House Calendar

Friday, February 24, 2012

53rd DAY OF THE ADJOURNED SESSION

House Convenes at 9:30 A.M.

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ORDERS OF THE DAY

ACTION CALENDAR

Third Reading

H. 556

An act relating to creating a private activity bond advisory committee

H. 559

An act relating to health care reform implementation

Amendment to be offered by Rep. Koch of Barre Town to H. 559

Rep. Koch of Barre Town moves that the bill be amended as follows:

First: In Sec. 2c, Exchange Options, in the second sentence, preceding the word "otherwise", by striking the word "to"

Second: In Sec. 3, 33 V.S.A. § 1811(f)(2)(B), in the first sentence, preceding the word "otherwise", by striking the word "to"

Third: In Sec. 4, 8 V.S.A. § 4080g(c)(8)(B)(ii), in the first sentence, preceding the word "otherwise", by striking the word "to"

Fourth: In Sec. 4, 8 V.S.A. § 4080g(c)(9), in the second sentence, following "permit insurers to", by striking out "correspondingly limit community rating provisions from applying" and inserting in lieu thereof "limit community rating provisions accordingly as applicable"

Fifth: In Sec. 15, 18 V.S.A. § 9433(a), in the second sentence, following "deny", by striking out "certificatesl" and inserting in lieu thereof "certificates"

Sixth: In Secs. 32a and 32b, 18 V.S.A. §§ 4631a(d) and 4632(c), in the first sentence of each, following "bring an action in", by striking out "Washington superior court" and inserting in lieu thereof "the civil division of the Washington county superior court"

Seventh: In Sec. 33, Dual Eligible Project Proposal, in subdivision (b)(3)(F), following "within the individual's ISP and a", by striking out "choices" and inserting in lieu thereof "choice"

Amendment to be offered by Rep. Hebert of Vernon to H. 559

Rep. Hebert of Vernon moves that the bill be amended in Sec. 3,

33 V.S.A. § 1811, in subsection (f), by striking out subdivisions (1) and (2)(A) in their entirety and inserting in lieu thereof the following:

(f)(1) A registered carrier shall use an adjusted community rating method for determining premiums for health benefit plans. Except as provided in subdivision (2) of this subsection, the following risk classification factors are prohibited from use in rating individuals, small employers, or employees of small employers, or the dependents of such individuals or employees:

(A) demographic rating, including age and gender rating;

(B) industry rating;

(C) medical underwriting and screening;

(D) experience rating;

(E) tier rating; or

(F) durational rating.

(2)(A)(i) The commissioner shall, by rule, adopt standards and a process to permit registered carriers to use one or more of the following risk classifications in their community rating method, to the extent allowed under the Patient Protection and Affordable Care Act (Public Law 111-148):

(I) geographic rating area;

(II) age, except that the maximum rate variation for adults shall be 3:1 across the age rating bands established by the Secretary of the U.S. Department of Health and Human Services; and

(III) tobacco use, except that the maximum rate variation shall be 1.5:1.

(ii) The commissioner's rules may not permit any medical underwriting and screening and shall give due consideration to the need for the affordability and accessibility of health insurance.

Amendment to be offered by Reps. Sharpe of Bristol and Wizowaty of Burlington to H. 559

Reps. Sharpe of Bristol and Wizowaty of Burlington move that the bill be amended as follows:

First: By adding a Sec. 3a to read as follows:

Sec. 3a. 8 V.S.A. § 4085 is amended to read:

§ 4085. REBATES AND COMMISSIONS PROHIBITED FOR NONGROUP AND SMALL GROUP POLICIES

(a) No insurer doing business in this state and no insurance agent or broker shall offer, promise, allow, give, set off, or pay, directly or indirectly, any

rebate of or part of the premium payable on ~~the~~ a nongroup or small group policy, or on any nongroup or small group policy ~~or agent's commission thereon~~ or earnings, profits, dividends, or other benefits founded, arising, accruing or to accrue thereon or therefrom, or any special advantage in date of policy or age of issue, or any paid employment or contract for services of any kind or any other valuable consideration or inducement to or for insurance on any risk in this state, now or hereafter to be written, or for or upon any renewal of any such insurance, which is not specified in the policy contract of insurance, or offer, promise, give, option, sell, purchase any stocks, bonds, securities, or property or any dividends or profits accruing or to accrue thereon, or other thing of value whatsoever as inducement to insurance or in connection therewith, or any renewal thereof, which is not specified in the policy.

