#### Legislative Overview – 2017

The VBA followed a number of bills affecting the bar and the courts this legislative session. Below is a brief summary of those that have been enacted to date; please note that a number of them have July 1, 2017 effective dates. The summary includes the bill designation, act number, title, date signed by Governor Scott, effective date, and an indication of any VBA Connect Communities where information about the bill was posted during the legislative session. A link to each bill is at the end of each summary. For your information, the "Notary Public" bill that's been mentioned the last couple of sessions passed the House as H. 526, but didn't get to the Senate. We've been asked to meet with the Secretary of State's Office over the summer, in the hopes of arriving at an acceptable version of the bill before the start of the next legislative session.

Many thanks to VBA Government Relations Coordinator Bob Paolini for so ably tracking these and a variety of other bills affecting the bar, and for making sure that testimony was provided when needed. Many thanks, also, to the numerous lawyers who testified so capably, when needed. Please contact Teri Corsones at <a href="mailto:tcorsones@vtbar.org">tcorsones@vtbar.org</a> if you have any questions about this overview. Thank you very much!

**H. 4 (Act 11) "Day is a Day"** bill (an act related to calculating time periods in court proceedings); signed by Governor Scott on May 1, 2017, effective July 1, 2017. (VBA Connect Practice & Procedure Community)

http://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT011/ACT011%20As%20 Enacted.pdf

- Statutory changes to comport with recommended VRCP 6 rule changes to simplify computation of time periods
- If number of days is 10, changed to 14 days
- If number of days fewer than 10, "business days" added

**H. 35 (Act 20) "Voidable Transactions"** bill (an act adopting the Uniform Voidable Transactions Act); signed by Governor Scott on May 4, 2017, effective July 1, 2017. (VBA Connect Business Association Law Community)

http://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT020/ACT020%20As%20 Enacted.pdf

- Adopts most recent revisions to Uniform Voidable Transactions Act
- "Fraudulent Transfers" now referred to as "Voidable Transactions"

Provisions of Act apply to transfers made or obligations incurred after 7/1/17

**H. 152 (Act 13) "Digital Assets"** bill (an act adopting the Revised Uniform Fiduciary Access to Digital Assets Act); signed by Governor Scott on May 1, 2017, effective July 1, 2017. (VBA Connect Probate and Trust Community)

http://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT013/ACT013%20As%20 Enacted.pdf

- Adopts Vermont Revised Uniform Fiduciary Access to Digital Assets Act
- Extends fiduciary's authority to manage digital assets
- Includes on-line bank accounts, retirement accounts, e-mail and social media accounts

**H. 171 (Act 57) "Expungement"** bill (an act relating to expungement); signed by Governor Scott on June 5, 2017; effective July 1, 2017 - except for section 3(E) effective January 1, 2018. (VBA Connect Criminal Law Community)

http://legislature.vermont.gov/assets/Documents/2018/Docs/BILLS/H-0171/H-0171%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf

- Amends Uniform Collateral Consequences of Conviction Act to require notice of availability of expungement process at entry of guilty plea, upon release from DOC custody, and when penalty is fine only
- Adds violation of 18 VSA §4223 (fraud or deceit) to list of eligible felonies as of 1/1/18
- Reduces waiting periods to seek or re-file after denial of expungement petition
- Presumption that expungement is in best interest if underlying conduct no longer designated a criminal offense
- Clarifies effect of expungement covers arrest, citation, investigation, charge, adjudication, criminal proceedings and probation records
- Secretary of State and AG directed to evaluate compliance with expungement chapter and report to confirm compliance

**H. 265 (Act 23) "Vulnerable Adult"** bill (an act creating a private cause of action for a vulnerable adult who's been financially exploited); signed by Governor Scott on May 4, 2017; effective on passage. (VBA Connect Property Law Community – discussion under H. 283 reference)

http://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT023/ACT023%20As%20 Enacted.pdf

- Creates private cause of action for vulnerable adult who's been financially exploited
- Cause of action does not limit right, title or interest of good faith purchasers
- Updates "Long Term Care Ombudsman" statutes to conform to federal law and regulations

