

(For text see House Journal May 11, 2018)

NOTICE CALENDAR

Senate Proposal of Amendment

H. 922

An act relating to making numerous revenue changes

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

First: After Sec. 2, by inserting a reader assistance heading and four new sections to be Secs. 2a, 2b, 2c, and 2d to read as follows:

* * * Assessment on Manufacturers of Prescription Opioids
Dispensed in Vermont * * *

Sec. 2a. 18 V.S.A. § 4754 is added to read:

§ 4754. SUBSTANCE USE DISORDER PREVENTION, TREATMENT,
AND RECOVERY FUND

(a) The Substance Use Disorder Prevention, Treatment, and Recovery Fund is established as a special fund pursuant to 32 V.S.A. chapter 7, subchapter 5. Into the Fund shall be deposited all revenue from the ratable shares assessed to manufacturers of prescription opioids dispensed in Vermont pursuant to 32 V.S.A. chapter 221.

(b) The Fund shall be administered by the Agency of Human Services and shall be used for the following purposes:

(1) preventing opioid addiction and other substance use disorders;

(2) providing substance use disorder treatment to individuals with a dependency on or addiction to opioids, other controlled substances, prescription drugs, or a combination thereof; and

(3) providing individuals with opportunities to recover safely from substance use disorder.

(c) The Commissioner of Finance and Management may anticipate receipts to the Fund and issue warrants based thereon.

Sec. 2b. 32 V.S.A. chapter 221 is added to read:

CHAPTER 221. ASSESSMENT ON MANUFACTURERS OF OPIOIDS
DISPENSED IN VERMONT

§ 9001. DEFINITIONS

As used in this chapter:

(1) “Manufacturer” means any entity that is engaged in the production, preparation, propagation, compounding, conversion, or processing of prescription opioids, or a combination thereof, whether directly or indirectly by extraction from substances of natural origin, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, or any entity engaged in the packaging, repackaging, labeling, relabeling, or distribution of prescription opioids. The term does not include a wholesale distributor of prescription opioids, a retailer, or a pharmacist licensed under 26 V.S.A. chapter 36.

(2) “Morphine milligram equivalent” or “MME” means the conversion factor used to calculate the strength of an opioid using morphine dosage as the comparative unit of measure.

(3) “Opiate” means a drug derived from the dried, condensed juice of a

poppy, Papaver somniferum, that has a narcotic, soporific, analgesic, or astringent effect, or a combination thereof.

(4) “Opioid” means an opiate or any synthetic or semisynthetic narcotic that has opiatelike activities but is not derived from opium and has effects similar to natural opium alkaloids, and any derivatives thereof.

(5) “Prescription opioid” means an opiate or opioid that is a controlled substance under 21 C.F.R. Part 1308.

(6) “Ratable share” means the proportional amount of the total amount to be assessed across all manufacturers of prescription opioids that shall be paid by each manufacturer whose prescription opioids were dispensed in Vermont.

(7) “Vermont Prescription Monitoring System” means the program established pursuant to 18 V.S.A. chapter 84A.

§ 9002. ASSESSMENT ON OPIOID MANUFACTURERS

(a)(1) There is hereby imposed an assessment upon manufacturers of prescription opioids dispensed in this State as set forth in this section.

(2) The annualized amount of revenue to be generated by the assessment each fiscal year shall be \$3,100,000.00, provided that that amount may be modified at any time by the General Assembly based on the State’s estimated funding needs for substance use disorder prevention, treatment, and recovery programs and activities.

(b)(1) The ratable share of the total assessment amount for each manufacturer of prescription opioids shall be determined by the Department of Taxes, in consultation with the Department of Health, based on the proportional share of MMEs for each manufacturer’s prescription opioids dispensed in Vermont during the same calendar quarter of the previous year, using information from the Vermont Prescription Monitoring System, to the total amount of MMEs for all prescription opioids dispensed in Vermont over the same period.

(2) The Department of Taxes shall send an invoice to each manufacturer for the assessment amount due pursuant to this section quarterly. Manufacturers of prescription opioids shall pay the assessment amount within 30 days following the date of the invoice.

(3) Manufacturers of prescription opioids dispensed in this State shall not increase the wholesale or retail price of any prescription opioid to recover or offset the cost of the assessment.

(c) The following shall be exempt from the assessment imposed under this chapter:

(1) opioids used in medication-assisted treatment for substance use disorder; and

(2) any assessment that the State is prohibited from imposing by federal law, the U.S. Constitution, or the Vermont Constitution.

(d) All revenue from the assessment imposed under this chapter, including penalties and interest, shall be deposited in the Substance Use Disorder Prevention, Treatment, and Recovery Fund established by 18 V.S.A. § 4754.

§ 9003. ADMINISTRATION OF ASSESSMENT

(a) The Commissioner of Taxes shall administer and enforce this chapter and the assessment.

(b) Except as otherwise provided in section 9004 of this title, all of the administrative provisions of chapter 151 of this title shall apply to the assessment imposed by this chapter as if it were a tax. In addition, the provisions of chapter 103 of this title, including those relating to the imposition of interest and penalty for failure to pay the assessment, shall apply to the assessment imposed by this chapter as if it were a tax.

§ 9004. DETERMINATION OF DEFICIENCY, REFUND, PENALTY, OR INTEREST

(a) Within 60 days after the mailing of a notice of deficiency, denial, or reduction of a refund claim, or assessment of penalty or interest, a manufacturer may petition the Commissioner in writing for a determination of that deficiency, refund, or assessment. The Commissioner shall thereafter grant a hearing upon the matter and notify the manufacturer in writing of his or her determination concerning the deficiency, penalty, or interest. This is the exclusive remedy of a manufacturer with respect to these matters.

(b) Any hearing granted by the Commissioner under this section shall be subject to and governed by 3 V.S.A. chapter 25.

(c) Any aggrieved manufacturer may, within 30 days after a determination by the Commissioner concerning a notice of deficiency, an assessment of penalty or interest, or a claim to refund, appeal that determination to the Washington Superior Court or to the Superior Court for any county in this State in which the manufacturer has a place of business.

§ 9005. MME DATA TO BE PROVIDED TO COMMISSIONER OF TAXES

(a) The Department of Health shall provide to the Commissioner of Taxes or designee reports of data available to the Department of Health through the Vermont Prescription Monitoring System that are necessary to determine the total amount of morphine milligram equivalents dispensed in this State during any specified time period, the amount of the dispensed morphine milligram

equivalents attributable to each manufacturer of prescription opioids, and the ratable share of the total assessment amount owed by each manufacturer of prescription opioids pursuant to this chapter.

(b) The Department of Health and the Department of Taxes shall enter into a memorandum of understanding regarding the terms by which the Department of Health shall provide the information described in subsection (a) of this section, including the timing and frequency of the data sharing, the format in which the data will be provided, and the measures to be established to ensure the confidentiality of the information provided to the Department of Taxes.

Sec. 2c. 18 V.S.A. § 4284(b)(2) is amended to read:

(2) The Department shall provide reports of data available to the Department through the VPMS only to the following persons:

* * *

(H) The Commissioner of Taxes or designee, for the purpose of determining the total amount of morphine milligram equivalents dispensed in this State during any specified time period, the amount of the dispensed morphine milligram equivalents attributable to each manufacturer of prescription opioids, and the ratable share of the total assessment amount owed by each manufacturer of prescription opioids pursuant to 32 V.S.A. chapter 221.

Sec. 2d. FISCAL YEAR 2019 APPROPRIATIONS; LEGISLATIVE
INTENT FOR FUTURE FUNDING

(a) The following sums are appropriated from the Substance Use Disorder Prevention, Treatment, and Recovery Fund in fiscal year 2019:

(1) \$188,000.00 to the Department for Children and Families to support and maintain mentoring and afterschool programs for children. It is the intent of the General Assembly to increase the funding for this purpose to \$376,000.00 in fiscal year 2020.

(2) \$215,000.00 to the Department of Health to support needle exchange programs and the distribution of naloxone. It is the intent of the General Assembly to increase the funding for this purpose to \$430,000.00 in fiscal year 2020.

(3) \$137,500.00 to the Agency of Human Services to fund two positions and the operating costs of the Governor's Opioid Coordination Council to support its efforts to reduce the demand for opioids, provide adequate and effective treatment and recovery opportunities, and reduce the supply of opioids through prevention of opioid abuse and diversion. In fiscal year 2019, the sum of \$137,500.00 in federal matching funds is also appropriated to the

Agency of Human Services, providing a total funding level of \$275,000.00 for the Governor’s Opioid Coordination Council.

(4) \$400,000.00 to the Department of Corrections for expansion of medication-assisted treatment in correctional facilities. It is the intent of the General Assembly to increase the funding for this purpose to \$800,000.00 in fiscal year 2020.

(5) \$75,000.00 to the Criminal Justice Training Council to provide law enforcement officers with specialized training related to opioid investigation and enforcement. It is the intent of the General Assembly to increase the funding for this purpose to \$100,000.00 in fiscal year 2020.

(b) In addition to the amounts identified for funding in fiscal year 2020 in subsection (a) of this section, it is also the intent of the General Assembly that, to the extent additional funds are available after fully funding the priorities specified in subdivisions (a)(1)–(4) of this section, those additional funds should be appropriated to the Agency of Human Services to increase the availability of substance use treatment services in underserved regions of the State.

(c) In order to implement any system changes needed to administer the assessment established in Sec. 2 (32 V.S.A. chapter 221), the Department of Taxes shall allocate one-time systems implementation funds as needed from the special funds appropriated in 2018 Acts and Resolves No. 87, Sec. 49 and shall allocate any additional resources needed from the funds appropriated to the Department of Taxes in the fiscal year 2019 budget. The Department of Taxes shall identify any ongoing funding required to administer the assessment in its fiscal year 2020 budget request.

Second: In Sec. 7, after the section heading “REPORT ON NONPOSTSECONDARY USE OF HIGHER EDUCATION INVESTMENT PLAN FUNDS” by striking out the word “The” and inserting in lieu thereof the following: As far as practicable, the

Third: After Sec. 7, by inserting a reader assistance heading and two new sections to be Secs. 7a and 7b to read as follows:

* * * Federal Income Tax Link and Report on Federal Tax Reform * * *

Sec. 7a. 32 V.S.A. § 5824 is amended to read:

§ 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

The statutes of the United States relating to the federal income tax, as in effect for ~~taxable year 2016~~ on December 31, 2017, but without regard to federal income tax rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the tax liability under this chapter.

Sec. 7b. FEDERAL TAX REFORM

On or before November, 15, 2018, the Office of Legislative Council, with the assistance of the Joint Fiscal Office and the Department of Taxes, shall report to the Joint Fiscal Committee, the Senate Committee on Finance, and the House Committee on Ways and Means on the federal and State implementation of changes necessitated by the Tax Cut and Jobs Act and shall identify potential areas for legislative or administrative reactions.

Fourth: In Sec. 11, amending 32 V.S.A. § 9202(10)(D), after ““Taxable meal” shall not include:”, by striking out the following:

“* * *

(ii) Food or beverage, including that described in subdivision (10)(C) of this section:

(I) served or furnished on the premises of a nonprofit corporation or association organized and operated exclusively for religious or charitable purposes, in furtherance of any of the purposes for which it was organized; with the net proceeds of the food or beverage to be used exclusively for the purposes of the corporation or association; provided, however, if the organization or association is a fire department, as defined in 24 V.S.A. § 1951, or provides emergency medical services or first responder services, as defined under 24 V.S.A. § 2651, it is not necessary that the meal be served on the premises of the organization to qualify as an exclusion from “taxable meal” under this subdivision;”

Fifth: After Sec. 13, by inserting a reader assistance heading and two new sections to be Secs. 13a and 13b to read as follows:

* * * Publicly Traded Partnerships Income Tax Withholding Exemption * * *

Sec. 13a. 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 subsection 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-Corp, 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. 13b. 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.

Sixth: By striking out Sec. 19, 32 V.S.A. § 5402, in its entirety and inserting in lieu thereof the following:

[Deleted.]

Seventh: By striking out Sec. 21, 32 V.S.A. § 5405, in its entirety and inserting in lieu thereof the following:

[Deleted.]

Eighth: By striking out Sec. 31, Effective Dates, in its entirety and inserting in lieu thereof a new Sec. 31 to read as follows:

Sec. 31. EFFECTIVE DATES

This act shall take effect on passage, except:

(1) Notwithstanding 1 V.S.A. § 214, Sec. 27 (short-term rental platform reporting) shall take effect retroactively on July 1, 2017.

(2) Notwithstanding 1 V.S.A. § 214, Sec. 7a (income tax link to the federal tax statutes) shall take effect retroactively on January 1, 2018 and apply to taxable years beginning on January 1, 2017 and after.

(3) Notwithstanding 1 V.S.A. § 214, Secs. 3–6 (Vermont higher education investment plan credit), 12 (solar energy investment tax credit), 13 (minimum corporate income tax), and 30(2) (repeal of business solar energy tax credit) shall take effect retroactively on January 1, 2018 and apply to taxable years beginning on January 1, 2018 and thereafter.

(4) Secs. 1 (municipal stormwater fees), 2 (Green Mountain Care Board billback formula), 2a (18 V.S.A. § 4754), 2c (18 V.S.A. § 4284), 2d (Substance Use Disorder Prevention, Treatment, and Recovery Fund appropriations), 7b (tax reform report), 8 (first time homebuyer program), 9 (downtown and village center tax credit), 10–10a (tax on e-cigarettes), and 11 (taxable meal exclusion) shall take effect on July 1, 2018.

(5) Secs. 14–21 (property tax sections) shall take effect on July 1, 2018 and apply to grand lists lodged after that date.

(6) Sec. 30(1) (repeal of land use change tax lien subordination) shall take effect on July 1, 2019.

(7) Sec. 2b (32 V.S.A. chapter 221) shall take effect on October 1, 2018, with the Department of Taxes sending its first quarterly ratable share invoice to manufacturers on or before January 15, 2019 based on each manufacturer's prescription opioids dispensed in Vermont during the period from October 1, 2017 through December 31, 2017.

(For text see House Journal March 22, 2018)

H. 928

An act relating to compensation for certain State employees (Pay Act)

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

* * * Executive Branch; Exempt Employees; Fiscal Years 2019 and 2020 * * *

Sec. 1. EXECUTIVE BRANCH; EXEMPT EMPLOYEES; PERMITTED SALARY INCREASES; FISCAL YEARS 2019 AND 2020

(a) Exempt employees in the Executive Branch may receive salary increases not to exceed:

(1) In Fiscal Year 2019:

(A) 1.9 percent beginning on July 8, 2018; and

(B) 1.35 percent beginning on January 6, 2019.