(b) No ~~insured~~ person under a nongroup or small group policy or party or applicant for nongroup or small group insurance shall directly or indirectly receive or accept~~,~~ or agree to receive or accept any rebate of premium or of any part thereof ~~or all or any part of any agent's or broker's commission thereon~~, or any favor or advantage, or share in any benefit to accrue under any nongroup or small group policy of insurance, or any valuable consideration or inducement, other than such as is specified in the policy.

(c) Nothing in this section shall be construed as prohibiting ~~the payment of commission or other compensation to any duly licensed agent or broker; or as prohibiting~~ any insurer from allowing or returning to its participating policyholders dividends, savings, or unused premium deposits; or as prohibiting any insurer from returning or otherwise abating, in full or in part, the premiums of its policyholders out of surplus accumulated from nonparticipating insurance, or as prohibiting the taking of a bona fide obligation, with interest ~~at~~ not exceeding six percent per annum, in payment of any premium.

(d) No insurer shall pay any commission, fee, or other compensation, directly or indirectly, to a licensed or unlicensed agent, broker, or other individual other than a bona fide employee of the insurer in connection with the sale of a nongroup or small group health insurance policy, nor shall an insurer include in a nongroup or small group health insurance rate any sums related to services provided by an agent, broker, or other individual other than a bona fide employee of the insurer.

Second: By adding a Sec. 3b to read as follows:

Sec. 3b. 8 V.S.A. § 4085a is added to read:

§ 4085a. REBATES PROHIBITED FOR GROUP INSURANCE POLICIES

(a) As used in this section, "group insurance" means any policy described in section 4079 of this title, except that it shall not include any small group policy issued pursuant to section 4080a of this title or to 33 V.S.A. § 1811.

(b) No insurer doing business in this state and no insurance agent or broker shall offer, promise, allow, give, set off, or pay, directly or indirectly, any rebate of or part of the premium payable on a group insurance policy, or on any group insurance policy or agent's commission thereon or earnings, profits, dividends, or other benefits founded, arising, accruing or to accrue thereon or therefrom, or any special advantage in date of policy or age of issue, or any paid employment or contract for services of any kind or any other valuable consideration or inducement to or for insurance on any risk in this state, now or hereafter to be written, or for or upon any renewal of any such insurance, which is not specified in the policy contract of insurance, or offer, promise, give, option, sell, purchase any stocks, bonds, securities, or property or any dividends or profits accruing or to accrue thereon, or other thing of value whatsoever as inducement to insurance or in connection therewith, or any renewal thereof, which is not specified in the policy.

(c) No insured person under a group insurance policy or party or applicant for group insurance shall directly or indirectly receive or accept~~,~~ or agree to receive or accept any rebate of premium or of any part thereof or all or any part of any agent's or broker's commission thereon, or any favor or advantage, or share in any benefit to accrue under any policy of insurance, or any valuable consideration or inducement, other than such as is specified in the policy.

(d) Nothing in this section shall be construed as prohibiting the payment of commission or other compensation to any duly licensed agent or broker; or as prohibiting any insurer from allowing or returning to its participating policyholders dividends, savings, or unused premium deposits; or as prohibiting any insurer from returning or otherwise abating, in full or in part, the premiums of its policyholders out of surplus accumulated from nonparticipating insurance, or as prohibiting the taking of a bona fide obligation, with interest not exceeding six percent per annum, in payment of any premium.

(e) An insurer that pays a commission, fee, or other compensation, directly or indirectly, to a licensed or unlicensed agent, broker, or other individual other than a bona fide employee of the insurer in connection with the sale of a group insurance policy shall clearly disclose to the purchaser of such group policy the amount of any such commission, fee, or compensation paid or to be paid.