**H. 290 (Act 24) "Title Clarifications"** bill (an act related to clarifying ambiguities relating to real estate titles and conveyances); signed by Governor Scott on May 4, 2017; effective on passage. (VBA Connect Property Law Community)

http://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT024/ACT024%20As%20 Enacted.pdf

- Clarifications regarding mortgage discharges by attorney affidavit
- Requirements for abandonment of oil and gas deposit leases clarified
- Notice or memorandum of lease recorded in land records need not be witnessed
- Failure to record condo floor plan not a title defect, if declaration recorded more than 15 years ago
- Clarifies ambiguity re foreign guardian's authority to convey real property in Vermont
- Certain powers of attorney exempt from requirement that agent accept appointment

**H. 424 (Act 47) "Act 250"** bill (an act relating to the Commission on Act 250); signed by Governor Scott on May 23, 2017; effective on passage (VBA Connect Environmental Law Community)

http://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT047/ACT047%20As%20 Enacted.pdf

- Legislative Commission on Act 250 "The Next 50 Years" established
- Advisory Council to Commission also established Gerry Tarrant as chair of VBA Environmental Section appointed to Advisory Council
- Series of public hearings about criteria and effectiveness of Act 250 processes to be scheduled around the state; report due 12/15/18

**H. 502 (Act 31) "Parentage"** bill (an act related to modernizing Vermont's parentage laws); signed by Governor Scott on May 10, 2017; effective on passage. (VBA Connect Family Law

#### Community)

http://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT031/ACT031%20As%20 Enacted.pdf

- Parentage Study Committee created to make recommendations to modernize parentage laws in light of changing nature of the family
- Committee to include two attorneys experienced in parentage issues related to reproductive technology and surrogacy, to be appointed by VBA (Kurt Hughes and Susan Murray appointed)
- Recommendations due 10/1/17
- **S. 8 (Act 79) "Ethics"** bill (an act related to establishing the Ethics Commission and standards of government ethical conduct); signed by Governor Scott on June 14, 2017; variety of effective dates. <a href="http://legislature.vermont.gov/assets/Documents/2018/Docs/BILLS/S-0008/S-0008%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf">http://legislature.vermont.gov/assets/Documents/2018/Docs/BILLS/S-0008/S-0008%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf</a>
  - Five-person Ethics Commission created to accept, review, make referrals and track compliance re alleged violations of governmental conduct
  - Commission to include a VBA member; applications to be solicited soon
  - Post-public employment restrictions for legislators and executive officers
  - Financial disclosure requirements for legislative or state office candidates
  - Campaign contribution restrictions re sole source (no bid) contracts
  - Addresses municipal conflict of interest and ethics policies
- **S. 112 (Act 60) "Alimony Reform"** bill (an act relating to creating a Spousal Support and Maintenance Task Force); signed by Governor Scott on June 5, 2017; effective on passage. (VBA Connect Family Law Community)

http://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT060/ACT060%20As%20 Enacted.pdf

- Creates a Spousal Support and Maintenance Task Force to review and make legislative recommendations concerning spousal support and maintenance
- Task Force to include two experienced family law attorneys (Emily Davis and Priscilla Dube appointed)
- Recommendations due 12/1/17
- Alimony guidelines added to 15 VSA §752

- **S. 136 (Act 70) "Consumer Credit"** bill (an act related to miscellaneous consumer protection provisions); signed by Governor Scott on June 8, 2017; multiple effective dates. <a href="http://legislature.vermont.gov/assets/Documents/2018/Docs/BILLS/S-0136/S-0136%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf">http://legislature.vermont.gov/assets/Documents/2018/Docs/BILLS/S-0136/S-0136%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf</a>
  - Requirements for residential home improvement contract provisions
  - Home loan escrow account re-calculation required if tax bill revised
  - Regulation of fantasy sports contests

For 2020 legislative changes and emergency rules, see the COVID resource page here.

# Legislative Overview – 2018

The VBA followed a number of bills affecting the bar and the courts this legislative session. Below is a brief summary of those that have been enacted to date; please note that a number of them have July 1, 2018 effective dates. The summary includes the bill designation, act number (if assigned), title, date signed by Governor Scott, effective date, and an indication of any VBA Connect Communities where information about the bill was posted during the legislative session. A link to each bill is included with each summary.