(2) In Fiscal Year 2020:

(A) 1.9 percent beginning on July 7, 2019; and

(B) 1.35 percent beginning on January 5, 2020.

(b) The permitted increases set forth in subsection (a) of this section are consistent with the collective bargaining agreement between the State and the Vermont State Employees' Association for classified employees in the Executive Branch, which provides for a 1.9 percent step increase in July 2018 and 2019 and a 1.35 percent across-the-board increase in January 2019 and 2020, resulting in an overall budgetary impact of 2.575 percent in Fiscal Year 2019 and of 3.25 percent in Fiscal Year 2020.

Sec. 2. EXECUTIVE BRANCH; EXEMPT AGENCY AND DEPARTMENT HEADS, DEPUTIES, AND EXECUTIVE ASSISTANTS; ANNUAL SALARY ADJUSTMENT AND SPECIAL SALARY INCREASE OR BONUS

For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), "the total rate of adjustment available to classified employees under the collective bargaining agreement" shall be the fiscal equivalent of compensation increases provided in the collective bargaining agreement, which is as follows:

(1) In Fiscal Year 2019, 2.575 percent.

(2) In Fiscal Year 2020, 3.25 percent.

* * * Executive Branch; Miscellaneous Statutory Salaries;
Fiscal Year 2019 * * *

Sec. 3. 32 V.S.A. § 1003 is amended to read:

§ 1003. STATE OFFICERS

(a) Each elective officer of the Executive Department is entitled to an annual salary as follows:

	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 10,</u> <u>2016</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 09,</u> <u>2017</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 8,</u> <u>2018</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>January 6,</u> <u>2019</u>
Governor	\$166,060	\$172,619	\$175,899	\$178,274
Lieutenant Governor	70,490	73,274	74,666	75,674
Secretary of State	105,297	109,456	111,536	113,042
State Treasurer	105,297	109,456	111,536	113,042
Auditor of Accounts	105,297	109,456	111,536	113,042
Attorney General	126,055	131,034	133,524	135,327

(b) The Governor may appoint each officer of the Executive Branch listed in this subsection at a starting salary ranging from the base salary stated for that position to a salary which that does not exceed the maximum salary unless otherwise authorized by this subsection. The maximum salary for each appointive officer shall be 50 percent above the base salary. Annually, the Governor may grant to each of those officers an annual salary adjustment subject to the maximum salary. The annual salary adjustment granted to officers under this subsection shall not exceed the average of the total rate of adjustment available to classified employees under the collective bargaining agreement then in effect. In addition to the annual salary adjustment specified in this subsection, the Governor may grant a special salary increase subject to the maximum salary, or a bonus, to any officer listed in this subsection whose job duties have significantly increased, or whose contributions to the State in the preceding year are deemed especially significant. Special salary increases or bonuses granted to any individual shall not exceed the average of the total rate of adjustment available to classified employees under the collective bargaining agreement then in effect.

(1) Heads of the following Departments and Agencies:

	<u>Base</u> <u>Salary</u> <u>as of</u> <u>July 10,</u>	<u>Base</u> <u>Salary</u> <u>as of</u> <u>July 09,</u>	<u>Base</u> <u>Salary</u> <u>as of</u> <u>July 8,</u>	<u>Base</u> <u>Salary</u> <u>as of</u> <u>January 6,</u>
--	---	---	--	---

	2016	2017	2018	2019
(A) Administration	\$100,416	\$104,382	<u>\$106,365</u>	<u>\$107,801</u>
(B) Agriculture,				
Food and Markets	100,416	104,382	<u>106,365</u>	<u>107,801</u>
(C) Financial Regulation	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(D) Buildings and General				
Services	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(E) Children and Families	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(F) Commerce and Community				
Development	100,416	104,382	<u>106,365</u>	<u>107,801</u>
(G) Corrections	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(H) Defender General	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(I) Disabilities, Aging, and				
Independent Living	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(J) Economic Development	85,154	88,518	<u>90,200</u>	<u>91,418</u>
(K) Education	100,416	104,382	<u>106,365</u>	<u>107,801</u>
(L) Environmental				
Conservation	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(M) Finance and				
Management	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(N) Fish and Wildlife	85,154	88,518	<u>90,200</u>	<u>91,418</u>
(O) Forests, Parks and				
Recreation	85,154	88,518	<u>90,200</u>	<u>91,418</u>
(P) Health	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(Q) Housing and Community				
Development	85,154	88,518	<u>90,200</u>	<u>91,418</u>
(R) Human Resources	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(S) Human Services	100,416	104,382	<u>106,365</u>	<u>107,801</u>
(T) Information and				
Innovation				
<u>Digital Services</u>	93,874	97,582	<u>106,365</u>	<u>107,801</u>

(U) Labor	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(V) Libraries	85,154	88,518	<u>90,200</u>	<u>91,418</u>
(W) Liquor Control	85,154	88,518	<u>90,200</u>	<u>91,418</u>
(X) Lottery	85,154	88,518	<u>90,200</u>	<u>91,418</u>
(Y) Mental Health	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(Z) Military	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(AA) Motor Vehicles	85,154	88,518	<u>90,200</u>	<u>91,418</u>
(BB) Natural Resources	100,416	104,382	<u>106,365</u>	<u>107,801</u>
(CC) Natural Resources Board				
Chairperson Chair	85,154	88,518	<u>90,200</u>	<u>91,418</u>
(DD) Public Safety	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(EE) Public Service	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(FF) Taxes	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(GG) Tourism and Marketing	85,154	88,518	<u>90,200</u>	<u>91,418</u>
(HH) Transportation	100,416	104,382	<u>106,365</u>	<u>107,801</u>
(II) Vermont Health Access	93,874	97,582	<u>99,436</u>	<u>100,778</u>
(JJ) Veterans' Home	93,874	97,582	<u>99,436</u>	<u>100,778</u>

(2) The Secretary of Administration may include the Director of the Office of Professional Regulation in any pay plans that may be established under the authority of subsection 1020(c) of this title, provided the minimum hiring rate does not fall below a base salary, as of July 10, 2016, of \$72,192.00 and as of July 09, 2017, of \$75,044.00 July 8, 2018 of \$76,470.00 and as of January 6, 2019 of \$77,502.00.

(3) If the Chair of the Natural Resources Board is employed on less than a full-time basis, the hiring and salary maximums for that position shall be reduced proportionately.

(4) When a permanent employee is appointed to an exempt position, the Governor may authorize such employee to retain the present salary even though it is in excess of any salary maximum provided in statute.

* * *

* * * Executive Branch; Miscellaneous Statutory Salaries;
Fiscal Year 2020 * * *

Sec. 4. 32 V.S.A. § 1003 is amended to read:

§ 1003. STATE OFFICERS

(a) Each elective officer of the Executive Department is entitled to an annual salary as follows:

	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 8,</u> <u>2018</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>January 6,</u> <u>2019</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 7,</u> <u>2019</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>January 5,</u> <u>2020</u>
Governor	\$175,899	\$178,274	\$181,661	\$184,113
Lieutenant Governor	74,666	75,674	77,112	78,153
Secretary of State	111,536	113,042	115,190	116,745
State Treasurer	111,536	113,042	115,190	116,745
Auditor of Accounts	111,536	113,042	115,190	116,745
Attorney General	133,524	135,327	137,898	139,760

(b) The Governor may appoint each officer of the Executive Branch listed in this subsection at a starting salary ranging from the base salary stated for that position to a salary that does not exceed the maximum salary unless otherwise authorized by this subsection. The maximum salary for each appointive officer shall be 50 percent above the base salary. Annually, the Governor may grant to each of those officers an annual salary adjustment subject to the maximum salary. The annual salary adjustment granted to officers under this subsection shall not exceed the average of the total rate of adjustment available to classified employees under the collective bargaining agreement then in effect. In addition to the annual salary adjustment specified in this subsection, the Governor may grant a special salary increase subject to the maximum salary, or a bonus, to any officer listed in this subsection whose job duties have significantly increased, or whose contributions to the State in the preceding year are deemed especially significant. Special salary increases or bonuses granted to any individual shall not exceed the average of the total rate of adjustment available to classified employees under the collective bargaining agreement then in effect.

(1) Heads of the following Departments and Agencies:

<u>Base</u> <u>Salary</u>	<u>Base</u> <u>Salary</u>	<u>Base</u> <u>Salary</u>	<u>Base</u> <u>Salary</u>
------------------------------	------------------------------	------------------------------	------------------------------

	as of July 8, 2018	as of January 6, 2019	as of July 7, 2019	as of January 5, 2020
(A) Administration	\$106,365	\$107,801	\$109,849	\$111,332
(B) Agriculture,				
Food and Markets	106,365	107,801	109,849	111,332
(C) Financial Regulation	99,436	100,778	102,693	104,079
(D) Buildings and General				
Services	99,436	100,778	102,693	104,079
(E) Children and Families	99,436	100,778	102,693	104,079
(F) Commerce and Community				
Development	106,365	107,801	109,849	111,332
(G) Corrections	99,436	100,778	102,693	104,079
(H) Defender General	99,436	100,778	102,693	104,079
(I) Disabilities, Aging, and				
Independent Living	99,436	100,778	102,693	104,079
(J) Economic Development	90,200	91,418	93,155	94,413
(K) Education	106,365	107,801	109,849	111,332
(L) Environmental				
Conservation	99,436	100,778	102,693	104,079
(M) Finance and				
Management	99,436	100,778	102,693	104,079
(N) Fish and Wildlife	90,200	91,418	93,155	94,413
(O) Forests, Parks and				
Recreation	90,200	91,418	93,155	94,413
(P) Health	99,436	100,778	102,693	104,079
(Q) Housing and Community				
Development	90,200	91,418	93,155	94,413
(R) Human Resources	99,436	100,778	102,693	104,079
(S) Human Services	106,365	107,801	109,849	111,332

(T) Digital Services	106,365	107,801	<u>109,849</u>	<u>111,332</u>
(U) Labor	99,436	100,778	<u>102,693</u>	<u>104,079</u>
(V) Libraries	90,200	91,418	<u>93,155</u>	<u>94,413</u>
(W) Liquor Control	90,200	91,418	<u>93,155</u>	<u>94,413</u>
(X) Lottery	90,200	91,418	<u>93,155</u>	<u>94,413</u>
(Y) Mental Health	99,436	100,778	<u>102,693</u>	<u>104,079</u>
(Z) Military	99,436	100,778	<u>102,693</u>	<u>104,079</u>
(AA) Motor Vehicles	90,200	91,418	<u>93,155</u>	<u>94,413</u>
(BB) Natural Resources	106,365	107,801	<u>109,849</u>	<u>111,332</u>
(CC) Natural Resources Board Chair	90,200	91,418	<u>93,155</u>	<u>94,413</u>
(DD) Public Safety	99,436	100,778	<u>102,693</u>	<u>104,079</u>
(EE) Public Service	99,436	100,778	<u>102,693</u>	<u>104,079</u>
(FF) Taxes	99,436	100,778	<u>102,693</u>	<u>104,079</u>
(GG) Tourism and Marketing	90,200	91,418	<u>93,155</u>	<u>94,413</u>
(HH) Transportation	106,365	107,801	<u>109,849</u>	<u>111,332</u>
(II) Vermont Health Access	99,436	100,778	<u>102,693</u>	<u>104,079</u>
(JJ) Veterans' Home	99,436	100,778	<u>102,693</u>	<u>104,079</u>

(2) The Secretary of Administration may include the Director of the Office of Professional Regulation in any pay plans that may be established under the authority of subsection 1020(c) of this title, provided the minimum hiring rate does not fall below a base salary, as of ~~July 8, 2018, of \$76,470.00 and as of January 6, 2019, of \$77,502.00~~ July 7, 2019 of \$78,975.00 and as of January 5, 2020 of \$80,041.00.

(3) If the Chair of the Natural Resources Board is employed on less than a full-time basis, the hiring and salary maximums for that position shall be reduced proportionately.

(4) When a permanent employee is appointed to an exempt position, the Governor may authorize such employee to retain the present salary even though it is in excess of any salary maximum provided in statute.

* * *

* * * Judicial Branch; Statutory Salaries; Fiscal Year 2019 * * *

Sec. 5. 32 V.S.A. § 1003(c) is amended to read:

(c) The officers of the Judicial Branch named below shall be entitled to annual salaries as follows:

	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 10,</u> <u>2016</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 09,</u> <u>2017</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 8,</u> <u>2018</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>January 6,</u> <u>2019</u>
(1) Chief Justice of Supreme Court	\$159,827	\$166,140	\$169,297	\$171,583
(2) Each Associate Justice	152,538	158,563	161,576	163,757
(3) Administrative judge	152,538	158,563	161,576	163,757
(4) Each Superior judge	145,011	150,739	153,603	155,677
(5) [Repealed.]				
(6) Each magistrate	109,337	113,656	115,815	117,379
(7) Each Judicial Bureau hearing officer	109,337	113,656	115,815	117,379

Sec. 6. 32 V.S.A. § 1141 is amended to read:

§ 1141. ASSISTANT JUDGES

(a)(1) Each assistant judge of the Superior Court shall be entitled to receive compensation in the amount of ~~\$167.63 a day as of July 10, 2016 and \$174.25 a day as of July 09, 2017~~ \$177.56 a day as of July 8, 2018 and \$179.96 a day as of January 6, 2019 for time spent in the performance of official duties and necessary expenses as allowed to classified State employees. Compensation under this section shall be based on a two-hour minimum and hourly thereafter.