Third: By adding a Sec. 3c to read as follows:

Sec. 3c. DISCLOSURE OF COMMISSIONS FOR NONGROUP AND SMALL GROUP POLICIES

(a) An insurer that pays a commission, fee, or other compensation, directly or indirectly, to a licensed or unlicensed agent, broker, or other individual other than a bona fide employee of the insurer in connection with the sale of a nongroup or small group insurance policy shall clearly disclose to the purchaser of such policy the amount of any such commission, fee, or compensation paid or to be paid.

(b) The disclosure requirement in subsection (a) of this section shall apply to all health insurers offering nongroup or small group insurance policies, or both, beginning July 1, 2012, until the insurer no longer pays any commission, fee, or other compensation in connection with the sale of a nongroup or small group insurance policy in compliance with the provisions of 8 V.S.A. § 4085.

Fourth: In Sec. 42, Effective Dates, by adding a subsection (i) to read:

(i)(1) Sec. 3a (prohibition on brokers' fees) shall take effect on January 1, 2014 and shall apply to all health insurers on and after January 1, 2014 on such date as a health insurer issues, offers, or renews a health insurance policy, but in no event later than January 1, 2015.

(2) Secs. 3b and 3c shall take effect on July 1, 2012.

Amendment to be offered by Rep. Browning of Arlington to H. 559

Rep. Browning of Arlington moves that the bill be amended as follows:

First: By adding a Sec. 5b to read:

Sec. 5b. FINANCING ANALYSIS

(a) By September 1, 2012, the legislative joint fiscal office shall provide to the general assembly an analysis of possible financing systems for Green Mountain Care.

(b) The analysis shall contain a variety of scenarios and possible funding mechanisms, using the benefit package of the state employees' health insurance plan with the highest enrollment as a proxy for the Green Mountain Care benefit package, and shall be designed to address both projected costs and combinations of potential funding sources. The analysis shall also explore the sustainability of Green Mountain Care in the event of changing economic conditions and changes in the availability of federal funds.

(c) The legislative joint fiscal office may consult or contract with such persons as the office deems necessary to create the analysis required by this section; provided, however, that the office shall not consult or contract with any person outside the legislative joint fiscal office who was involved in

developing the health care system design proposal and implementation plan pursuant to Sec. 6 of No. 128 of the Acts of the 2009 Adj. Sess. (2010).

Second: In Sec. 42, Effective Dates, in subsection (a), following "5a (bill-back report)", by inserting ", 5b (Green Mountain Care financing analysis)"

Amendment to be offered by Rep. Browning of Arlington to H. 559

Rep. Browning of Arlington moves that the bill be amended as follows:

First: By adding a Sec. 36a to read as follows:

Sec. 36a. Sec. 50 of No. 160 of the Acts of the 1991 Adj. Sess. (1992) is amended to read:

Sec. 50. EFFECTIVE DATE

Secs. 46, 47, 48, and 49, amending 12 V.S.A. chapter 215 ~~of Title 12~~ to provide for mandatory arbitration in medical malpractice cases and admission of practice guidelines, shall take effect on ~~the effective date of a universal access health care system enacted by the general assembly~~ July 1, 2014.

Second: In Sec. 42, Effective Dates, by adding a subsection (i) to read as follows:

(i) Sec. 36a (medical malpractice arbitration) shall take effect on July 1, 2014.

Amendment to be offered by Rep. Olsen of Jamaica to H. 559

Rep. Olsen of Jamaica moves that that the bill be amended in Sec. 41, Repeals, by striking subsection (g) in its entirety and inserting in lieu thereof the following:

(g) No. 2 of the Acts of 2005 (I-SaveRx prescription drug program) is repealed on passage. Notwithstanding any provision of Sec. 2 of No. 2 of the Acts of 2005 to the contrary, repeal of such act shall constitute Vermont's withdrawal from the I-SaveRx agreement and terminate its related cooperative relationship with the state of Illinois.

Amendment to be offered by Rep. Olsen of Jamaica to H. 559

Rep. Olsen of Jamaica moves that the bill be amended as follows:

First: By adding a Sec. 32c to read:

Sec. 32c. I-SaveRx PRESCRIPTION DRUG PROGRAM; REPORT

(a) No later than December 1, 2012, the legislative joint fiscal office shall submit a report to the house committee on health care and the senate

committee on health and welfare regarding Vermont's participation in the I-SaveRx prescription drug program enacted in No. 2 of the Acts of 2005.