Many thanks to VBA Government Relations Coordinator Bob Paolini for so ably tracking these and a variety of other bills affecting the bar, and for making sure that testimony was provided when needed. Many thanks, also, to the numerous lawyers who testified so capably, when needed. Please contact Teri Corsones at <a href="mailto:tcorsones@vtbar.org">tcorsones@vtbar.org</a> if you have any questions about this overview. Thank you very much!

**H. 300 (Act 117) "Notice of Tax Sale"** bill (an act relating to the statute of limitations for recovery and possession of property actions against the grantee of a tax collector's deed); signed by Governor Scott on May 2, 2018; effective on July 1, 2018. (VBA Connect Municipal Law Community and Real Property Law Community)

https://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT117/ACT117%20As%2 <u>OEnacted.pdf</u>

- Period during which a tax sale can be challenged as a fraudulent conveyance reduced from four years to two years; runs concurrently with Federal Bankruptcy Code provision re fraudulent conveyances
- The statute of limitations for challenging a tax sale is reduced from three years to one year after tax collector's deed delivered to successful bidder
- Service requirements generally modified; if certified mail process fails, first class mail or option for personal service

**H. 526 (Act 160) "Notary Public"** bill (an act related to regulating notary publics); signed by Governor Scott on May 22, 2018, effective on July 1, 2019 (except commission requirements take effect on December 1, 2018, and exam and education requirements take effect on Feb. 1, 2021) (VBA Connect Real Property Community)

https://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT160/ACT160%20As%2 <u>OEnacted.pdf</u>

- Secretary of State will have notary public commissioning authority beginning with the February 10, 2019 term; applications will be on-line
- Two-year term instead of four; \$15 application fee each term
- Attorneys exempt from new exam and education requirements that kick in with February 2021 term
- Codifies content of notary acknowledgements; specifies methods of verifying identification
- Option of stamp, seal or notary commission number
- Remote notarizations not allowed personal appearance required
- Two notary advisors for rule-making process VBA rep to be one of them

**H. 562 (Act 162) "Parentage"** bill (an act related to parentage proceedings); signed by Governor Scott on May 22, 2018, effective on July 1, 2018. (VBA Connect Family Law Community)

https://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT162/ACT162%20As%2 0Enacted.pdf

- Expands definition of parent to potentially include birth parent, adoptive parent, acknowledged parent, adjudicated parent, presumed parent, and de facto parent
- Sets forth criteria to meet each expanded definition
- Sets forth criteria regarding genetic parentage
- Sets forth criteria regarding gestational carrier agreements
- Also applies to a pending proceeding to adjudicate parentage commenced before
  July 1, 2018 for an issue on which a judgment has not been rendered.

**H. 707 (Act 183) "Sexual Harassment"** bill (an act related to the prevention of sexual harassment); signed by Governor Scott on May 28, 2018, effective on July 1, 2018, except Section 5 effective on passage.

https://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT183/ACT183%20As%20Enacted.pdf

- Numerous changes to Vermont's laws related to sexual harassment
- Prohibitions re certain provisions in employment contracts
- Requirements re certain provisions in settlements of claims for sexual harassment
- Notice requirements for claims of sexual harassment

**H. 859 (Act 152) "Lease lands"** bill (an act related to requiring municipal corporations to affirmatively vote to retain ownership of lease lands); signed by Governor Scott on May 21, 2018, effective on July 1, 2018. (VBA Connect Municipal Law Community and Property Law Community)

https://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT152/ACT152%20As%2 0Enacted.pdf

- Unless municipality votes to retain all or portion of lease lands by 1-1-20, lease lands revert to titled lessee
- UVM and State Agricultural lease lands exempt
- Municipality can release lease lands prior to 1-1-20

**H. 899 (Act 155) "Town Clerk Recording Fees"** bill (an act relating to a town fee report and request); signed by Governor Scott on May 21, 2018; effective on July 1, 2018. (VBA Connect Municipal Law Community and Real Property Law Community)

https://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT155/ACT155%20As%2 <u>OEnacted.pdf</u>