* * *

Sec. 7. 32 V.S.A. § 1142 is amended to read:

§ 1142. PROBATE JUDGES

(a) The Probate judges in the several Probate Districts shall be entitled to receive the following annual salaries, which shall be paid by the State in lieu of all fees or other compensation:

<u>Annual</u>	<u>Annual</u>	<u>Annual</u>	<u>Annual</u>
---------------	---------------	---------------	---------------

	Salary as of July 10, 2016	Salary as of July 09, 2017	Salary as of July 8, 2018	Salary as of January 6, 2019
(1) Addison	\$57,169	\$59,427	\$60,556	\$61,374
(2) Bennington	72,271	75,126	76,553	77,586
(3) Caledonia	50,698	52,701	53,702	54,427
(4) Chittenden	120,608	125,372	127,754	129,479
(5) Essex	14,163	14,722	15,002	15,205
(6) Franklin	57,169	59,427	60,556	61,374
(7) Grand Isle	14,163	14,722	15,002	15,205
(8) Lamoille	39,911	41,487	42,275	42,846
(9) Orange	47,460	49,335	50,272	50,951
(10) Orleans	46,383	48,215	49,131	49,794
(11) Rutland	102,473	106,521	108,545	110,010
(12) Washington	78,741	81,851	83,406	84,532
(13) Windham	63,641	66,155	67,412	68,322
(14) Windsor	86,293	89,702	91,406	92,640

* * *

* * * Judicial Branch; Statutory Salaries; Fiscal Year 2020 * * *

Sec. 8. 32 V.S.A. § 1003(c) is amended to read:

(c) The officers of the Judicial Branch named below shall be entitled to annual salaries as follows:

	Annual Salary as of July 8, 2018	Annual Salary as of January 6, 2019	Annual Salary as of July 7, 2019	Annual Salary as of January 5, 2020
(1) Chief Justice of Supreme Court	\$169,297	\$171,583	\$174,843	\$177,203

(2) Each Associate Justice	161,576	163,757	<u>166,868</u>	<u>169,121</u>
(3) Administrative judge	161,576	163,757	<u>166,868</u>	<u>169,121</u>
(4) Each Superior judge	153,603	155,677	<u>158,635</u>	<u>160,777</u>
(5) [Repealed.]				
(6) Each magistrate	115,815	117,379	<u>119,609</u>	<u>121,224</u>
(7) Each Judicial Bureau hearing officer	115,815	117,379	<u>119,609</u>	<u>121,224</u>

Sec. 9. 32 V.S.A. § 1141 is amended to read:

§ 1141. ASSISTANT JUDGES

(a)(1) Each assistant judge of the Superior Court shall be entitled to receive compensation in the amount of ~~\$177.56 day as of July 8, 2018 and \$179.96 a day as of January 6, 2019~~ \$183.38 a day as of July 7, 2019 and \$185.86 a day as of January 5, 2020 for time spent in the performance of official duties and necessary expenses as allowed to classified State employees. Compensation under this section shall be based on a two-hour minimum and hourly thereafter.

* * *

Sec. 10. 32 V.S.A. § 1142 is amended to read:

§ 1142. PROBATE JUDGES

(a) The Probate judges in the several Probate Districts shall be entitled to receive the following annual salaries, which shall be paid by the State in lieu of all fees or other compensation:

	Annual	Annual	<u>Annual</u>	<u>Annual</u>
	Salary	Salary	<u>Salary</u>	<u>Salary</u>
	as of	as of	<u>as of</u>	<u>as of</u>
	July 8,	January 6,	<u>July 7,</u>	<u>January 5,</u>
	2018	2019	<u>2019</u>	<u>2020</u>
(1) Addison	\$60,556	\$61,374	<u>\$62,540</u>	<u>\$63,384</u>
(2) Bennington	76,553	77,586	<u>79,060</u>	<u>80,127</u>
(3) Caledonia	53,702	54,427	<u>55,461</u>	<u>56,210</u>
(4) Chittenden	127,754	129,479	<u>131,939</u>	<u>133,720</u>
(5) Essex	15,002	15,205	<u>15,494</u>	<u>15,703</u>

(6) Franklin	60,556	61,374	<u>62,540</u>	<u>63,384</u>
(7) Grand Isle	15,002	15,205	<u>15,494</u>	<u>15,703</u>
(8) Lamoille	42,275	42,846	<u>43,660</u>	<u>44,249</u>
(9) Orange	50,272	50,951	<u>51,919</u>	<u>52,620</u>
(10) Orleans	49,131	49,794	<u>50,740</u>	<u>51,425</u>
(11) Rutland	108,545	110,010	<u>112,100</u>	<u>113,613</u>
(12) Washington	83,406	84,532	<u>86,138</u>	<u>87,301</u>
(13) Windham	67,412	68,322	<u>69,620</u>	<u>70,560</u>
(14) Windsor	91,406	92,640	<u>94,400</u>	<u>95,674</u>

* * *

* * * Sheriffs; Statutory Salaries; Fiscal Year 2019 * * *

Sec. 11. 32 V.S.A. § 1182 is amended to read:

(a) The sheriffs of all counties except Chittenden shall be entitled to receive salaries in the amount of ~~\$77,672.00 as of July 10, 2016 and \$80,740.00 as of July 09, 2017~~ \$82,274.00 as of July 8, 2018 and \$83,385.00 as of January 6, 2019. The Sheriff of Chittenden County shall be entitled to an annual salary in the amount of ~~\$82,197.00 as of July 10, 2016 and \$85,444.00 as of July 09, 2017~~ \$87,067.00 as of July 8, 2018 and \$88,242.00 as of January 6, 2019.

* * *

* * * Sheriffs; Statutory Salaries; Fiscal Year 2020 * * *

Sec. 12. 32 V.S.A. § 1182 is amended to read:

§ 1182. SHERIFFS

(a) The sheriffs of all counties except Chittenden shall be entitled to receive salaries in the amount of ~~\$82,274.00 as of July 8, 2018 and \$83,385.00 as of January 6, 2019~~ \$84,969.00 as of July 7, 2019 and \$86,116.00 as of January 5, 2020. The Sheriff of Chittenden County shall be entitled to an annual salary in the amount of ~~\$87,067.00 as of July 8, 2018 and \$88,242.00 as of January 6, 2019~~ \$89,919.00 as of July 7, 2019 and \$91,133.00 as of January 5, 2020.

* * *

* * * State's Attorneys; Statutory Salaries; Fiscal Year 2019 * * *

Sec. 13. 32 V.S.A. § 1183 is amended to read:

§ 1183. STATE'S ATTORNEYS

(a) The State's Attorneys shall be entitled to receive annual salaries as follows:

	Annual Salary as of July 10, 2016	Annual Salary as of July 09, 2017	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 8,</u> <u>2018</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>January 6,</u> <u>2019</u>
(1) Addison County	\$105,064	\$109,214	\$111,289	\$112,791
(2) Bennington County	105,064	109,214	111,289	112,791
(3) Caledonia County	105,064	109,214	111,289	112,791
(4) Chittenden County	109,841	114,180	116,349	117,920
(5) Essex County	78,799	81,912	83,468	84,595
(6) Franklin County	105,064	109,214	111,289	112,791
(7) Grand Isle County	78,799	81,912	83,468	84,595
(8) Lamoille County	105,064	109,214	111,289	112,791
(9) Orange County	105,064	109,214	111,289	112,791
(10) Orleans County	105,064	109,214	111,289	112,791
(11) Rutland County	105,064	109,214	111,289	112,791
(12) Washington County	105,064	109,214	111,289	112,791
(13) Windham County	105,064	109,214	111,289	112,791
(14) Windsor County	105,064	109,214	111,289	112,791

* * *

* * * State's Attorneys; Statutory Salaries; Fiscal Year 2020 * * *

Sec. 14. 32 V.S.A. § 1183 is amended to read:

§ 1183. STATE'S ATTORNEYS

(a) The State's Attorneys shall be entitled to receive annual salaries as follows:

<u>Annual</u> <u>Salary</u>	<u>Annual</u> <u>Salary</u>	<u>Annual</u> <u>Salary</u>	<u>Annual</u> <u>Salary</u>
--------------------------------	--------------------------------	--------------------------------	--------------------------------

	as of July 8, 2018	as of January 6, 2019	as of July 7, 2019	as of January 5, 2020
(1) Addison County	\$111,289	\$112,791	\$114,934	\$116,486
(2) Bennington County	111,289	112,791	114,934	116,486
(3) Caledonia County	111,289	112,791	114,934	116,486
(4) Chittenden County	116,349	117,920	120,160	121,782
(5) Essex County	83,468	84,595	86,202	87,366
(6) Franklin County	111,289	112,791	114,934	116,486
(7) Grand Isle County	83,468	84,595	86,202	87,366
(8) Lamoille County	111,289	112,791	114,934	116,486
(9) Orange County	111,289	112,791	114,934	116,486
(10) Orleans County	111,289	112,791	114,934	116,486
(11) Rutland County	111,289	112,791	114,934	116,486
(12) Washington County	111,289	112,791	114,934	116,486
(13) Windham County	111,289	112,791	114,934	116,486
(14) Windsor County	111,289	112,791	114,934	116,486

* * *

* * * Appropriations * * *

Sec. 15. PAY ACT APPROPRIATIONS

(a) Executive Branch. The two-year agreements between the State of Vermont and the Vermont State Employees' Association for the Defender General, nonmanagement, supervisory, and corrections bargaining units for the period of July 1, 2018 through June 30, 2020; the collective bargaining agreement with the Vermont Troopers' Association for the period of July 1, 2018 through June 30, 2020; and salary increases for employees in the Executive Branch not covered by the bargaining agreements shall be funded as follows:

(1) Fiscal Year 2019.

(A) General Fund. The amount of \$6,666,000.00 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2019 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of \$1,850,000.00 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation and the Department of Public Safety to fund the fiscal year 2019 collective bargaining agreements and the requirements of this act.

(C) Other funds. The Administration shall provide additional spending authority to departments through the existing process of excess receipts to fund the fiscal year 2019 collective bargaining agreements and the requirements of this act. The estimated amounts are \$8,362,000.00 from special fund, federal, and other sources.

(D) Transfers. With due regard to the possible availability of other funds, for fiscal year 2019, the Secretary of Administration may transfer from the various appropriations and various funds and from the receipts of the Liquor Control Board such sums as the Secretary may determine to be necessary to carry out the purposes of this act to the various agencies supported by State funds.

(2) Fiscal Year 2020.

(A) General Fund. The amount of \$8,569,000.00 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2020 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of \$2,368,000.00 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation and the Department of Public Safety to fund the fiscal year 2020 collective bargaining agreements and the requirements of this act.

(C) Other funds. The administration shall provide additional spending authority to departments through the existing process of excess receipts to fund the fiscal year 2020 collective bargaining agreements and the requirements of this act. The estimated amounts are \$11,308,000.00 from special fund, federal, and other sources.

(D) Transfers. With due regard to the possible availability of other funds, for fiscal year 2020, the Secretary of Administration may transfer from the various appropriations and various funds and from the receipts of the Liquor Control Board such sums as the Secretary may determine to be necessary to carry out the purposes of this act to the various agencies supported by State funds.

(3) This section shall include sufficient funding to ensure administration of exempt pay plans authorized by 32 V.S.A. § 1020(c).

(b) Judicial Branch.

(1) The Chief Justice of the Vermont Supreme Court may extend the provisions of the Judiciary's collective bargaining agreement to Judiciary employees who are not covered by the bargaining agreement.

(2) The two-year agreements between the State of Vermont and the Vermont State Employees' Association for the judicial bargaining unit for the period of July 1, 2018 through June 30, 2020 and salary increases for employees in the Judicial Branch not covered by the bargaining agreements shall be funded as follows:

(A) Fiscal Year 2019. The amount of \$810,000.00 is appropriated from the General Fund to the Judiciary to fund the fiscal year 2019 collective bargaining agreement and the requirements of this act.

(B) Fiscal Year 2020. The amount of \$1,090,441.00 is appropriated from the General Fund to the Judiciary to fund the fiscal year 2020 collective bargaining agreement and the requirements of this act.

(c) Legislative Branch. For the period of July 1, 2018 through June 30, 2020, the General Assembly shall be funded as follows:

(1) Fiscal Year 2019. The amount of \$240,000.00 is appropriated from the General Fund to the Legislative Branch.

(2) Fiscal Year 2020. The amount of \$307,000.00 is appropriated from the General Fund to the Legislative Branch.

* * * Effective Dates * * *

Sec. 16. EFFECTIVE DATES

This act shall take effect on July 1, 2018, except that the following shall take effect on July 1, 2019:

(1) Sec. 4 (Executive Branch; Miscellaneous Statutory Salaries; Fiscal Year 2020);

(2) Secs. 8–10 (Judicial Branch; Statutory Salaries; Fiscal Year 2020);

(3) Sec. 12 (Sheriffs; Statutory Salaries; Fiscal Year 2020); and

(4) Sec. 14 (State's Attorneys; Statutory Salaries; Fiscal Year 2020).

(For text see House Journal May 4, 2018)

Senate proposal of amendment to House proposal of amendment

S. 260

An act relating to funding the cleanup of State waters

The Senate concurs in the House proposal of amendment with the following proposal of amendment thereto:

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

* * * Clean Water Board * * *

Sec. 1. 10 V.S.A. § 1389 is amended to read:

§ 1389. CLEAN WATER FUND BOARD

(a) Creation.

(1) There is created the Clean Water Fund Board ~~which~~ that shall:

(A) be responsible and accountable for planning, coordinating, and financing of the remediation, improvement, and protection of the quality of State waters;

(B) recommend to the Secretary of Administration expenditures;

(i) appropriations from the Clean Water Fund; and

(ii) clean water projects to be funded by capital appropriations.

(2) The Clean Water Fund Board shall be attached to the Agency of Administration for administrative purposes.

(b) Organization of the Board. The Clean Water Fund Board shall be composed of:

(1) the Secretary of Administration or designee;

(2) the Secretary of Natural Resources or designee;

(3) the Secretary of Agriculture, Food and Markets or designee;

(4) the Secretary of Commerce and Community Development or designee;

(5) the Secretary of Transportation or designee; and

(6) four members of the public, who are not legislators, with expertise in one or more of the following subject matters: public management, civil engineering, agriculture, ecology, wetlands, stormwater system management, forestry, transportation, law, banking, finance, and investment, to be appointed by the Governor.

(c) Officers; committees; rules; compensation; term.

(1) ~~The Clean Water Fund Board shall annually elect a chair from its members~~ Secretary of Administration shall serve as the Chair of the Board. The Clean Water Fund Board may elect additional officers from its members,

establish committees or subcommittees, and adopt procedural rules as necessary and appropriate to perform its work.

(2) Members of the Board who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 paid from the budget of the Agency of Administration for attendance of meetings of the Board.

(3) Members who are appointed to the Clean Water Board shall be appointed for terms of four years, except initial appointments shall be made such that two members appointed by the Governor shall be appointed for a term of two years. Vacancies on the Board shall be filled for the remaining period of the term in the same manner as initial appointments.

(d) Powers and duties of the Clean Water ~~Fund~~ Board. The Clean Water ~~Fund~~ Board shall have the following powers and authority:

(1) The Clean Water ~~Fund~~ Board shall recommend to the Secretary of Administration the appropriate allocation of funds from the Clean Water Fund for the purposes of developing the State budget required to be submitted to the General Assembly under 32 V.S.A. § 306. All recommendations from the Board should be intended to achieve the greatest water quality gain for the investment. The recommendations of the Clean Water Board shall be open to inspection and copying under the Public Records Act, and the Clean Water Board shall submit to the Senate Committees on Appropriations, on Finance, on Agriculture, and on Natural Resources and Energy and the House Committees on Appropriations, on Ways and Means, on Agriculture and Forestry, and on Natural Resources, Fish, and Wildlife a copy of any recommendations provided to the Governor.