(b) The joint fiscal office's report shall contain an analysis of the total cost to the state of implementing and administering the I-SaveRx program, the total number of participants in the program by year and in the aggregate, and an estimate of the total savings realized by program participants during the program's operation. The office shall also identify the program's successes and failures and provide an assessment of the relative merits to the state of pursuing similar efforts in the future.

Second: In Sec. 42, Effective Dates, in subsection (a), following "29 (HMO reporting requirements", by inserting ", 32c (I-SaveRx report),"

Favorable with Amendment

H. 577

An act relating to public water systems

Rep. Fagan of Rutland City, for the Committee on **Fish, Wildlife & Water Resources,** recommends the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 10 V.S.A. § 1624a is amended to read:

§ 1624a. AWARDS FOR POLLUTION ABATEMENT PROJECTS FOR COMBINED SEWER OVERFLOWS

(a) When the department finds that a proposed water pollution abatement project not covered under section 1625 of this title is necessary, that the proposed type, kind, quality, size, and estimated cost of the project, including operation cost and sewage disposal charges, are suitable for abatement of pollution, and that the project or the prescribed project phases are necessary to meet the intent of the water quality classifications established by the board or by statute under chapter 47 of this title, the department may award state financial assistance to the project. These projects may include ancillary work determined by the secretary to be necessary to attain the water quality goals.

(b) The assistance shall consist of:

(1) A grant of 25 percent of the eligible project cost.

(2) A loan from the Vermont environmental protection agency (EPA) pollution control revolving fund or the Vermont pollution control revolving fund of 50 percent of the eligible project cost. No interest shall be charged. In a certificate to the Vermont municipal bond bank, the secretary shall recommend the term, repayment schedule and other terms and conditions of the loan.

(c) Notwithstanding the percentages of assistance provided for in subsection (b) of this section, when a municipality is certified by the secretary of commerce and community development to be within a designated job development zone, the grant to the municipality shall be 50 percent of eligible project costs and the loan shall be 25 percent of eligible project costs.

(d) Grants and loans under this section may be made from state and federal sources, as determined by the secretary.

(e) A loan agreement may be entered into by action of the legislative body of the municipality, using procedures specified by applicable general or special enabling authority, following:

(1) authorization by the electorate of issuance of bonds in the amount of 25 percent of project costs, unless the municipality has determined to use some other method of financing its share of project cost; and

(2) authorization by the electorate of indebtedness in the amount of the loan under this section.

(f) A loan agreement may include provisions for deferred repayment if the electorate has authorized the future issuance of bonds to make a final repayment of the loan, and the authorization specifies whether the bond agreements will pledge the full faith and credit of the municipality or sufficient revenues from municipal sewage disposal charges.

(1) Except as provided in subdivision (2) ~~below~~ of this subsection, loan repayments shall be according to the following schedule:

(A) 0.50 percent in the first year and increasing thereafter at 0.50 percent per year through the ninth year; and

(B) 5.0 percent in the 10th year through the 19th year; and

(C) the remainder in the 20th year.

(2) Notwithstanding subdivision ~~(f)~~(1) of this ~~section~~ subsection, a municipality shall be entitled to loan repayment under this subdivision if repayment would produce municipal sewer rates in the municipality which exceed 150 percent of the current state average rate for a family of four. For purposes of this calculation, the municipality's sewer rates shall be deemed to include operating costs, payments on the municipality's water pollution control debt, and repayment of five percent of the principal of the loan under this section. The following shall be minimum repayments under this subdivision:

(A) 0.25 percent per year in the first through the tenth year, dating from the issuance of the certification of completion of the project;

(B) 0.50 percent in the 11th year and increasing thereafter at 0.50

percent per year through the 19th year; and

(3) the remainder in the 20th year. When a loan is issued with deferred repayment provisions pursuant to authorization of the electorate under this section for the future issuance of bonds, upon maturity of the loan, if other sources of revenue are available, the legislative body of the municipality may elect not to issue bonds to make the final payment on the loan. The term of these bonds, if issued, shall not exceed 20 years. As authorized in the initial vote, these bonds may be secured by a pledge of the full faith and credit of the municipality or by sufficient revenues from municipal sewage disposal charges.