- Amount of recording fees unchanged for now; can request recording fee increase every three years, starting January 2019
- Requirement for towns to provide consolidated town fee report every three years, starting in January 2019

**H. 910 (Act 166) "Open Meeting"** bill (an act relating to the open meeting law and the public records act); signed by Governor Scott on May 22, 2018; effective on July 1, 2018 (except Section 3 effective on January 1, 2019). (VBA Connect Municipal Law Community – discussion under H. 700 reference)

https://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT166/ACT166%20As%2 0Enacted.pdf

- "Meeting" shall not mean occasions when a quorum of a public body attends social gatherings, conventions, conferences, training programs, press conferences, media events, or otherwise gathers, provided that the public body does not discuss specific business of the public body that, at the time of the exchange, the participating members expect to be business of the public body at a later time.
- Public Records provisions modified generally
- Requires head of a state agency or department to designate a person accountable for overseeing PRA requests, and to post contact info for that person on applicable website
- **S. 29 (Act 195) "Probate"** bill (an act related to decedents' estates); signed by Governor Scott on May 30, 2018; effective on July 1, 2018 (applies to wills executed or offered for admission on or after July 1, 2018) (VBA Connect Probate Law Community)

https://legislature.vermont.gov/assets/Documents/2018/Docs/ACT195/ACT195%20As%2 0Enacted.pdf

- Updates Vermont law regarding wills and decedents' estates generally
- Allows self-proving wills
- Modifies statute of limitations for claims against estates
- Terminology modernized generally
- **S. 128 (Act 95) "Executive Session"** bill (an act relating to executive sessions under the Open Meeting Law); signed by Governor Scott on April 11, 2018; effective on passage. (VBA Connect Municipal Law Community)

http://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT060/ACT060%20As%20 Enacted.pdf

- Allows public body to go into executive session to discuss security or emergency responses measures, the disclosure of which could jeopardize public safety
- **S. 244 (Act ) "Spousal Support"** bill (an act related to extending the repeal date for the guidelines for spousal maintenance awards); signed by Governor Scott on May 30, 2018; effective on passage. (VBA Connect Family Law Community)

https://legislature.vermont.gov/assets/Documents/2018/Docs/BILLS/S-0244/S-0244%20House%20Proposal%20of%20Amendment%20Unofficial.pdf

- Spousal support guidelines repeal date extended to July 1, 2021
- Provision calling for new summer study committee removed
- **S. 269 (Act ) "Blockchain"** bill (an act relating to blockchain business development); signed by Governor Scott on May 30, 2018; effective on July 1, 2018. (VBA Connect Property Law Community)

https://legislature.vermont.gov/assets/Documents/2018/Docs/BILLS/S-0269/S-0269%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf

- \* DFR directed to prepare a report on how block chain might be implemented in insurance and banking areas
- \* Agency of Commerce and Community Development directed to incorporate promotion of blockchain and fintech development into programs, including education and workforce trainings
- \* New type of limited liability company authorized Blockchain Based Limited Liability Company (BBLLC) special roles for participants outlined

# VBA Legislative Overview – 2019

The VBA followed a number of bills affecting the bar and the courts this legislative session. Below is a brief summary of those that have been enacted to date in bill number order; please note that a number of them have July 1, 2019 effective dates. The summary includes the bill designation, act number (if assigned), title, date signed by Governor Scott, effective date, and an indication of any VBA Connect Communities where information about the bill was posted during the legislative session. A link to each bill is included with each summary.

Many thanks to VBA Government Relations Coordinator Bob Paolini for so ably tracking these and a variety of other bills affecting the bar, and for making sure that testimony was provided when needed. Many thanks, also, to the numerous lawyers who testified so capably, when needed. Please contact Teri Corsones at <a href="mailto:tcorsones@vtbar.org">tcorsones@vtbar.org</a> if you have any questions about this overview. Thank you very much!