(2) The Clean Water ~~Fund~~ Board may pursue and accept grants, gifts, donations, or other funding from any public or private source and may administer such grants, gifts, donations, or funding consistent with the terms of the grant, gift, or donation.

(3) The Clean Water ~~Fund~~ Board shall:

(A) establish a process by which watershed organizations, State agencies, and other interested parties may propose water quality projects or programs for financing from the Clean Water Fund;

(B) develop an annual revenue estimate and proposed budget for the Clean Water Fund;

(C) establish measures for determining progress and effectiveness of expenditures for clean water restoration efforts;

(D) issue the annual Clean Water Investment Report required under section 1389a of this title; ~~and~~

(E) solicit, consult with, and accept public comment from organizations interested in improving water quality in Vermont regarding recommendations under this subsection (d) for the allocation of funds from the Clean Water Fund; and

(F) establish a process under which a watershed organization, State agency, or other interested party may propose that a water quality project or program identified in a watershed basin plan receive funding from the Clean Water Fund.

(e) Priorities.

(1) In making recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Board shall prioritize:

(A) funding to programs and projects that address sources of water pollution in waters listed as impaired on the list of waters established by 33 U.S.C. § 1313(d);

(B) funding to projects that address sources of water pollution identified as a significant contributor of water quality pollution, including financial assistance to grant recipients at the initiation of a funded project;

(C) funding to programs or projects that address or repair riparian conditions that increase the risk of flooding or pose a threat to life or property;

(D) assistance required for State and municipal compliance with stormwater requirements for highways and roads;

(E) funding for education and outreach regarding the implementation of water quality requirements, including funding for education, outreach, demonstration, and access to tools for the implementation of the Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont, as adopted by the Commissioner of Forests, Parks and Recreation;

(F) funding for innovative or alternative technologies or practices designed to improve water quality or reduce sources of pollution to surface waters, including funding for innovative nutrient removal technologies and community-based methane digesters that utilize manure, wastewater, and food residuals to produce energy;

(G) funding to purchase agricultural land in order to take that land out of practice when the State water quality requirements cannot be remediated through agricultural Best Management Practices; ~~and~~

(H) funding to municipalities for the establishment and operation of stormwater utilities; 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 Fund Board shall, during the first three years of its existence and within the priorities established under subdivision (1) of this subsection (e), prioritize awards or assistance to municipalities for municipal compliance with water quality requirements, and to municipalities for the establishment and operation of stormwater utilities.

(3) In developing its recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Board shall, after satisfaction of the priorities established under subdivision (1) of this subsection (e), attempt to provide for equitable apportionment of awards from the Fund to all regions of the State and for control of all sources of point and non-point sources of pollution in the State investment in all watersheds of the State based on the needs identified in watershed basin plans.

(f) Assistance. The Clean Water Fund Board shall have the administrative, technical, and legal assistance of the Agency of Administration, the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, the Agency of Transportation, and the Agency of Commerce and Community Development for those issues or services within the jurisdiction of the respective agency. The cost of the services provided by agency staff shall be paid from the budget of the agency providing the staff services.

Sec. 2. 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 Fund Board and other State agencies for clean water restoration over the prior calendar year. The Report shall include expenditures from the Clean Water Fund, the General Fund, the Transportation Fund, and any other State expenditures for clean water restoration, regardless of funding source.

* * *

* * * Coordinated Water Quality Grants; Performance Grants * * *

Sec. 3. COORDINATED WATER QUALITY GRANTS

The Secretary of Natural Resources, the Secretary of Agriculture, Food and Markets, and the Secretary of Transportation shall coordinate prior to awarding water quality grants or funding in order to maximize the water quality benefit or impact of funded projects in a watershed planning basin. When grants are issued, the Secretary of Natural Resources, the Secretary of Agriculture, Food and Markets, and the Secretary of Transportation shall, when allowed by law, authorize funds or identify other funding opportunities that may be used to support capacity to implement projects in the watershed basin.

Sec. 4. 10 V.S.A. § 1253(d) is amended to read:

(d)(1) Through the process of basin planning, the Secretary shall determine what degree of water quality and classification should be obtained and maintained for those waters not classified by the Board before 1981 following the procedures in sections 1254 and 1258 of this title. Those waters shall be classified in the public interest. The Secretary shall prepare and maintain an overall surface water management plan to assure that the State water quality standards are met in all State waters. The surface water management plan shall include a schedule for updating the basin plans. The Secretary, in consultation with regional planning commissions and the Natural Resources Conservation Council, shall revise all 15 basin plans and update the basin plans on a five-year rotating basis. On or before January 15 of each year, the Secretary shall report to the House Committees on Agriculture and Forestry, ~~and on Natural Resources and Energy, and on Fish, Wildlife and Water Resources,~~ Fish, and Wildlife and to the Senate Committees on Agriculture and on Natural Resources and Energy regarding the progress made and difficulties encountered in revising basin plans. The report shall include a summary of basin planning activities in the previous calendar year, a schedule for the production of basin plans in the subsequent calendar year, and a summary of actions to be taken over the subsequent three years. 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.

(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) assure that municipal officials, citizens, watershed groups, and other interested groups and individuals are involved in the basin planning process;

(E) assure regional and local input in State water quality policy development and planning processes;

(F) provide education to municipal officials and citizens regarding the basin planning process;

(G) 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) provide for public notice of a draft basin plan; and

(I) provide for the opportunity of public comment on a draft basin plan.

(3) The Secretary shall, contingent upon the availability of funding, ~~contract with a regional planning commission or~~ 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 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 contracting negotiating a scope of work with a regional planning commission or the Vermont Association of Planning and Development Agencies or its designee and the Natural Resources Conservation Council or its designee to assist in or produce a basin plan, the Secretary may require the regional planning commission Vermont Association of Planning and Development Agencies or the Natural Resources Conservation Council 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 ~~to 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 assure ~~cost effective~~ cost-effective use of State and federal funds.

* * * Lakes in Crisis * * *

Sec. 5. 10 V.S.A. chapter 47, subchapter 2A is added to read:

Subchapter 2A. Lake in Crisis

§ 1310. DESIGNATION OF LAKE IN CRISIS

(a) The Secretary of Natural Resources (Secretary) shall review whether a lake in the State should be designated as a lake in crisis upon the Secretary's own motion or upon petition of 15 or more persons or a selectboard of a municipality in which the lake or a portion of the lake is located.

(b) The Secretary shall designate a lake as a lake in crisis if, after review under subsection (a) of this section, the Secretary determines that:

(1) the lake or segments of the lake have been listed as impaired;

(2) the condition of the lake will cause:

(A) a potential harm to the public health; and

(B) a risk of damage to the environment or natural resources; and

(3) a municipality in which the lake or a portion of the lake is located has reduced the valuation of real property due to the condition of the lake.

§ 1311. STATE RESPONSE TO A LAKE IN CRISIS

(a) Adoption of crisis response plan. When a lake is declared in crisis, the Secretary shall within 90 days after the designation of the lake in crisis issue a comprehensive crisis response plan for the management of the lake in crisis in order to improve water quality in the lake or to mitigate or eliminate the potential harm to public health or the risk of damages to the environment or natural resources. The Secretary shall coordinate with the Secretary of Agriculture, Food and Markets and the Secretary of Transportation in the development of the crisis response plan. The crisis response plan may require implementation of one or both of the following in the watershed of the lake in crisis:

(1) water quality requirements necessary to address specific harms to public health or risks to the environment or natural resources; or

(2) implementation of or compliance with existing water quality requirements under one or more of the following:

(A) water quality requirements under chapter 47 of this title, including requiring a property owner to obtain a permit or implement best management practices for the discharge of stormwater runoff from any size of impervious surfaces if the Secretary determines that the treatment of the discharge of stormwater runoff is necessary to reduce the adverse impacts to

water quality of the discharge or stormwater on the lake in crisis;

(B) agricultural water quality requirements under 6 V.S.A. chapter 215, including best management practices under 6 V.S.A. § 4810 to reduce runoff from the farm; or

(C) water quality requirements adopted under section 1264 of this section for stormwater runoff from municipal or State roads.

(b) Public hearing. The Secretary shall hold at least one public hearing in the watershed of the lake in crisis and shall provide an opportunity for public notice and comment for a proposed lake in crisis response plan.

(c) Term of designation. A lake shall remain designated as in crisis under this section until the Secretary determines that the lake no longer satisfies the criteria for designation under subsection (b) of this section.

(d) Agency cooperation and services. All other State agencies shall cooperate with the Secretary in responding to the lake in crisis, and the Secretary shall be entitled to seek technical and scientific input or services from the Agency of Agriculture, Food and Markets, the Agency of Transportation, or other necessary State agencies.

§ 1312. LAKE IN CRISIS ORDER

The Secretary, after consultation with the Secretary of Agriculture, Food and Markets, may issue a lake in crisis order as an administrative order under chapter 201 of this title to require a person to:

(1) take an action identified in the lake in crisis response plan;

(2) cease or remediate any acts, discharges, site conditions, or processes contributing to the impairment of the lake in crisis;

(3) mitigate a significant contributor of a pollutant to the lake in crisis; or

(4) conduct testing, sampling, monitoring, surveying, or other analytical operations required to determine the nature, extent, duration, or severity of the potential harm to the public health or a risk of damage to the environment or natural resources.

§ 1313. ASSISTANCE

(a) A person subject to a lake in crisis order shall be eligible for technical and financial assistance from the Secretary to be paid from the Lake in Crisis Response Program Fund. The Secretary shall adopt by procedure the process for application for assistance under this section.

(b) State financial assistance awarded under this section shall be in the

form of a grant. An applicant for a State grant shall pay at least 35 percent of the total eligible project cost. The dollar amount of a State grant shall be equal to the total eligible project cost, less 35 percent of the total as paid by the applicant, and less the amount of any federal assistance awarded.

(c) A grant awarded under this section shall comply with all terms and conditions for the issuance of State grants.

§ 1314. FUNDING OF STATE RESPONSE TO A LAKE IN CRISIS

(a) Initial response. Upon designation of a lake in crisis, the Secretary may, for the purposes of the initial response to the lake in crisis, expend up to \$50,000.00 appropriated to the Agency of Natural Resources from the Clean Water Fund for authorized contingency spending.

(b) Long-term funding. Annually, the Secretary of Natural Resources shall present to the House and Senate Committees on Appropriations a multiyear plan for the funding of all lakes designated in crisis under this subchapter. Based on the multiyear plan, the Secretary of Administration annually shall recommend to the House and Senate Committees on Appropriations recommended appropriations to the Lake in Crisis Response Program Fund for the subsequent fiscal year.

§ 1315. LAKE IN CRISIS RESPONSE PROGRAM FUND

(a) There is created a special fund known as the Lake in Crisis Response Program Fund to be administered by the Secretary of Natural Resources. The Fund shall consist of:

(1) funds that may be appropriated by the General Assembly; and

(2) other gifts, donations, or funds received from any source, public or private, dedicated for deposit into the Fund.

(b) The Secretary shall use monies deposited in the Fund for the Secretary's implementation of a crisis response plan for a lake in crisis and for financial assistance under section 1313 of this title to persons subject to a lake in crisis order.

(c) Notwithstanding the requirements of 32 V.S.A. § 588(3) and (4), interest earned by the Fund and the balance of the Fund at the end of the fiscal year shall be carried forward in the Fund and shall not revert to the General Fund.

Sec. 6. LAKE CARMİ; LAKE IN CRISIS

The General Assembly declares Lake Carmi as a lake in crisis under 10 V.S.A. chapter 47, subchapter 2A. The crisis response plan for Lake Carmi shall include implementation of runoff controls.

Sec. 7. 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:

- (1) 10 V.S.A. chapter 23, relating to air quality;
- (2) 10 V.S.A. chapter 32, relating to flood hazard areas;
- (3) 10 V.S.A. chapters 47 and 56, relating to water pollution control, water quality standards, and public water supply, and lakes in crisis;

* * *

Sec. 8. 10 V.S.A. § 8503(a) is amended to read:

(a) This chapter shall govern all appeals of an act or decision of the Secretary, excluding enforcement actions under chapters 201 and 211 of this title and rulemaking, under the following authorities and under the rules adopted under those authorities:

- (1) The following provisions of this title:
 - (A) chapter 23 (air pollution control);
 - (B) chapter 50 (aquatic nuisance control);
 - (C) chapter 41 (regulation of stream flow);
 - (D) chapter 43 (dams);
 - (E) chapter 47 (water pollution control; lakes in crisis);

* * *

* * * ANR Report on Future Farming Practices * * *

Sec. 9. AGENCY OF AGRICULTURE, FOOD AND MARKETS
REPORT ON FARMING PRACTICES IN VERMONT

(a) The Nutrient Management Commission convened by the Secretary of Agriculture, Food and Markets as a requirement of the U.S. Environmental Protection Agency's approved implementation plan for the Lake Champlain total maximum daily load plan shall review whether and how to revise farming practices in Vermont in a manner that mitigates existing environmental impacts while maintaining economic viability. In conducting its review, the Commission shall consider whether and how to:

- (1) revise farming practice to improve or build healthy soils;
- (2) reduce agriculturally based pollution in areas of high pollution,

stressed, or impaired waters;

(3) establish a carrying capacity or maximum number of livestock that the land used for nutrient application on a farm can support without contribution of nutrients to a water;

(4) provide financial and technical support to facilitate the transition by farms to less-polluting practices through one or more of the following:

(A) cover cropping;

(B) reduced tillage or no tillage;

(C) accelerated implementation of best management practices (BMPs);

(D) evaluation of the effectiveness of using riparian buffers in excess of 25 feet;

(E) increased use of direct manure injection;

(F) crop rotations to build soil health, including limits on the planting of continuous corn;

(G) elimination or reduction of the use of herbicides in the termination of cover crops; and

(H) diversification of dairy farming.

(b) On or before January 15, 2019, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committees on Natural Resources and Energy and on Agriculture and to the House Committees on Natural Resources, Fish, and Wildlife and on Agriculture and Forestry any recommendation of the Nutrient Management Commission regarding any of the farming practices or subject areas listed under subdivisions (a)(1)–(4) of this section.