(g) State financial assistance under this section shall be made to the extent that funds are available and according to a system of priorities established by the secretary. In establishing this system, priority shall be given to pollution abatement and not to the support of demand growth, and to projects discharging into or near lakes on January 1, 1988.

(h) Notwithstanding subsection (b) of this section, a loan awarded from the Vermont environmental protection agency pollution control revolving loan fund for a combined sewer overflow abatement project that is included on a priority list and that is capitalized, in whole or in part, with a federal clean water state revolving fund grant that includes loan forgiveness provisions may be for up to 100 percent of the eligible project cost.

Sec. 2. 10 V.S.A. § 1675 is amended to read:

§ 1675. PERMITS; CONDITIONS; DURATION; SUSPENSION OF REVOCATION

(a) Authority to issue, renew, or deny permit. The secretary may issue, renew, or deny a public water system permit required by this chapter. As part of this authority, the secretary may issue general operating permits for the operation of transient noncommunity water systems.

* * *

(e) ~~Duration of permit. An operating permit shall be valid for the period of time specified in the permit but not more than ten years.~~

(f) Suspension or revocation of permits.

(1) The secretary may, after notice and opportunity for hearing, revoke or suspend any permit issued pursuant to the authority under this title if the secretary finds that:

(A) the permit holder submitted materially false or inaccurate information;

(B) the permit holder has violated any material requirement, restriction or condition of this chapter, any rule promulgated thereunder, or any permit or certification issued pursuant to this chapter, or any assurance of discontinuance or order relating to the provisions of this chapter or the rules promulgated thereunder; or

(C) there is a change in any condition that requires either a temporary or permanent restriction, limitation or elimination of the permitted use.

(2) Revocation shall be effective upon actual notice thereof to the permit holder or permit holder's designated agent.

* * *

(i) Notwithstanding the requirements of this subsection, the secretary may issue an operating permit for an existing public water system that is unable to comply with the standards adopted under this chapter provided that:

(1) The operating permit contains a compliance schedule that is designed to achieve compliance with the applicable standards within a reasonable period of time based on the nature and extent of the applicable standards at issue;

(2) The secretary finds that the continued operation of the public water system pursuant to the compliance schedule and associated permit conditions shall not present an unacceptable risk to public health; and

(3) The person who owns the public water system shall be responsible for informing all persons using the system of the nature and extent of the noncompliance with the applicable standards.

Sec. 3. 10 V.S.A. § 1676 is amended to read:

~~§ 1676. TEMPORARY PERMITS~~

~~(a) The secretary may issue a temporary operation permit for public water system if such issuance will not unreasonably contribute to a public health risk, and the system is unable to comply with:~~

~~(1) any physical facility requirement established in the Vermont standards and requirements for water system design and construction;~~

~~(2) any operational requirement established by rules adopted under this chapter; or~~

~~(3) operator certification requirements.~~

~~(b) A temporary permit shall:~~

~~(1) contain a schedule which requires compliance with this chapter and~~

~~the rules adopted under this chapter by a specified date;~~

~~(2) require the person who owns or operates the system to inform all persons using the system of the nature and extent of the noncompliance with this chapter or rules of this chapter;~~

~~(3) be valid for not more than three years. A temporary permit may be renewed.~~

~~(c) A temporary permit may contain any conditions, requirements, schedules, restrictions or monitoring and testing programs that the secretary deems necessary to prevent a public health risk.~~

~~(d) [Deleted.]~~

~~(e) A temporary permit may not be issued for a new public water source if there are agricultural lands in the area that are likely to affect the proposed new source.~~

Sec. 4. 24 V.S.A. § 4753a is amended to read:

§ 4753a. AWARDS FROM REVOLVING LOAN FUNDS

(a) Pollution control. The general assembly shall approve all categories of awards made from the special funds established by section 4753 of this title for water pollution control facility construction, in order to assure that such awards conform with state policy on water quality and pollution abatement, and with the state policy that, except as provided in subsection (c) of this section, municipal entities shall receive first priority in the award of public monies for such construction, including monies returned to the revolving funds from previous awards. To facilitate this legislative oversight, the secretary of natural resources shall annually no later than January 15 report to the house and senate committees on institutions and on natural resources and energy on all awards made from the relevant special funds during the prior and current fiscal years, and shall report on and seek legislative approval of all the types of projects for which awards are proposed to be made from the relevant special funds during the current or any subsequent fiscal year. Where feasible, the specific projects shall be listed.

(b) Water supply. The secretary of natural resources shall no later than January 15, 2000 recommend to the house and senate committees on institutions and on natural resources and energy a procedure for reporting to and seeking the concurrence of the legislature with regard to the special funds established by section 4753 of this title for water supply facility construction.

(c) Failed wastewater and potable water supply system loans. Notwithstanding other priorities established in law, the secretary may award up to $500,000.00 of the funds from the Vermont environmental protection

agency control fund and the Vermont pollution control revolving fund, combined, to a state agency, the Vermont housing finance agency, or a municipality for the administration of loans to households with income equal to or less than 200 percent of the state average median household income for the repair or replacement of failed wastewater systems and failed potable water supplies, as those terms are defined in ~~section~~ 10 V.S.A.§ 1972 ~~of Title 10~~. Upon award of funds under this section, the state agency, Vermont housing finance agency, or municipality shall agree, pursuant to a memorandum of understanding with the secretary of natural resources, to repay the funds awarded to the special fund from which they were drawn.

(d) Loan forgiveness; pollution control. Notwithstanding any other provision of law regarding loan forgiveness, upon the award of a loan from the Vermont environmental protection agency pollution control revolving fund, the secretary of natural resources, in a manner that is consistent with federal grant provisions, may forgive up to 50 percent of a loan if the award is made for a project on a priority list capitalized, at least in part, from funds appropriated from a federal clean water state revolving fund (CWSRF) grant when the CWSRF grant includes provisions authorizing loan forgiveness. Such loan forgiveness shall apply to both state and federal funds used to capitalize loans.

(e) Loan forgiveness; drinking water. Notwithstanding any other provision of law regarding loan forgiveness, upon the award of a loan from the Vermont environmental protection agency drinking water state revolving fund, the secretary of natural resources, in a manner consistent with federal grant provisions, may forgive up to 100 percent of a loan if the award is made for a project on the priority list and is capitalized, in whole or in part, from funds appropriated from a drinking water state revolving fund (DWSRF) grant when the DWSRF grant includes provisions authorizing loan forgiveness. Such loan forgiveness shall apply to both state and federal funds used to capitalize loans.

(f) Loan forgiveness standard. The secretary shall establish standards, policies, and procedures as necessary for implementing subsections (d) and (e) of this section for allocating the funds among projects and for revising standard priority lists in order to comply with requirements associated with federal capitalization grant agreements.

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2012.

(Committee Vote: 9-0-0)

Rep. Shaw of Pittsford, for the Committee on **Corrections and Institutions,** recommends the bill ought to pass when amended as recommended by the Committee on **Fish, Wildlife & Water Resources** and when further amended as follows:

First: In Sec. 1, 10 V.S.A. § 1624a, by striking subsection (h) in its entirety and inserting in lieu thereof the following:

(h) Notwithstanding subsection (b) of this section, a loan awarded from the Vermont environmental protection agency pollution control revolving loan fund for a combined sewer overflow abatement project may be for up to 100 percent of the eligible project cost if:

(1) the project is included on a priority list; and

(2) the project is capitalized, at least in part, with a federal clean water state revolving fund grant that includes loan forgiveness provisions.