**H. 278** – **Act 24** "Parentage" bill (an act relating to acknowledgment or denial of parentage); signed by Governor Scott on May 16, 2019; Sections 1–3 and 7 are effective on passage, remaining sections are effective on July 1, 2019. (VBA Family Law Community)

- Clarification of timing for rescission of denial or acknowledgement of parentage
- Clarification of circumstances regarding the release of parentage information
- Clarification of certain details of parentage forms and parentage orders

https://legislature.vermont.gov/Documents/2020/Docs/ACTS/ACT024/ACT024%20As%20Enacted.pdf

**H. 287 – Act 36** "Small probate estates" bill (an act relating to small probate estates); signed by Governor Scott on May 28, 2019; effective on July 1, 2019. (VBA Probate Law Community)

- Small estate limit raised from \$10,000 to \$45,000
- Estate must consist entirely of personal property; time share property may be allowed
- Listing of what needs to be filed
- Interested parties have 14 days to object
- Letters of administration effective for one year
- Spells out process if small estate insolvent

https://legislature.vermont.gov/Documents/2020/Docs/BILLS/H-0287/H-0287%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf

**H. 330 – Act 37** "Repeal of Statute of Limitations" bill (an act relating to repealing the statute of limitations for civil actions based on childhood sexual abuse); signed by Governor Scott on May 28, 2019; effective on July 1, 2019 (VBA Practice and Procedure Community)

- Repeal of statute of limitations for civil actions based on childhood sexual abuse
- Felony sexual exploitation of a minor added to definition of childhood sexual abuse
- Repeal applies retroactively to abuse that occurred prior to July 1, 2019
- Damages against an entity for actions based on abuse that would have been barred by statute of limitations on June 30, 2019 only if there is a finding of gross negligence

https://legislature.vermont.gov/Documents/2020/Docs/BILLS/H-0330/H-0330%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf

**H. 436** – **Act 11** "International Wills" bill (an act relating to international wills); signed by Governor Scott on April 30, 2019; effective on July 1, 2019. (VBA Probate Law Community)

- Based on Uniform Law on the Form of an International Will
- International will in compliance with statute is valid with regard to form, irrespective of place where made, location of assets or nationality, domicile or residence of testator
- Spells out requirements of process for validating international wills
- Certificate by authorized person regarding requirements must be attached to will
- Template for certificate of authorized person included in statute
- A person with active Vermont law license and in good standing is authorized person

https://legislature.vermont.gov/Documents/2020/Docs/ACTS/ACT011/ACT011%20As%20Enacted.pdf

**H.** 460 – Act 32 "Sealing and Expungement" bill (an act relating to sealing and expungement of criminal history); signed by Governor Scott on May 23, 2019; effective on July 1, 2019 except Sec. 3 (expungement and sealing procedure) shall take effect on October 1, 2019.

- Expansion of nonviolent crimes that qualify for sealing or expungement petitions, including possession of certain controlled substances, driving under the influence (first offense) in certain instances and burglary in certain instances
- Definition of predicate offenses modified to exclude possession of a controlled substance in certain instances

https://legislature.vermont.gov/Documents/2020/Docs/ACTS/ACT032/ACT032%20As%20Enacted.pdf

**H. 512 – Act 40** "Miscellaneous Judiciary Amendments" bill (an act relating to miscellaneous court and Judiciary related amendments) signed by Governor Scott on May 30, 2019. Effective date July 1, 2019, but "notwithstanding 1 V.S.A. § 214, Sec. 6, 15 V.S.A. § 752(b)(9) (maintenance guidelines), shall apply to actions filed on or after January 1, 2019". (VBA Family Law Community)

- Option to waive use of commissioners in partition actions
- Probate divisions to maintain electronic databases of notices of intent to retain parental rights
- Confidentiality parameters for use of juvenile records in probate cases
- Records of subjects of delinquency petitions filed after 7/1/06 sealed if case dismissed
- Modifications of maintenance provisions ("long term" instead of "permanent";
   retirement benefits provisions; alimony guidelines updated in light of Tax Reform bill)
- Various revisions to marijuana/cannabinoids provisions
- Creation of Task Force on Campus Sexual Harm VBA appointee on Task Force

https://legislature.vermont.gov/Documents/2020/Docs/BILLS/H-0512/H-0512%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf

**H. 526 – Act 38** "Town Clerk Recording Fees" (an act relating to town clerk recording fees and town restoration and preservation reserve funds); signed by Governor Scott on May 28, 2019; sections 1-2 (town clerk fees; town fee report), 6 (recording of tax liens); 7-9 (recording procedures) effective on July 1, 2019; sections 3-5 (survey plats) effective on Jan. 1. 2020. (VBA Property Law and Municipal Law Communities).