* * * Petroleum Cleanup Fund * * *

Sec. 10. 10 V.S.A. § 1941(b) is amended to read:

(b) The Secretary may authorize disbursements from the Fund for the purpose of the cleanup and restoration of contaminated soil and groundwater caused by releases of petroleum from underground storage tanks and aboveground storage tanks, including air emissions for remedial actions, and for compensation of third parties for injury and damage caused by a release. This Fund shall be used for no other governmental purposes, nor shall any portion of the Fund ever be available to borrow from by any branch of government; it being the intent of the General Assembly that this Fund and its increments shall remain intact and inviolate for the purposes set out in this

chapter. Disbursements under this section may be made only for uninsured costs incurred after January 1, 1987 and for which a claim is made prior to July 1, ~~2019~~ 2029 and judged to be in conformance with prevailing industry rates. This includes:

* * *

Sec. 11. 10 V.S.A. § 1942 is amended to read:

§ 1942. PETROLEUM DISTRIBUTOR LICENSING FEE

(a) There is hereby established a licensing fee of one cent per gallon of motor fuel sold by a distributor or dealer or used by a user in this State, ~~which~~ that will be assessed against every distributor, dealer, or user as defined in 23 V.S.A. chapters 27 and 28, and ~~which~~ that will be deposited into the Petroleum Cleanup Fund established pursuant to subsection 1941(a) of this title. The Secretary, in consultation with the Petroleum Cleanup Fund Advisory Committee established pursuant to subsection 1941(e) of this title, shall annually report to the General Assembly on the balance of the Motor Fuel Account and shall make recommendations, if any, for changes to the program. The Secretary shall also determine the unencumbered balance of the Motor Fuel Account as of May 15 of each year, and if the balance is equal to or greater than \$7,000,000.00, then the licensing fee shall not be assessed in the upcoming fiscal year. The Secretary shall promptly notify all sellers assessing this fee of the status of the fee for the upcoming fiscal year. This fee ~~will~~ shall be paid in the same manner, at the same time, and subject to the same restrictions or limitations as the tax on motor fuels. The fee ~~will~~ shall be collected by the Commissioner of Motor Vehicles and deposited into the Petroleum Cleanup Fund. This fee requirement shall terminate on April 1, ~~2021~~ 2031.

(b) There is assessed a licensing fee of one cent per gallon for the bulk retail sale of heating oil, kerosene, or other dyed diesel fuel sold in this State. This fee shall be subject to the collection, administration, and enforcement provisions of 32 V.S.A. chapter 233, and the fees collected under this subsection by the Commissioner of Taxes shall be deposited into the Petroleum Cleanup Fund established pursuant to subsection 1941(a) of this title. The Secretary, in consultation with the Petroleum Cleanup Fund Advisory Committee established pursuant to subsection 1941(e) of this title, shall annually report to the General Assembly on the balance of the Heating Fuel Account and shall make recommendations, if any, for changes to the program. The Secretary shall also determine the unencumbered balance of the Heating Fuel Account as of May 15 of each year, and if the balance is equal to or greater than \$3,000,000.00, then the licensing fee shall not be assessed in the upcoming fiscal year. The Secretary shall promptly notify all sellers assessing

this fee of the status of the fee for the upcoming fiscal year. This fee provision shall terminate on April 1, 2021 2031.

Sec. 12. 10 V.S.A. § 1943(c) is amended to read:

(c) This tank assessment shall terminate on July 1, ~~2019~~ 2029.

* * * Effective Date * * *

Sec. 13. EFFECTIVE DATE

This act shall take effect on passage.

(For House Proposal of Amendment see House Journal May 4, 2018)

Committee of Conference Report

H. 143

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

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

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and concur in the House proposal of amendment with further amendments as follows:

First: In Sec. 2, 23 V.S.A. chapter 10, in § 750(b)(3), by striking out subdivision (A) in its entirety and by inserting in lieu thereof a new subdivision (A) to read as follows:

(A) The following automobile insurance requirements shall apply while a driver is engaged in a prearranged ride:

(i) primary automobile liability insurance that provides at least \$1,000,000.00 for death, bodily injury, and property damage;

(ii) uninsured and underinsured motorist coverage that provides at least \$1,000,000.00 for death, bodily injury, and property damage; and

(iii) \$5,000.00 in medical payments coverage (Med Pay).

Second: In Sec. 2, 23 V.S.A. chapter 10, in § 751(c)(3), by striking out the word "seven" and by inserting in lieu thereof five

RICHARD W. SEARS

*JOSEPH C. BENNING
DEBORAH J. INGRAM*

*Committee on the part of the
Senate*

*JEAN D. O'SULLIVAN
MICHAEL J. MARCOTTE
CHARLES A. KIMBELL*

Committee on the part of the House

H. 711.

An act relating to employment protections for crime victims.

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

Respectfully reports that it has met and considered the same and recommends that the House accede to the Senate proposals of amendment and that the bill be further amended in Sec. 4, 21 V.S.A. § 495o (volunteer emergency responders) by striking out the section in its entirety and renumbering the remaining section to be numerically correct.

*REBECCA A. BALINT
ALICE W. NITKA
DAVID J. SOUCY*

*Committee on the part of the
Senate*

*HELEN J. HEAD
THOMAS S. STEVENS
VICKI M. STRONG*

Committee on the part of the House

H. 764.

An act relating to data brokers and consumer protection.

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. 764. An act relating to data brokers and consumer protection.

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. FINDINGS AND INTENT

(a) The General Assembly finds the following:

(1) Providing consumers with more information about data brokers, their data collection practices, and the right to opt out.

(A) While many different types of business collect data about consumers, a “data broker” is in the business of aggregating and selling data about consumers with whom the business does not have a direct relationship.

(B) A data broker collects many hundreds or thousands of data points about consumers from multiple sources, including: Internet browsing history; online purchases; public records; location data; loyalty programs; and subscription information. The data broker then scrubs the data to ensure accuracy; analyzes the data to assess content; and packages the data for sale to a third party.

(C) Data brokers provide information that is critical to services offered in the modern economy, including: targeted marketing and sales; credit reporting; background checks; government information; risk mitigation and fraud detection; people search; decisions by banks, insurers, or others whether to provide services; ancestry research; and voter targeting and strategy by political campaigns.

(D) While data brokers offer many benefits, there are also risks associated with the widespread aggregation and sale of data about consumers, including risks related to consumers’ ability to know and control information held and sold about them and risks arising from the unauthorized or harmful acquisition and use of consumer information.

(E) There are important differences between “data brokers” and businesses with whom consumers have a direct relationship.

(i) Consumers who have a direct relationship with traditional and e-commerce businesses may have some level of knowledge about and control over the collection of data by those business, including: the choice to use the business’s products or services; the ability to review and consider data collection policies; the ability to opt out of certain data collection practices; the ability to identify and contact customer representatives; the ability to pursue contractual remedies through litigation; and the knowledge necessary to complain to law enforcement.

(ii) By contrast, consumers may not be aware that data brokers exist, who the companies are, or what information they collect, and may not be aware of available recourse.

(F) The State of Vermont has the legal authority and duty to exercise its traditional “Police Powers” to ensure the public health, safety, and welfare, which includes both the right to regulate businesses that operate in the State and engage in activities that affect Vermont consumers as well as the right to require disclosure of information to protect consumers from harm.

(G) To provide consumers with necessary information about data brokers, Vermont should adopt a narrowly tailored definition of “data broker” and require data brokers to register annually with the Secretary of State and provide information about their data collection activities, opt-out policies, purchaser credentialing practices, and security breaches.

(2) Ensuring that data brokers have adequate security standards.

(A) News headlines in the past several years demonstrate that large and sophisticated businesses, governments, and other public and private institutions are constantly subject to cyberattacks, which have compromised sensitive personal information of literally billions of consumers worldwide.

(B) While neither government nor industry can prevent every security breach, the State of Vermont has the authority and the duty to enact legislation to protect its consumers where possible.

(C) One approach to protecting consumer data has been to require government agencies and certain regulated businesses to adopt an “information security program” that has “appropriate administrative, technical, and physical safeguards to ensure the security and confidentiality of records” and “to protect against any anticipated threats or hazards to their security or integrity which could result in substantial harm.” Federal Privacy Act; 5 U.S.C. § 552a.

(D) The requirement to adopt such an information security program currently applies to “financial institutions” subject to the Gramm-Leach-Bliley Act, 15 U.S.C. § 6801 et seq; to certain entities regulated by the Vermont Department of Financial Regulation pursuant to rules adopted by the Department; to persons who maintain or transmit health information regulated by the Health Insurance Portability and Accountability Act; and to various types of businesses under laws in at least 13 other states.

(E) Vermont can better protect its consumers from data broker security breaches and related harm by requiring data brokers to adopt an information security program with appropriate administrative, technical, and physical safeguards to protect sensitive personal information.

(3) Prohibiting the acquisition of personal information through

fraudulent means or with the intent to commit wrongful acts.

(A) One of the dangers of the broad availability of sensitive personal information is that it can be used with malicious intent to commit wrongful acts, such as stalking, harassment, fraud, discrimination, and identity theft.

(B) While various criminal and civil statutes prohibit these wrongful acts, there is currently no prohibition on acquiring data for the purpose of committing such acts.

(C) Vermont should create new causes of action to prohibit the acquisition of personal information through fraudulent means, or for the purpose of committing a wrongful act, to enable authorities and consumers to take action.

(4) Removing financial barriers to protect consumer credit information.

(A) In one of several major security breaches that have occurred in recent years, the names, Social Security numbers, birth dates, addresses, driver's license numbers, and credit card numbers of over 145 million Americans were exposed, including over 247,000 Vermonters.

(B) In response to concerns about data security, identity theft, and consumer protection, the Vermont Attorney General and the Department of Financial Regulation have outlined steps a consumer should take to protect his or her identity and credit information. One important step a consumer can take is to place a security freeze on his or her credit file with each of the national credit reporting agencies.

(C) Under State law, when a consumer places a security freeze, a credit reporting agency issues a unique personal identification number or password to the consumer. The consumer must provide the PIN or password, and his or her express consent, to allow a potential creditor to access his or her credit information.

(D) Except in cases of identity theft, current Vermont law allows a credit reporting agency to charge a fee of up to \$10.00 to place a security freeze, and up to \$5.00 to lift temporarily or remove a security freeze.

(E) Vermont should exercise its authority to prohibit these fees to eliminate any financial barrier to placing or removing a security freeze.

(b) Intent.

(1) Providing consumers with more information about data brokers, their data collection practices, and the right to opt out. It is the intent of the General Assembly to provide Vermonters with access to more information about the data brokers that collect consumer data and their collection practices by:

(A) adopting a narrowly tailored definition of “data broker” that:

(i) includes only those businesses that aggregate and sell the personal information of consumers with whom they do not have a direct relationship; and

(ii) excludes businesses that collect information from their own customers, employees, users, or donors, including: banks and other financial institutions; utilities; insurers; retailers and grocers; restaurants and hospitality businesses; social media websites and mobile “apps”; search websites; and businesses that provide services for consumer-facing businesses and maintain a direct relationship with those consumers, such as website, “app,” and e-commerce platforms; and

(B) requiring a data broker to register annually with the Secretary of State and make certain disclosures in order to provide consumers, policy makers, and regulators with relevant information.

(2) Ensuring that data brokers have adequate security standards. It is the intent of the General Assembly to protect against potential cyber threats by requiring data brokers to adopt an information security program with appropriate technical, physical, and administrative safeguards.

(3) Prohibiting the acquisition of personal information with the intent to commit wrongful acts. It is the intent of the General Assembly to protect Vermonters from potential harm by creating new causes of action that prohibit the acquisition or use of personal information for the purpose of stalking, harassment, fraud, identity theft, or discrimination.

(4) Removing financial barriers to protect consumer credit information. It is the intent of the General Assembly to remove any financial barrier for Vermonters who wish to place a security freeze on their credit report by prohibiting credit reporting agencies from charging a fee to place or remove a freeze.

Sec. 2. 9 V.S.A. chapter 62 is amended to read:

CHAPTER 62. PROTECTION OF PERSONAL INFORMATION

Subchapter 1. General Provisions

§ 2430. DEFINITIONS

~~The following definitions shall apply throughout this chapter unless otherwise required~~ As used in this chapter:

(1)(A) “Brokered personal information” means one or more of the following computerized data elements about a consumer, if categorized or organized for dissemination to third parties:

(i) name;

(ii) address;

(iii) date of birth;

(iv) place of birth;

(v) mother's maiden name;

(vi) 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;

(vii) name or address of a member of the consumer's immediate family or household;

(viii) Social Security number or other government-issued identification number; or

(ix) other information that, alone or in combination with the other information sold or licensed, would allow a reasonable person to identify the consumer with reasonable certainty.

(B) "Brokered personal information" does not include publicly available information to the extent that it is related to a consumer's business or profession.

(2) "Business" means a commercial entity, including a sole proprietorship, partnership, corporation, association, limited liability company, or other group, however organized and whether or not organized to operate at a profit, including a financial institution organized, chartered, or holding a license or authorization certificate under the laws of this State, any other state, the United States, or any other country, or the parent, affiliate, or subsidiary of a financial institution, but in no case shall it does not include the State, a State agency, or any political subdivision of the State, or a vendor acting solely on behalf of, and at the direction of, the State.

(2)(3) "Consumer" means an individual residing in this State.

(4)(A) "Data broker" means a business, or unit or units of a business, separately or together, that knowingly collects and sells or licenses to third parties the brokered personal information of a consumer with whom the business does not have a direct relationship.

(B) Examples of a direct relationship with a business include if the consumer is a past or present:

(i) customer, client, subscriber, user, or registered user of the business's goods or services;

(ii) employee, contractor, or agent of the business;

(iii) investor in the business; or

(iv) donor to the business.

(C) The following activities conducted by a business, and the collection and sale or licensing of brokered personal information incidental to conducting these activities, do not qualify the business as a data broker:

(i) developing or maintaining third-party e-commerce or application platforms;

(ii) providing 411 directory assistance or directory information services, including name, address, and telephone number, on behalf of or as a function of a telecommunications carrier;

(iii) providing publicly available information related to a consumer's business or profession; or

(iv) providing publicly available information via real-time or near-real-time alert services for health or safety purposes.

(D) The phrase "sells or licenses" does not include:

(i) a one-time or occasional sale of assets of a business as part of a transfer of control of those assets that is not part of the ordinary conduct of the business; or

(ii) a sale or license of data that is merely incidental to the business.

(5)(A) "Data broker security breach" means an unauthorized acquisition or a reasonable belief of an unauthorized acquisition of more than one element of brokered personal information maintained by a data broker when the brokered personal information is not encrypted, redacted, or protected by another method that renders the information unreadable or unusable by an unauthorized person.

(B) "Data broker security breach" does not include good faith but unauthorized acquisition of brokered personal information by an employee or agent of the data broker for a legitimate purpose of the data broker, provided that the brokered personal information is not used for a purpose unrelated to the data broker's business or subject to further unauthorized disclosure.

(C) In determining whether brokered personal information has been acquired or is reasonably believed to have been acquired by a person without

valid authorization, a data broker may consider the following factors, among others:

(i) indications that the brokered personal 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 brokered personal information;

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

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

(iv) that the brokered personal information has been made public.