Second: In Sec. 4, 24 V.S.A. § 4753a, by striking subsections (d) and (e) in their entirety and inserting in lieu thereof the following:

(d) Loan forgiveness; pollution control. Notwithstanding any other provision of law regarding loan forgiveness, upon the award of a loan from the Vermont environmental protection agency pollution control revolving fund (CWSRF), the secretary of natural resources, in a manner that is consistent with federal grant provisions, may forgive up to 50 percent of a loan if the award is made for a project on a priority list and the project is capitalized, at least in part, from funds derived from a federal CWSRF capitalization grant that includes provisions authorizing loan forgiveness. Such loan forgiveness shall be based on the loan value, but funds to be forgiven shall only consist of federal funds, except where the loan is used as a match to other federal grants requiring nonfederal funds as a match.

(e) Loan forgiveness; drinking water. Notwithstanding any other provision of law regarding loan forgiveness, upon the award of a loan from the Vermont environmental protection agency drinking water state revolving fund (DWSRF), the secretary of natural resources, in a manner that is consistent with federal grant provisions, may forgive up to 100 percent of a loan if the award is made for a project on the priority list and the project is capitalized, at least in part, from funds derived from a federal DWSRF capitalization grant that includes provisions authorizing loan forgiveness. Such loan forgiveness shall be based on the loan value, but funds to be forgiven shall only consist of federal funds, except where the loan is used as a match to other federal grants requiring nonfederal funds as a match.

(Committee Vote: 9-0-2)

NOTICE CALENDAR

Favorable with Amendment

H. 759

An act relating to permitting the use of secure residential recovery facilities for continued involuntary treatment.

(Rep. Martin of Springfield will speak for the Committee on **Judiciary.)**

Rep. Martin of Springfield, for the Committee on **Judiciary,** recommends the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following::

Sec. 1. 18 V.S.A. § 7620 is amended to read:

§ 7620. APPLICATION FOR CONTINUED TREATMENT

(a) If, prior to the expiration of any order issued in accordance with section 7623 of this title, the commissioner believes that the condition of the patient is such that the patient continues to require treatment, the commissioner shall apply to the court for a determination that the patient is a patient in need of further treatment and for an order of continued treatment.

(b) An application for an order authorizing continuing treatment shall contain a statement setting forth the reasons for the commissioner's determination that the patient is a patient in need of further treatment, a statement describing the treatment program provided to the patient and the results of that course of treatment.

(c) Any order of treatment issued in accordance with section 7623 of this title shall remain in force pending the court's decision on the application.

(d) If the commissioner seeks to have the patient receive the further treatment in a secure residential recovery facility, the application for an order authorizing continuing treatment shall expressly state that such treatment is being sought. The application shall contain, in addition to the statements required by subsection (b) of this section, a statement setting forth the reasons for the commissioner's determination that clinically appropriate treatment for the patient's condition can be provided safely only in a secure residential recovery facility.

(e) As used in this chapter:

(1) "Secure residential recovery facility" means a residential facility, licensed as a therapeutic community residence as defined in 33 V.S.A. § 7102(11), for an individual who no longer requires acute inpatient care but

who does remain in need of treatment within a secure setting for an extended period of time.

(2) "Secure," when describing a residential facility, means that the residents can be physically prevented from leaving the facility by means of locking devices or other mechanical or physical mechanisms.

Sec. 2. 18 V.S.A. § 7621 is amended to read:

§ 7621. HEARING ON APPLICATION FOR CONTINUED TREATMENT; ORDERS

(a) The hearing on the application for continued treatment shall be held in accordance with the procedures set forth in sections 7613, 7614, 7615, and 7616 of this title.

(b) If the court finds that the patient is a patient in need of further treatment and requires hospitalization it shall order hospitalization for up to one year.

(c) If the court finds that the patient is a patient in need of further treatment but does not require hospitalization, it shall order nonhospitalization for up to one year. If the treatment plan proposed by the commissioner for a patient in need of further treatment includes admission to a secure residential recovery facility, the court may at any time, on its own motion or on motion of an interested party, review the need for treatment at the secure residential recovery facility.