- Recording cost per page increase from \$10 to \$15 for deeds, foreclosure complaints, document that is to be a matter of public record, and property transfer tax returns
- Recording cost per survey sheet increase from \$15 to \$25
- Examination of record cost per hour increase from \$2 to \$4
- If land subdivided or boundaries changed after Jan. 1, 2020, the deed shall be
  accompanied by a survey plat that shows new boundaries and cite book and page of
  previous deed failure to do so does not void the deed or render the title
  unmarketable, however
- Vermont tax lien is deemed filed when the clerk indorses a certificate on the lien
- Clerks shall bear the cost of returning the original copy of a recorded instrument to the filer
- Clerk shall enter the names of parties, type and date of instrument, and date and time
  of recording in a searchable index open to public inspection within three days following
  the date an instrument is indorsed (time for entering the information may be extended
  for good cause shown such as illness or absence of clerk)

https://legislature.vermont.gov/Documents/2020/Docs/BILLS/H-0526/H-0526%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf

**H. 527** – "Judicial Branch Fees" bill (an act relating to Executive Branch and Judicial Branch fees) signed by Governor Scott on June 18, 2019; effective date of Judiciary Branch filing fees is July 1, 2019.

- No filing fee for motions to confirm the sale of property in foreclosure
- Filing fee of \$100 for petitions for license to convey real estate or personal property
- Filing fee of \$100 to obtain a birth order
- Filing fee of \$150 to appeal the denial of an application to amend a birth or death certificate

https://legislature.vermont.gov/Documents/2020/Docs/JOURNAL/hj190523.pdf (judiciary fees on pp. 1985-1986)

H. 541 – "Revenue" bill (an act relating to changes that affect the revenue of the State); signed by Governor Scott on June 18, 2019; act takes effect on passage, except for: (1) Sec. 1 (capital gains exclusion) shall take effect on July 1, 2019 and apply to the sales of assets on or after that date. (2) Notwithstanding 1 V.S.A. § 214, Sec. 2 (medical deduction) shall take effect retroactively on January 1, 2019 and apply to taxable year 2019 and after. (3) Secs. 4 (downtown and village center tax credit), 7–8 (rooms tax), 9–15 (property transfer tax), and 18 (fuel tax) shall take effect on July 1, 2019. (4) Sec. 5 (estate tax exclusion at \$4,250,000.00) shall take effect on January 1, 2020 and apply to estates of decedents with a date of death on or after that date. (5) Sec. 6 (estate tax exclusion at \$5,000,000.00) shall take effect on January 1, 2021 and apply to estates of decedents with a date of death on or after that date. (6) Secs. 16–17 (land gains tax) shall take effect on January 1, 2020 and apply to gains from sales made on or after that date.

- Capital gains tax exclusion shall not exceed 40% of federal taxable income or \$350,000, whichever is less
- Land gains tax modified to only cover land, whether or not improved, that has been purchased and subdivided by the transferor within 6 years previous to the sale or exchange of the land
- New property transfer tax trigger for the transfer or acquisition of a controlling interest in a property
- Estate tax limit increased from \$2,750,000 to \$4,250,000 in 2020 and \$5,000,000 in 2021

https://legislature.vermont.gov/Documents/2020/Docs/JOURNAL/hj190524.pdf (capital gains tax on pp. 2009-2012; land gains tax on pp. 2025-2026; property transfer tax on pp. 2021-2025; estate tax on pp. 2019-2020)