~~(3)(6)~~ “Data collector” may include the State, State agencies, political subdivisions of the State, public and private universities, privately and publicly held corporations, limited liability companies, financial institutions, retail operators, and any other entity that, means a person who, for any purpose, whether by automated collection or otherwise, handles, collects, disseminates, or otherwise deals with nonpublic personal information 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.

~~(4)(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.

~~(5)(9)(A)~~ “Personally identifiable information” means an individual’s a consumer’s first name or first initial and last name in combination with any one or more of the following digital data elements, when either the name or the data elements are not encrypted or redacted or protected by another method that renders them unreadable or unusable by unauthorized persons:

(i) Social Security number;

(ii) motor vehicle operator’s license number or nondriver identification card number;

(iii) financial account number or credit or debit card number, if

circumstances exist in which the number could be used without additional identifying information, access codes, or passwords;

(iv) account passwords or personal identification numbers or other access codes for a financial account.

(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.

~~(6)~~(10) “Records Record” means any material on which written, drawn, spoken, visual, or electromagnetic information is recorded or preserved, regardless of physical form or characteristics.

~~(7)~~(11) “Redaction” means the rendering of data so that it is the data are unreadable or is are truncated so that no more than the last four digits of the identification number are accessible as part of the data.

~~(8)~~(12)(A) “Security breach” means unauthorized acquisition of₂ electronic data or a reasonable belief of an unauthorized acquisition of₂ electronic data that compromises the security, confidentiality, or integrity of a consumer’s personally identifiable information maintained by ~~the~~ a data collector.

(B) “Security breach” does not include good faith but unauthorized acquisition of personally identifiable information by an employee or agent of the data collector for a legitimate purpose of the data collector, provided that the personally identifiable information is 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 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.

§ 2433. ACQUISITION OF BROKERED PERSONAL INFORMATION;

PROHIBITIONS

(a) Prohibited acquisition and use.

(1) A person shall not acquire brokered personal information through fraudulent means.

(2) A person shall not acquire or use brokered personal information for the purpose of:

(A) stalking or harassing another person;

(B) committing a fraud, including identity theft, financial fraud, or e-mail fraud; or

(C) engaging in unlawful discrimination, including employment discrimination and housing discrimination.

(b) Enforcement.

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

(2) The Attorney General has the same authority to adopt rules to implement the provisions of this section and to conduct civil investigations, enter into assurances of discontinuance, bring civil actions, and take other enforcement actions as provided under chapter 63, subchapter 1 of this title.

* * *

Subchapter 5. Data Brokers

§ 2446. ANNUAL REGISTRATION

(a) Annually, on or before January 31 following a year in which a person meets the definition of data broker as provided in section 2430 of this title, a data broker shall:

(1) register with the Secretary of State;

(2) pay a registration fee of \$100.00; and

(3) provide the following information:

(A) the name and primary physical, e-mail, and Internet addresses of the data broker;

(B) if the data broker permits a consumer to opt out of the data broker's collection of brokered personal information, opt out of its databases, or opt out of certain sales of data:

(i) the method for requesting an opt-out;

(ii) if the opt-out applies to only certain activities or sales, which

ones; and

(iii) whether the data broker permits a consumer to authorize a third party to perform the opt-out on the consumer's behalf;

(C) a statement specifying the data collection, databases, or sales activities from which a consumer may not opt out;

(D) a statement whether the data broker implements a purchaser credentialing process;

(E) the number of data broker security breaches that the data broker has experienced during the prior year, and if known, the total number of consumers affected by the breaches;

(F) where the data broker has actual knowledge that it possesses the brokered personal information of minors, a separate statement detailing the data collection practices, databases, sales activities, and opt-out policies that are applicable to the brokered personal information of minors; and

(G) any additional information or explanation the data broker chooses to provide concerning its data collection practices.

(b) A data broker that fails to register pursuant to subsection (a) of this section is liable to the State for:

(1) a civil penalty of \$50.00 for each day, not to exceed a total of \$10,000.00 for each year, it fails to register pursuant to this section;

(2) an amount equal to the fees due under this section during the period it failed to register pursuant to this section; and

(3) other penalties imposed by law.

(c) The Attorney General may maintain an action in the Civil Division of the Superior Court to collect the penalties imposed in this section and to seek appropriate injunctive relief.

§ 2447. DATA BROKER DUTY TO PROTECT INFORMATION;
STANDARDS; TECHNICAL REQUIREMENTS

(a) Duty to protect personally identifiable information.

(1) A data broker shall develop, implement, and maintain a comprehensive information security program that is written in one or more readily accessible parts and contains administrative, technical, and physical safeguards that are appropriate to:

(A) the size, scope, and type of business of the data broker obligated to safeguard the personally identifiable information under such comprehensive information security program;

(B) the amount of resources available to the data broker;

(C) the amount of stored data; and

(D) the need for security and confidentiality of personally identifiable information.

(2) A data broker subject to this subsection shall adopt safeguards in the comprehensive security program that are consistent with the safeguards for protection of personally identifiable information and information of a similar character set forth in other State rules or federal regulations applicable to the data broker.

(b) Information security program; minimum features. A comprehensive information security program shall at minimum have the following features:

(1) designation of one or more employees to maintain the program;

(2) identification and assessment of reasonably foreseeable internal and external risks to the security, confidentiality, and integrity of any electronic, paper, or other records containing personally identifiable information, and a process for evaluating and improving, where necessary, the effectiveness of the current safeguards for limiting such risks, including:

(A) ongoing employee training, including training for temporary and contract employees;

(B) employee compliance with policies and procedures; and

(C) means for detecting and preventing security system failures;

(3) security policies for employees relating to the storage, access, and transportation of records containing personally identifiable information outside business premises;

(4) disciplinary measures for violations of the comprehensive information security program rules;

(5) measures that prevent terminated employees from accessing records containing personally identifiable information;

(6) supervision of service providers, by:

(A) taking reasonable steps to select and retain third-party service providers that are capable of maintaining appropriate security measures to protect personally identifiable information consistent with applicable law; and

(B) requiring third-party service providers by contract to implement and maintain appropriate security measures for personally identifiable information;

(7) reasonable restrictions upon physical access to records containing

personally identifiable information and storage of the records and data in locked facilities, storage areas, or containers;

(8)(A) regular monitoring to ensure that the comprehensive information security program is operating in a manner reasonably calculated to prevent unauthorized access to or unauthorized use of personally identifiable information; and

(B) upgrading information safeguards as necessary to limit risks;

(9) regular review of the scope of the security measures:

(A) at least annually; or

(B) whenever there is a material change in business practices that may reasonably implicate the security or integrity of records containing personally identifiable information; and

(10)(A) documentation of responsive actions taken in connection with any incident involving a breach of security; and

(B) mandatory post-incident review of events and actions taken, if any, to make changes in business practices relating to protection of personally identifiable information.

(c) Information security program; computer system security requirements. A comprehensive information security program required by this section shall at minimum, and to the extent technically feasible, have the following elements:

(1) secure user authentication protocols, as follows:

(A) an authentication protocol that has the following features:

(i) control of user IDs and other identifiers;

(ii) a reasonably secure method of assigning and selecting passwords or use of unique identifier technologies, such as biometrics or token devices;

(iii) control of data security passwords to ensure that such passwords are kept in a location and format that do not compromise the security of the data they protect;

(iv) restricting access to only active users and active user accounts; and

(v) blocking access to user identification after multiple unsuccessful attempts to gain access; or

(B) an authentication protocol that provides a higher level of security than the features specified in subdivision (A) of this subdivision (c)(1).

(2) secure access control measures that:

(A) restrict access to records and files containing personally identifiable information to those who need such information to perform their job duties; and

(B) assign to each person with computer access unique identifications plus passwords, which are not vendor-supplied default passwords, that are reasonably designed to maintain the integrity of the security of the access controls or a protocol that provides a higher degree of security;

(3) encryption of all transmitted records and files containing personally identifiable information that will travel across public networks and encryption of all data containing personally identifiable information to be transmitted wirelessly or a protocol that provides a higher degree of security;

(4) reasonable monitoring of systems for unauthorized use of or access to personally identifiable information;

(5) encryption of all personally identifiable information stored on laptops or other portable devices or a protocol that provides a higher degree of security;

(6) for files containing personally identifiable information on a system that is connected to the Internet, reasonably up-to-date firewall protection and operating system security patches that are reasonably designed to maintain the integrity of the personally identifiable information or a protocol that provides a higher degree of security;

(7) reasonably up-to-date versions of system security agent software that must include malware protection and reasonably up-to-date patches and virus definitions, or a version of such software that can still be supported with up-to-date patches and virus definitions and is set to receive the most current security updates on a regular basis or a protocol that provides a higher degree of security; and

(8) education and training of employees on the proper use of the computer security system and the importance of personally identifiable information security.

(d) Enforcement.

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

(2) The Attorney General has the same authority to adopt rules to implement the provisions of this chapter and to conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as provided under chapter 63, subchapter 1 of this title.

Sec. 3. 9 V.S.A. § 2480b is amended to read:

§ 2480b. DISCLOSURES TO CONSUMERS

(a) A credit reporting agency shall, upon request and proper identification of any consumer, clearly and accurately disclose to the consumer all information available to users at the time of the request pertaining to the consumer, including:

(1) any credit score or predictor relating to the consumer, in a form and manner that complies with such comments or guidelines as may be issued by the Federal Trade Commission;

(2) the names of users requesting information pertaining to the consumer during the prior 12-month period and the date of each request; and

(3) a clear and concise explanation of the information.

(b) As frequently as new telephone directories are published, the credit reporting agency shall cause to be listed its name and number in each telephone directory published to serve communities of this State. In accordance with rules adopted by the Attorney General, the credit reporting agency shall make provision for consumers to request by telephone the information required to be disclosed pursuant to subsection (a) of this section at no cost to the consumer.

(c) Any time a credit reporting agency is required to make a written disclosure to consumers pursuant to 15 U.S.C. § 1681g, it shall disclose, in at least 12 point type, and in bold type as indicated, the following notice:

“NOTICE TO VERMONT CONSUMERS

(1) Under Vermont law, you are allowed to receive one free copy of your credit report every 12 months from each credit reporting agency. If you would like to obtain your free credit report from [INSERT NAME OF COMPANY], you should contact us by [[writing to the following address: [INSERT ADDRESS FOR OBTAINING FREE CREDIT REPORT]] or [calling the following number: [INSERT TELEPHONE NUMBER FOR OBTAINING FREE CREDIT REPORT]],₂ or both].

(2) Under Vermont law, no one may access your credit report without your permission except under the following limited circumstances:

(A) in response to a court order;

(B) for direct mail offers of credit;

(C) if you have given ongoing permission and you have an existing relationship with the person requesting a copy of your credit report;

(D) where the request for a credit report is related to an education loan made, guaranteed, or serviced by the Vermont Student Assistance Corporation;

(E) where the request for a credit report is by the Office of Child Support Services when investigating a child support case;

(F) where the request for a credit report is related to a credit transaction entered into prior to January 1, 1993; ~~and or~~

(G) where the request for a credit report is by the Vermont State Tax Department of Taxes and is used for the purpose of collecting or investigating delinquent taxes.

(3) If you believe a law regulating consumer credit reporting has been violated, you may file a complaint with the Vermont Attorney General's Consumer Assistance Program, 104 Morrill Hall, University of Vermont, Burlington, Vermont 05405.

Vermont Consumers Have the Right to Obtain a Security Freeze

You have a right to place a "security freeze" on your credit report pursuant to 9 V.S.A. § 2480h at no charge ~~if you are a victim of identity theft. All other Vermont consumers will pay a fee to the credit reporting agency of up to \$10.00 to place the freeze on their credit report.~~ The security freeze will prohibit a credit reporting agency from releasing any information in your credit report without your express authorization. A security freeze must be requested in writing by certified mail.

The security freeze is designed to help prevent credit, loans, and services from being approved in your name without your consent. However, you should be aware that using a security freeze to take control over who gains access to the personal and financial information in your credit report may delay, interfere with, or prohibit the timely approval of any subsequent request or application you make regarding new loans, credit, mortgage, insurance, government services or payments, rental housing, employment, investment, license, cellular phone, utilities, digital signature, ~~internet~~ Internet credit card transaction, or other services, including an extension of credit at point of sale.

When you place a security freeze on your credit report, within ten business days you will be provided a personal identification number ~~or~~, password, or other equally or more secure method of authentication to use if you choose to remove the freeze on your credit report or authorize the release of your credit report for a specific party, parties, or period of time after the freeze is in place. To provide that authorization, you must contact the credit reporting agency and provide all of the following:

- (1) The unique personal identification number ~~or~~, password, or other

method of authentication provided by the credit reporting agency.

(2) Proper identification to verify your identity.

(3) The proper information regarding the third party or parties who are to receive the credit report or the period of time for which the report shall be available to users of the credit report.

A credit reporting agency may not charge a fee of up to \$5.00 to a consumer who is not a victim of identity theft to remove the freeze on your credit report or authorize the release of your credit report for a specific party, parties, or period of time after the freeze is in place. ~~For a victim of identity theft, there is no charge when the victim submits a copy of a police report, investigative report, or complaint filed with a law enforcement agency about unlawful use of the victim's personal information by another person.~~

A credit reporting agency that receives a request from a consumer to lift temporarily a freeze on a credit report shall comply with the request no later than three business days after receiving the request.

A security freeze will not apply to "preauthorized approvals of credit." If you want to stop receiving preauthorized approvals of credit, you should call [INSERT PHONE NUMBERS] [ALSO INSERT ALL OTHER CONTACT INFORMATION FOR PRESCREENED OFFER ~~OPT-OUT~~ OPT-OUT.]

A security freeze does not apply to a person or entity, or its affiliates, or collection agencies acting on behalf of the person or entity with which you have an existing account that requests information in your credit report for the purposes of reviewing or collecting the account, provided you have previously given your consent to this use of your credit reports. Reviewing the account includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements.

You have a right to bring a civil action against someone who violates your rights under the credit reporting laws. The action can be brought against a credit reporting agency or a user of your credit report."

(d) The information required to be disclosed by this section shall be disclosed in writing. The information required to be disclosed pursuant to subsection (c) of this section shall be disclosed on one side of a separate document, with text no smaller than that prescribed by the Federal Trade Commission for the notice required under 15 U.S.C. ~~§ 1681q~~ § 1681g. The information required to be disclosed pursuant to subsection (c) of this section may accurately reflect changes in numerical items that change over time (such as the ~~phone~~ telephone number or address of Vermont State agencies), and remain in compliance.

(e) The Attorney General may revise this required notice by rule as

appropriate from time to time so long as no new substantive rights are created therein.