* * *

Sec. 3. 18 V.S.A. § 7624 is amended to read:

§ 7624. PETITION FOR INVOLUNTARY MEDICATION

(a) The commissioner may commence an action for the involuntary medication of a person who is refusing to accept psychiatric medication and meets any one of the following three conditions:

(1) has been placed in the commissioner's care and custody pursuant to section 7619 of this title or subsection 7621(b) of this title;

(2) has previously received treatment under an order of hospitalization and is currently under an order of nonhospitalization, including a person on an order of nonhospitalization who resides in a secure residential recovery facility; or

(3) has been committed to the custody of the commissioner of corrections as a convicted felon and is being held in a correctional facility which is a designated facility pursuant to section 7628 of this title and for whom the department of corrections and the department of mental health have

jointly determined that involuntary medication would be appropriate pursuant to 28 V.S.A. § 907(4)(H).

* * *

Sec. 4. 33 V.S.A. § 7102(11) is amended to read:

(11) "Therapeutic community residence" means a place, however named, excluding a hospital as defined by statute or the Vermont state hospital, which provides, for profit or otherwise, ~~short term~~ transitional individualized treatment to three or more residents with major life adjustment problems, such as alcoholism, drug abuse, mental illness, or delinquency.

Sec. 5. RULE MAKING

The department of disabilities, aging, and independent living shall adopt rules pursuant to 3 V.S.A. chapter 25 amending the licensing requirements for therapeutic community residences to provide for the operation of secure residential recovery facilities. Such licensing requirements shall ensure by rule that residents of a secure residential recovery facility have rights at least equal to those provided to patients at the former Vermont State Hospital. The department shall solicit input on the proposed rule from the mental health oversight committee.

Sec. 6. EFFECTIVE DATE

This act shall take effect on passage.

(**Committee Vote 9-1-1)**

Favorable

H. 756

An act relating to the sales and use tax exemption for packaging equipment

Rep. Condon of Colchester, for the Committee on **Ways and Means,** recommends the bill ought to pass.

(Committee Vote: 10-1-0)

Consent Calendar

Concurrent Resolutions for Adoption Under Joint Rule 16a

The following concurrent resolutions have been introduced for approval by the Senate and House and will be adopted automatically unless a Senator or Representative requests floor consideration before today's adjournment. Requests for floor consideration in either chamber should be communicated to the Secretary's office and/or the House Clerk's office, respectively. For text of

resolutions, see Addendum to House Calendar and Senate Calendar of 2/23/2012.

H.C.R. 272

House concurrent resolution congratulating Harriette B. Lerrigo-Leidich of North Bennington on her 100th birthday

H.C.R. 273

House concurrent resolution designating February 29, 2012 as Afterschool, Summer, and Expanded Learning Day at the State House

H.C.R. 274

House concurrent resolution in memory of Garry Chalmers Simpson, a master of the cinematic, performing, and television arts

H.C.R. 275

House concurrent resolution in memory of former Representative Carl H. Reidel of North Ferrisburgh

H.C.R. 276

House concurrent resolution commemorating the 250th anniversary of the town of Hinesburg

H.C.R. 277

House concurrent resolution in memory of former East Montpelier Town Clerk and Treasurer Sylvia Tosi

S.C.R. 37

Senate concurrent resolution honoring the military valor of United States Army Staff Sgt. Dylan J. Maynard

Public Hearings

February 28, 2012 - Room 11 - 7:00 PM - Judicial Retention of Justices Karen Carroll, Dennis Pearson, and Barry Peterson

Information Notice

Deadline for Introducing Bills

Pursuant to Rule 40(b) of the Rules and Orders of the Vermont House of Representatives, during the second year of the biennium, except with the prior consent of the Committee on Rules, no member may introduce a bill into the House drafted in standard form after the last day of January. Bills may be introduced in Short Form until the second Friday after Town Meeting Day.

In order to meet this deadline all sign out sheets must be submitted to the Legislative Council no later than the close of business on Friday, January 27, 2012. Requests for short form bills may be made until Wednesday, February 15, 2012.

Pursuant to Rule 40(c) during the second year of the biennium, except with the prior consent of the Committee on Rules, no committee, except the Committees on Appropriations, Ways and Means or Government Operations, may introduce a bill drafted in standard form after the last day of March. The Committees on Appropriations, Ways and Means bills may be drafted in standard form at any time, and Government Operations bills, pertaining to city or town charter changes, may be drafted in standard form at any time.