- **S. 18** "Unconscionable Terms"" bill (an act relating to consumer justice enforcement) delivered to Governor Scott on June 13, 2019. Effective on October 1, 2020.
  - Rebuttable presumption that certain contract terms are substantively unconscionable in certain standard form contracts
  - Contract terms include inconvenient forums, waiver of a right to a jury trial, waiver of a right to seek punitive damages, modification of limitation of action periods, and excessive fees or costs to bring an action
  - Exclusions for financial institutions, credit unions, contracts regulated by DFR, contracts for recreational activities, sports or competitions, and motor vehicle retail installment contracts

https://legislature.vermont.gov/Documents/2020/Docs/JOURNAL/sj190523.pdf (unconscionable terms on pp. 1615-1617)

- **S. 131 Act 57** "Insurance" bill (an act relating to insurance and securities); signed by Governor Scott on June 10, 2019; effective date of July 1, 2019.
  - Outline of "innovation waivers" with respect to specific requirements of insurance laws, regulations or bulletins
  - New domestic surplus lines insurance provisions
  - New HIV-related test requirements
  - Parameters of Vermont Financial Services Education and Victim Restitution Special Fund
  - Modification of definition of "credit report"

https://legislature.vermont.gov/Documents/2020/Docs/BILLS/S-0131/S-0131%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf

Other bills that did not make it through this session but may be back next session

- H. 1 Non-compete provisions (H Comm Econ Dev) likely to come back next session (Employment and Intellectual Property Sections)
- H. 412 P R & R (H Jud) possibly back next session (Family Law Section)
- S. 99 Alimony reform (Sen Jud) very likely to come back next session (Family Law Section)

Act 250 Commission – the House Judiciary Committee will likely be asked to review a proposal that jurisdiction over Act 250 appeals be transferred from the Environmental Division to a lay Environmental Review Board. The Environmental Law Section will discuss the proposal during a program at the VBA Annual Meeting on September 27 in Burlington.

For an overview of 2020 Legislative Developments and Emergency Rules, see the COVID Resource page on the VBA website linked here.

# VBA Legislative Overview – 2021

The VBA followed a number of bills affecting the bar and the courts during this unusual "fully remote" legislative session. Below is a brief summary of those that have been enacted to date in act number order, followed by those that have been delivered to the Governor but have not yet been signed. Please note that a number of the bills have July 1, 2021 effective dates. The summary includes the act number (if assigned), bill designation, title, date signed by Governor Scott, effective date, and an indication of any VBA Connect Communities where information about the bill was posted during the legislative session. A link to each bill is included with each summary.

Many thanks to the numerous lawyers who testified so capably, when needed. Please contact Teri Corsones at <a href="mailto:tcorsones@vtbar.org">tcorsones@vtbar.org</a> if you have any questions about this overview. Thank you very much!

Act 4 – S.14 "Deed Restrictions" bill (an act relating to deed restrictions and housing density) Signed by Governor Scott on March 13, 2021; effective date retroactive to January 1, 2021. (VBA Property Law Section)

- Narrows the language of 27 VSA 545 that originally covered all deed restrictions.
- Restrictions at issue limited to those that prohibit accessory dwelling units or small lots; any such restrictions are invalid if added after 3-1-21.
- Retroactive date in order to avoid invalidating any deed restriction under prior language.

https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT004/ACT004%20As%20Enacted.pdf

Act 15 – H.151 "Vital Records" bill (an act relating to vital records) Signed by Governor Scott on April 29; effective date of July 1, 2021.

 Adds "grandchild" of registrant to list of persons eligible to request certified copies of birth or death certificates.

https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT015/ACT015%20As%20Enacted.pdf

Act 16 – H.154 "Vacant Municipal Officer" bill (an act relating to the failure of municipal officers to accept office) Signed by Governor Scott on April 29, 2021; effective date July 1, 2021. (VBA Municipal Law Section and VBA Property Law Section)

- Applies if municipal officer refuses or neglects to take office within 30 days of election.
- Legislative body must warn meeting to afford officer opportunity to take oath of office.

https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT016/ACT016%20As%20Enacted.pdf

Act 19 – H.199 "Validation of Deeds" bill (an act relating to validating legal instruments used in connection with the conveyance of real estate) Signed by Governor Scott on May 6, 2021; effective on passage. (VBA Property Law Section)