Sec. 4. 9 V.S.A. § 2480h is amended to read:

§ 2480h. SECURITY FREEZE BY CREDIT REPORTING AGENCY; TIME IN EFFECT

(a)(1) ~~Any~~ A Vermont consumer may place a security freeze on his or her credit report. A credit reporting agency shall not charge a fee to ~~victims of identity theft but may charge a fee of up to \$10.00 to all other~~ Vermont consumers for placing ~~and \$5.00 for~~ or removing, removing for a specific party or parties, or removing for a specific period of time after the freeze is in place, a security freeze on a credit report.

(2) ~~A consumer who has been the victim of identity theft may place a security freeze on his or her credit report by making a request in writing by certified mail to a credit reporting agency with a valid copy of a police report, investigative report, or complaint the consumer has filed with a law enforcement agency about unlawful use of his or her personal information by another person. All other Vermont consumers may place a security freeze on his or her credit report by making a request in writing by certified mail to a credit reporting agency.~~

(3) A security freeze shall prohibit, subject to the exceptions in subsection (1) of this section, the credit reporting agency from releasing the consumer's credit report or any information from it without the express authorization of the consumer. ~~When a security freeze is in place, information from a consumer's credit report shall not be released to a third party without prior express authorization from the consumer.~~

(4) This subsection does not prevent a credit reporting agency from advising a third party that a security freeze is in effect with respect to the consumer's credit report.

(b) A credit reporting agency shall place a security freeze on a consumer's credit report ~~no~~ not later than five business days after receiving a written request from the consumer.

(c) The credit reporting agency shall send a written confirmation of the security freeze to the consumer within 10 business days and shall provide the consumer with a unique personal identification number or password, other than the customer's Social Security number, or another method of authentication that is equally or more secure than a PIN or password, to be used by the consumer when providing authorization for the release of his or her credit for a specific party, parties, or period of time.

(d) If the consumer wishes to allow his or her credit report to be accessed

for a specific party, parties, or period of time while a freeze is in place, he or she shall contact the credit reporting agency, request that the freeze be temporarily lifted, and provide the following:

(1) ~~Proper~~ proper identification-;

(2) ~~The~~ the unique personal identification number ~~or~~, password, ~~or other~~ method of authentication provided by the credit reporting agency pursuant to subsection (c) of this section-; and

(3) ~~The~~ the proper information regarding the third party, parties, or time period for which the report shall be available to users of the credit report.

(e) A credit reporting agency may develop procedures involving the use of telephone, fax, the Internet, or other electronic media to receive and process a request from a consumer to lift temporarily ~~lift~~ a freeze on a credit report pursuant to subsection (d) of this section in an expedited manner.

(f) A credit reporting agency that receives a request from a consumer to lift temporarily a freeze on a credit report pursuant to subsection (d) of this section shall comply with the request ~~no~~ not later than three business days after receiving the request.

(g) A credit reporting agency shall remove or lift temporarily ~~lift~~ a freeze placed on a consumer's credit report only in the following cases:

(1) Upon consumer request, pursuant to subsection (d) or (j) of this section.

(2) If the consumer's credit report was frozen due to a material misrepresentation of fact by the consumer. If a credit reporting agency intends to remove a freeze upon a consumer's credit report pursuant to this subdivision, the credit reporting agency shall notify the consumer in writing prior to removing the freeze on the consumer's credit report.

(h) If a third party requests access to a credit report on which a security freeze is in effect and this request is in connection with an application for credit or any other use and the consumer does not allow his or her credit report to be accessed for that specific party or period of time, the third party may treat the application as incomplete.

(i) If a consumer requests a security freeze pursuant to this section, the credit reporting agency shall disclose to the consumer the process of placing and lifting temporarily ~~lifting~~ a security freeze and the process for allowing access to information from the consumer's credit report for a specific party, parties, or period of time while the security freeze is in place.

(j) A security freeze shall remain in place until the consumer requests that the security freeze be removed. A credit reporting agency shall remove a

security freeze within three business days of receiving a request for removal from the consumer who provides both of the following:

(1) ~~Proper~~ proper identification; and

(2) ~~The~~ the unique personal identification number, ~~or~~ password, ~~or other~~ method of authentication provided by the credit reporting agency pursuant to subsection (c) of this section.

(k) A credit reporting agency shall require proper identification of the person making a request to place or remove a security freeze.

(l) The provisions of this section, including the security freeze, do not apply to the use of a consumer report by the following:

(1) A person, or the person's subsidiary, affiliate, agent, or assignee with which the consumer has or, prior to assignment, had an account, contract, or debtor-creditor relationship for the purposes of reviewing the account or collecting the financial obligation owing for the account, contract, or debt, or extending credit to a consumer with a prior or existing account, contract, or debtor-creditor relationship, subject to the requirements of section 2480e of this title. For purposes of this subdivision, "reviewing the account" includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements.

(2) A subsidiary, affiliate, agent, assignee, or prospective assignee of a person to whom access has been granted under subsection (d) of this section for purposes of facilitating the extension of credit or other permissible use.

(3) Any person acting pursuant to a court order, warrant, or subpoena.

(4) The Office of Child Support when investigating a child support case pursuant to Title IV-D of the Social Security Act (42 U.S.C. et seq.) and 33 V.S.A. § 4102.

(5) The Economic Services Division of the Department for Children and Families or the Department of Vermont Health Access or its agents or assignee acting to investigate welfare or Medicaid fraud.

(6) The Department of Taxes, municipal taxing authorities, or the Department of Motor Vehicles, or any of their agents or assignees, acting to investigate or collect delinquent taxes or assessments, including interest and penalties, unpaid court orders, or acting to fulfill any of their other statutory or charter responsibilities.

(7) A person's use of credit information for the purposes of prescreening as provided by the federal Fair Credit Reporting Act.

(8) Any person for the sole purpose of providing a credit file monitoring

subscription service to which the consumer has subscribed.

(9) A credit reporting agency for the sole purpose of providing a consumer with a copy of his or her credit report upon the consumer's request.

(10) Any property and casualty insurance company for use in setting or adjusting a rate or underwriting for property and casualty insurance purposes.

Sec. 5. REPORTS

(a) On or before March 1, 2019, the Attorney General and Secretary of State shall submit a preliminary report concerning the implementation of this act to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

(b) On or before January 15, 2020, the Attorney General and Secretary of State shall update its preliminary report and provide additional information concerning the implementation of this act to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

(c) On or before January 15, 2019, the Attorney General shall:

(1) review and consider the necessity of additional legislative and regulatory approaches to protecting the data security and privacy of Vermont consumers, including:

(A) whether to create or designate a Chief Privacy Officer and if so, the appropriate duties for, and the resources necessary to support, that position; and

(B) whether to expand or reduce the scope of regulation to businesses with direct relationships to consumers; and

(2) report its findings and recommendations to the House Committees on Commerce and Economic Development and on Energy and Technology and to the Senate Committee on Economic Development, Housing and General Affairs.

Sec. 6. ONE-STOP FREEZE NOTIFICATION

(a) The Attorney General, in consultation with industry stakeholders, shall consider one or more methods to ease the burden on consumers when placing or lifting a credit security freeze, including the right to place a freeze with a single nationwide credit reporting agency and require that agency to initiate a freeze with other agencies.

(b) On or before January 15, 2019, the Attorney General shall report his or her findings and recommendations to the House Committee on Commerce and

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

Sec. 7. EFFECTIVE DATES

(a) This section, Secs. 1 (findings and intent), 3–4 (eliminating fees for placing or removing a credit freeze), and 5–6 (reports) shall take effect on passage.

(b) Sec. 2 (data brokers) shall take effect on January 1, 2019.

*PHILIP E. BARUTH
REBECCA A. BALINT
DAVID J. SOUCY*

*Committee on the part of the
Senate*

*WILLIAM G. F. BOTZOW
MICHAEL J. MARCOTTE
JEAN D. O'SULLIVAN*

Committee on the part of the House

H. 780

An act relating to portable rides at agricultural fairs, field days, and other similar events.

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. 780 An act relating to portable rides at agricultural fairs, field days, and other similar events.

Respectfully reports that it has met and considered the same and recommends that the Senate 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. FINDINGS

The General Assembly finds that:

(1) Fairs are essential to the character, community life, and economy of Vermont, and amusement rides help to increase fair attendance.

(2) Attendance at Vermont fairs exceeds 375,000 people a year, and the total budget for all Vermont fairs exceeds \$7 million a year. Vermont fairs generate over \$85,000.00 of sales tax revenue per year.

(3) An inspection regime for amusement rides based upon standards that are nationally recognized and used in other states will increase the safety of fair rides and help ensure the continued popularity of Vermont fairs.

Sec. 2. 31 V.S.A. § 721 is amended to read:

§ 721. DEFINITIONS

As used in this chapter:

(1) “Amusement ride” means a mechanical device that carries or conveys passengers along, around, or over a fixed or restricted route or course for the purpose of giving the passengers amusement, pleasure, thrills, or excitement. ~~In addition, for~~ For the purposes of this chapter, amusement ride shall also not include bungee jumping, zip lines, or waterslides or obstacle, challenge, or adventure courses.

(2) “Operator” or “owner” means a person who owns or controls or has the duty to control the operation of amusement rides.

~~(3) “Certificate” or “certificate of operation” means a document issued by the Secretary of State authorizing the operation of one or more amusement rides, indicating thereon the following information for each amusement ride: the proper ride model, serial number, passenger capacity of the ride, the recommended maximum speed of the ride, and recommended direction of travel of the ride. The Secretary of State may amend a certificate to add other amusement rides to be operated in the State during a calendar year.~~

Sec. 3. 31 V.S.A. § 722 is amended to read:

§ 722. CERTIFICATE OF OPERATION

(a) An amusement ride may not be operated in this State unless the Secretary of State has issued a certificate of operation to the owner or operator within the preceding 12 months.

(b) An application for a certificate of operation shall be submitted to the Secretary of State not fewer than 30 business days before an amusement ride is operated in this State.

(c) The Secretary of State shall issue a “certificate of operation” ~~no later~~ not fewer than 15 business days before the amusement ride is ~~first~~ operated in the State, if the owner or operator submits ~~all~~ the following:

(1) Certificate of insurance in the amount of not less than \$1,000,000.00 that insures both the owner and the operator against liability for injury to persons and property arising out of the use or operation of the amusement ride.

(2) Payment of a fee in the amount of \$100.00.

(3) Proof or a statement of compliance with the requirements of 21 V.S.A. chapter 9.

(e)(d) The certificate of operation shall be valid for one year from the date of issue and shall be in a manner and format to be prescribed by the Secretary of State. A certificate of operation shall identify the ride's:

- (1) name and model;
- (2) serial number;
- (3) passenger capacity; and
- (4) recommended maximum speed.

(d)(e) A copy of the certificate of operation shall be posted on or near each amusement ride covered by the certificate and shall be in full public view at all times during the operation of the ride kept at the office of the amusement ride operator.

(f) The Secretary of State shall:

(1) determine the manner and format of the certificate of operation, any forms to be used to apply for the certificate of operation, the adhesive sticker that shall be affixed to the ride pursuant to subdivision 723a(b)(2) of this title, and the certification to be filed pursuant to subdivision 723a(b)(3) of this title;

(2) make any forms and certifications available on the Secretary of State's website and shall provide adhesive stickers to inspectors;

(3) allow an owner or operator to apply for certificates of operation for multiple rides at one time, using one form;

(4) charge one fee for the filing of each application form, regardless of the number of rides listed on the application.

Sec. 4. 31 V.S.A. § 723a is added to read:

§ 723a. SAFETY INSPECTIONS

(a) A amusement ride shall not be operated in this State unless:

(1) The ride has been inspected in the State within the preceding 12 months by a person who is:

(A) certified:

(i) by the National Association of Amusement Ride Safety Officials as a Level II Inspector; or

(ii) by the Amusement Industry Manufacturers and Suppliers International at a level that is equivalent to the certification pursuant to subdivision (i) of this subdivision (1)(A); and

(B) insured, including for liability; and

(C) not the owner or operator of the ride or an employee or agent of the owner or operator.

(2) The inspection complied with the American Society for Testing and Materials (ASTM) current standard F770 concerning the practices for ownership, operation, maintenance, and inspection of amusement rides and devices.

(3) A valid certificate of operation has been issued for the ride pursuant to section 722 of this title.

(b) After a ride has been inspected pursuant to subsection (a) of this section:

(1) The owner or operator shall submit the certificate or other record of inspection to the Secretary of State within 15 business days following the date of inspection.

(2) An adhesive sticker, in a format to be determined by the Secretary of State, shall be affixed to the ride that indicates:

(A) the date and location the inspection was completed; and

(B) the name of the inspector.

(3) The owner or operator shall submit a certification, in a format to be determined by the Secretary of State, to the organization hosting a fair, field day, or other event or location, at which the owner or operator intends to operate a ride, stating that the ride has been inspected pursuant to subsection (a) of this section and stickers have been affixed pursuant to this subsection prior to the ride being used to carry or convey passengers.

(c) A ride shall be inspected for safety by the owner or operator:

(1) after the ride has been set up but before being used to carry or convey passengers; and

(2) every day thereafter that the ride is used to carry or convey passengers.

(d) The owner or operator of an amusement ride shall:

(1) keep records of all safety inspections;

(2) make those records available to the Secretary of State or the Office of the Attorney General promptly upon request;

(3) keep a paper or electronic copy of all required forms or certifications, and of all safety inspections conducted by the owner or operator during the preceding 12 months for each ride:

(A) on or near that ride; or

(B) at the office of the amusement ride operator; and

(4) operate, maintain, and inspect all rides in compliance with ASTM current standards for ownership, operation, maintenance, and inspection of amusement rides and devices.

Sec. 5. 31 V.S.A. § 723 is amended to read:

§ 723. OPERATIONS OPERATOR AND PATRON RESPONSIBILITIES

(a) An operator of an amusement ride shall:

(1) be at least 18 years of age;

(2) operate only one amusement ride at a time; ~~and~~

(3) be in attendance at all times that the ride is operating; and

(4) operate the ride in accordance with the ride manufacturer's specifications.

(b) An operator of an amusement ride may deny any person entrance to an amusement ride if the operator believes that entrance by that person may jeopardize the safety of the person or other persons.

(c) A patron shall:

(1) understand that there are risks in riding an amusement ride;

(2) exercise good judgment and act in a responsible and safe manner while riding an amusement ride; and

(3) obey all signage that is reasonably written and posted and all directions from ride operators and owners that are given in a clear and understandable manner.

Sec. 6. 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 rides at agricultural fairs, field days, and other similar events.

*ROBERT A. STARR
ANTHONY POLLINA
FRANCIS K. BROOKS*

*Committee on the part of the
Senate*

RICHARD H. LAWRENCE
JOHN L. BARTHOLOMEW
SAMUEL R. YOUNG

Committee on the part of the House

H. 910

An act relating to the Open Meeting Law and the Public Records Act.

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. 910 An act relating to the Open Meeting Law and the Public Records Act.

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 amended by striking out Sec. 3, 1 V.S.A. § 317, in its entirety and inserting in lieu thereof the following:

Sec. 3. 1 V.S.A. § 317 is amended to read:

§ 317. DEFINITIONS; PUBLIC AGENCY; PUBLIC RECORDS AND DOCUMENTS; EXEMPTIONS

* * *

~~(d)(1) On or before December 1, 2015, the Office of Legislative Council shall compile a list lists of all Public Records Act exemptions found in the Vermont Statutes Annotated. In compiling the list, the Office of Legislative Council shall consult with the Attorney General's office. The list shall be updated no less often than every two years, and, one of which shall be arranged by subject area, and the other in order by title and section number.~~

(2) On or before December 1, 2019, the Office of Legislative Council shall compile a list arranged in order by title and section number of all Public Records Act exemptions found in the Vermont Statutes Annotated that are repealed, or are narrowed in scope, on or after January 1, 2019. The list shall indicate:

(A) the effective date of the repeal or narrowing in scope of the exemption; and

(B) whether or not records produced or acquired during the period of applicability of the repealed or narrowed exemption are to remain exempt following the repeal or narrowing in scope.

(3) The Office of Legislative Council shall update the lists required

under subdivisions (1) and (2) of this subsection no less often than every two years. In compiling and updating these lists, the Office of Legislative Council shall consult with the Office of Attorney General. The list lists, and any updates thereto, shall be posted in a prominent location on the websites of the General Assembly, the Secretary of State's Office, the Attorney General's Office, and the State Library, and shall be sent to the Vermont League of Cities and Towns.

(e)(1) For any exemption to the Public Records Act enacted or substantively amended in legislation introduced in the General Assembly in 2019 or later, in the fifth year after the effective date of the enactment, reenactment, or substantive amendment of the exemption, the exemption shall be repealed on July 1 of that fifth year except if the General Assembly reenacts the exemption prior to July 1 of the fifth year or if the law otherwise requires.

(2) Legislation that enacts, reenacts, or substantively amends an exemption to the Public Records Act shall explicitly provide for its repeal on July 1 of the fifth year after the effective date of the exemption unless the legislation specifically provides otherwise.

(f) Unless otherwise provided by law, a record produced or acquired during the period of applicability of an exemption that is subsequently repealed or narrowed in scope shall, if exempt during that period, remain exempt following the repeal or narrowing in scope of the exemption.

*BRIAN P. COLLAMORE
CHRISTOPHER A. PEARSON
JEANETTE K. WHITE*

*Committee on the part of the
Senate*

*JAMES HARRISON
JOHN M. GANNON
CYNTHIA A. WEED*

Committee on the part of the House

S. 281

An act relating to the mitigation of systemic racism

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. 281 An act relating to the mitigation of systemic racism

Respectfully report that they have met and considered the same and

recommend that the Senate accede to the House proposal of amendment and the House proposal be further amended as follows:

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly to promote racial justice reform throughout the State by mitigating systemic racism in all systems of State government and creating a culture of inclusiveness.

Sec. 2. 3 V.S.A. § 2102 is amended to read:

§ 2102. POWERS AND DUTIES

(a) The Governor's Cabinet shall adopt and implement a program of continuing coordination and improvement of the activities carried on at all levels of State and local government.

(b) The Cabinet shall work collaboratively with the Executive Director of Racial Equity and shall provide the Director with access to all relevant records and information as permitted by law.

Sec. 3. 3 V.S.A. chapter 68 is added to read:

CHAPTER 68. EXECUTIVE DIRECTOR OF RACIAL EQUITY

§ 5001. POSITION

(a) There is created within the Executive Branch the position of Executive Director of Racial Equity to identify and work to eradicate systemic racism within State government.

(b) The Executive Director of Racial Equity shall have the powers and duties enumerated within section 2102 of this title and shall work collaboratively with and act as a liaison between the Governor's Workforce Equity and Diversity Council, the Vermont Human Rights Commission, and the Governor's Cabinet.

(c) The Executive Director shall be housed within and have the administrative, legal, and technical support of the Agency of Administration.

(d) The Executive Director shall report to and be under the general supervision of the Governor, or, to the extent such supervisory authority is delegated, the Secretary of Administration. The Administration shall not prevent or prohibit the Executive Director from initiating, carrying out, or completing the duties of the Executive Director as set forth in section 5003 of this title.

§ 5002. RACIAL EQUITY ADVISORY PANEL

(a) The Racial Equity Advisory Panel is established. The Panel shall be organized and have the duties and responsibilities as provided in this section.

The Panel shall have the administrative, legal, and technical support of the Agency of Administration.

(b)(1) The Panel shall consist of five members, as follows:

(A) one member appointed by the Senate Committee on Committees who shall not be a current legislator;

(B) one member appointed by the Speaker of the House who shall not be a current legislator;

(C) one member appointed by the Chief Justice of the Supreme Court who shall not be a current legislator;

(D) one member appointed by the Governor who shall not be a current legislator; and

(E) one member appointed by the Human Rights Commission who shall not be a current legislator.

(2) Members shall be drawn from diverse backgrounds to represent the interests of communities of color throughout the State, have experience working to implement racial justice reform and, to the extent possible, represent geographically diverse areas of the State.

(3) The term of each member shall be three years, except, so that the term of one regular member expires in each ensuing year of the members first appointed, one shall serve a term of: one year, to be appointed by the Human Rights Commission; two years, to be appointed by the Governor; three years, to be appointed by the Speaker of the House; four years, to be appointed by the Senate Committee on Committees; and five years, to be appointed by the Chief Justice of the Supreme Court. As terms of currently serving members expire, appointments of successors shall be in accord with the provisions of this subsection. Appointments of members to fill vacancies or expired terms shall be made by the authority that made the initial appointment to the vacated or expired term. Members shall serve until their successors are elected or appointed. Members shall serve not more than three consecutive terms in any capacity.

(4) Members of the Panel shall elect by majority vote the Chair of the Panel, who shall serve for a term of three years after the implementation period. Members of the Panel shall be appointed on or before September 1, 2018 in order to prepare as they deem necessary for the establishment of the Panel, including the election of the Chair of the Panel. Terms of members shall officially begin on January 1, 2019.

(c) The Panel shall have the following duties and responsibilities:

(1) work with the Executive Director of Racial Equity to implement the

reforms identified as necessary in the comprehensive organizational review as required by subsection 5003(a) of this title;

(2) advise the Executive Director to ensure ongoing compliance with the purpose of this chapter, and advise the Governor on strategies for remediating systemic racial disparities in statewide systems of government; and

(3) on or before January 15, 2020, and annually thereafter, report to the House and Senate Committees on Government Operations on:

(A) the extent to which the State is achieving the performance targets and measures as developed pursuant to section 5003(c) of this title; and

(B) the nature and quality of the collaboration between the Governor's Cabinet and the Executive Director.

(d) Each member of the Panel shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010.

§ 5003. DUTIES OF EXECUTIVE DIRECTOR OF RACIAL EQUITY

(a) The Executive Director of Racial Equity (Director) shall work with the agencies and departments to implement a program of continuing coordination and improvement of activities in State government in order to combat systemic racial disparities and measure progress toward fair and impartial governance, including:

(1) overseeing a comprehensive organizational review to identify systemic racism in each of the three branches of State government and inventory systems in place that engender racial disparities;

(2) managing and overseeing the statewide collection of race-based data to determine the nature and scope of racial discrimination within all systems of State government; and

(3) developing a model fairness and diversity policy and reviewing and making recommendations regarding the fairness and diversity policies held by all State government systems.

(b) Pursuant to section 2102 of this title, the Director shall work collaboratively with State agencies and departments to gather relevant existing data and records necessary to carry out the purpose of this chapter and to develop best practices for remediating systemic racial disparities throughout State government.

(c) The Director shall work with the agencies and departments and with the Chief Performance Officer to develop performance targets and performance measures for the General Assembly, the Judiciary, and the agencies and departments to evaluate respective results in improving systems. These

performance measures shall be included in the agency's or department's quarterly reports to the Director, and the Director shall include each agency's or department's performance targets and performance measures in his or her annual reports to the General Assembly.

(d) The Director shall, in consultation with the Department of Human Resources and the agencies and departments, develop and conduct trainings for agencies and departments regarding the nature and scope of systemic racism and the institutionalized nature of race-based bias. Nothing in this subsection shall be construed to discharge the existing duty of the Department of Human Resources to conduct trainings.

(e) The Director shall periodically report to the Racial Equity Advisory Panel on the progress towards carrying out the duties as established by this section.

(f) On or before January 15, 2020, and annually thereafter, the Director shall report to the House and Senate Committees on Government Operations demonstrating the State's progress in identifying and remediating systemic racial bias within State government.

§ 5004. INFORMATION; DISCLOSURE AND CONFIDENTIALITY

(a) Confidentiality of records.

(1) Any records transmitted to or obtained by the Executive Director of Racial Equity and the Racial Equity Advisory Panel that are exempt from public inspection and copying under the Public Records Act shall remain exempt and shall be kept confidential to the extent required by law.

(2) Draft reports, working papers, and internal correspondence between the Director and the Panel shall be exempt from public inspection and copying under the Public Records Act and shall be kept confidential. The completed reports shall be public records.

(b) Exceptions.

(1) The Director and Panel members may make records available to each other, the Governor, and the Governor's Cabinet as necessary to fulfill their duties as set forth in this chapter. They may also make records pertaining to any alleged violations of antidiscrimination statutes available to any State or federal law enforcement agency authorized to enforce such statutes.

(2) Absent a court order for good cause shown or the prior written consent of an individual providing information or lawfully obtained records to the Director or the Panel, the Director and Panel Members may decline to disclose:

(A) the identity of the individual if good cause exists to protect his or

her confidentiality; and

(B) materials pertaining to the individual, including written communications among the individual, the Director, and the Panel and recordings, notes, or summaries reflecting interviews or discussions among the individual, the Director, and the Panel.

§ 5005. NOMINATION, APPOINTMENT, AND REMOVAL

PROCESS

(a) The Racial Equity Advisory Panel shall select for consideration by the Panel, by majority vote, provided that a quorum is present, from the applications for the position of Executive Director of Racial Equity as many candidates as it deems qualified for the position.

(b) The Panel shall submit to the Governor the names of the candidates deemed most qualified to be appointed to fill the position.

(c) The Governor shall make the appointment to the Executive Director position from the list of qualified candidates submitted pursuant to subsection (b) of this section. The names of candidates submitted and not selected shall remain confidential.

(d) The Executive Director of Racial Equity may be removed from office by the Governor with the consent of the Panel. The Governor shall notify the Racial Equity Advisory Panel in writing the reasons for the proposed removal no less than 30 days prior to removing the Executive Director.

Sec. 4. AUTHORIZATION FOR EXECUTIVE DIRECTOR OF RACIAL EQUITY POSITION

One new permanent, exempt position of Executive Director of Racial Equity is created within the Agency of Administration.

Sec. 5. EXECUTIVE DIRECTOR OF RACIAL EQUITY; RACIAL EQUITY ADVISORY PANEL; FUNDING SOURCE; SURCHARGE; REPEAL

(a) Surcharge.

(1) Notwithstanding the provisions of 3 V.S.A. § 2283(c) setting forth the purpose and rate of charges collected in the Human Resource Services Internal Service Fund, in fiscal year 2019, a surcharge of up to 1.65 percent, and in fiscal year 2020 and thereafter, a surcharge of up to 3.3 percent, but not greater than the cost of both the Racial Equity Advisory Panel and the position of Executive Director of Racial Equity set forth in Sec. 3 of this act, on the per-position portion of the charges authorized in 3 V.S.A. § 2283(c)(2) shall be assessed to all Executive Branch agencies, departments, and offices and shall

be paid by all assessed entities solely with State funds.

(2) The amount collected shall be accounted for within the Human Resource Services Internal Service Fund and used solely for the purposes of funding the Racial Equity Advisory Panel and the position of the Executive Director of Racial Equity set forth in Sec. 3 of this act.

(b) Repeal. This section shall be repealed on June 30, 2024.

Sec. 6. FISCAL YEAR 2019 APPROPRIATION

There is appropriated to the Agency of Administration from the Human Resource Services Internal Service Fund for fiscal year 2019 the amount of \$75,000.00 for the Racial Equity Advisory Panel and the position of Executive Director of Racial Equity.

Sec. 7. SECRETARY OF ADMINISTRATION; RACIAL EQUITY ADVISORY PANEL; EXECUTIVE DIRECTOR OF RACIAL EQUITY; REPORT

(a) On or before September 1, 2018, the Racial Equity Advisory Panel shall be appointed.

(b) On or before November 1, 2018, the Racial Equity Advisory Panel shall, in consultation with the Secretary of Administration and with the assistance and advice of the Department of Human Resources, have developed and posted a job description for the Executive Director of Racial Equity.

(c) On or before January 1, 2019, the Racial Equity Advisory Panel shall submit to the Governor the names of the candidates for the Executive Director of Racial Equity position.

(d) On or before February 1, 2019, the Governor shall appoint the Executive Director of Racial Equity.

(e) On or before May 1, 2019, the Executive Director of Racial Equity shall update the House and Senate Committees on Government Operations regarding how best to complete a comprehensive organizational review to identify systemic racism pursuant to 3 V.S.A. § 500, and potential private and public sources of funding to achieve the review.

Sec. 8. REPEAL

On June 30, 2024:

(1) Sec. 3 of this act (creating the Executive Director of Racial Equity and Racial Equity Advisory Panel in 3 V.S.A. chapter 68) is repealed and the Executive Director position and Panel shall cease to exist; and

(2) Sec. 4 of this act (authorization for the Executive Director of Racial

Equity position) is repealed.

Sec. 9. EFFECTIVE DATE

This act shall take effect on passage.

and that after passage the title of the bill be amended to read: “An act relating to racial equity in State government”

REP. JOHN M. GANNON

REP. CYNTHIA A. WEED

COMMITTEE ON THE PART OF THE HOUSE

SEN. CHRISTOPHER A. PEARSON

SEN. BRIAN P. COLLAMORE

SEN. JEANETTE K. WHITE

Ordered to Lie

H. 219

An act relating to the Vermont spaying and neutering program.

Pending Question: Shall the House concur in the Senate proposal of amendment?

S. 267

An act relating to timing of a decree nisi in a divorce proceeding.

Pending Question: Shall the report of the committee on Judiciary be substituted by the amendment offered by Rep. LaLonde of South Burlington and other?

Action Postponed Indefinitely

H. 167

An act relating to alternative approaches to addressing low-level illicit drug use