- Applies if acknowledgement clause executed by POA inaccurately recited personal appearance of the principal and not POA who personally appeared.
- Applies if POA fails to comply with POA statute or requirements of the Emergency Rules for Remote Notarial Acts, unless action challenging validity is filed within three years.
- Doesn't apply to POA obtained by fraud or forgery.

https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT019/ACT019%20As%20Enacted.pdf

Act 23 – S.39 "E-Filing Fees" bill (an act relating to the Judicial Branch fee report and electronic filing fees) Signed by Governor Scott on May 12, 2021; effective date July 1, 2022. (VBA E-Filing Fees Group and VBA Court Users Group)

- Covers any fees associated with electronic filing
- Covers any proposals to reauthorize, change or terminate any fees associated with electronic filing
- Effective date 7-1-22 to coincide with next fee report due third Tuesday of 2023 session.

https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT023/ACT023%20As%20Enacted.pdf

Act 26 – S.99 "Statute of Limitations Repeal – Childhood Physical Abuse" bill (an act relating to repealing the statute of limitations for civil actions based on childhood physical abuse) Signed by Governor Scott on May 12, 2021; effective date July 1, 2021.

• Childhood physical abuse means act which would have constituted aggravated assault at time act was committed.

- Does not cover attempted acts.
- Applies retroactively to childhood physical abuse that occurred prior to 7-1-21.
- If action would have been barred by SOL in effect on 6-30-21, damages awarded against entity only if finding of gross negligence on part of entity.

https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT026/ACT026%20As%20Enacted.pdf

Act 31 – H.89 "Limitation of Liability for Agritourism" bill (an act relating to limiting liability for agritourism) Signed by Governor Scott on May 17, 2021; effective date July 1, 2021.

- Applies to specified agritourism activities.
- To qualify, agritourism host must post specific warning notice.
- Limits liability resulting from inherent risk of agritourism activities.

https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT031/ACT031%20As%20Enacted.pdf

**S.97 "Miscellaneous Judiciary" bill** (an act relating to miscellaneous judiciary procedures) Signed by Governor Scott on June 7, 2021; effective on passage. (VBA Family Law Section and VBA Probate Law Section)

- Makes permanent the spousal maintenance and support guidelines.
- Sets the fee for appointment of a personal rep to bring a wrongful death action.
- Sets the fee for registering a foreign guardianship order.

https://legislature.vermont.gov/bill/status/2022/S.97

**S.62 "New Employee Incentives" bill** (an act relating to creating a New Vermont Employee Incentive Program) Signed by Governor Scott on June 1, 2021; effective on passage. (VBA Workforce Development Committee)

- Incentive grants of up to \$5,000 for qualifying new employees.
- Enhanced grants not to exceed \$7,500 in certain circumstances.
- Qualifying expenses include relocation, connectivity and specialized equipment expenses.
- Intended to consolidate New Remote Worker Grant Program and New Worker Relocation Incentive Program.
- Bill sponsors will consider adding lawyers to list of target workers in next session.

https://legislature.vermont.gov/Documents/2022/Docs/BILLS/S-0062/S-0062%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf

**S.7 "Expungements" bill** (an act relating to expanding access to expungement and sealing of criminal history records) Signed by Governor Scott on June 7, 2021; effective date of July 1, 2021.

- Substituted "grossly negligent" operation for "careless" operation resulting in serious bodily injury or death in "listed crimes" not eligible for expungement.
- Allows surcharges to be waived where the petitioner demonstrates inability to pay.
- Increased threshold age from 21 years to 25 years; if person committed eligible crimes prior to threshold age person may apply for expungement if all other conditions met.
- Added a number of motor vehicle offenses to those eligible for entry of "expunged" two
  years following the satisfaction of judgment.
- Joint Legislative Justice Oversight Committee to study how to simplify, automate and develop a comprehensive policy that provides avenue for expungement or sealing of records for additional offenses.

https://legislature.vermont.gov/Documents/2022/Docs/BILLS/S-0007/S-0007%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf