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H.875

Introduced by Committee on Government Operations and Military Affairs

Date:

Subject: Executive; governmental ethics; State Ethics Commission; State Code
of Ethics

Statement of purpose of bill as introduced: This bill proposes to require that certain county officers both running for and holding office file financial disclosures. It proposes to modify disclosure requirements for certain elected officers both running for and holding office. It proposes to create penalties for delinquent disclosures for candidates for State office, county office, State Senator, and State Representative. It proposes to grant the State Ethics Commission powers to perform supplemental investigations and hearings and to issue warnings, reprimands, and recommended actions. It proposes to create a full-time, exempt Legal Counsel position in the State Ethics Commission and reclassify the Executive Director of the State Ethics Commission from a part-time to a full-time, exempt State employee. It proposes to add a member to the State Ethics Commission to be appointed by the Vermont League of Cities and Towns. It proposes to create a uniform Municipal Code of Ethics. This bill also proposes to repeal redundant municipal ethics law and require municipal officers currently in office to complete initial ethics training.

1 An act relating to the State Ethics Commission and the State Code of Ethics

2 It is hereby enacted by the General Assembly of the State of Vermont:

3 * * * Candidate Financial Disclosure Requirements * * *

4 Sec. 1. 17 V.S.A. § 2414 is amended to read:

5 § 2414. CANDIDATES FOR STATE AND LEGISLATIVE OFFICE;

6 DISCLOSURE FORM

7 (a) Each candidate for State office, county office, State Senator, or State
8 Representative shall file with the officer with whom consent of candidate
9 forms are filed, along with ~~his or her~~ the candidate's consent, a disclosure form
10 prepared by the State Ethics Commission that contains the following
11 information in regard to the previous ~~calendar year~~ 12 months:

12 (1) ~~Each~~ each source, but not amount, of personal income of the
13 candidate and of ~~his or her~~ the candidate's spouse or domestic partner, and of
14 the candidate together with ~~his or her~~ the candidate's spouse or domestic
15 partner, that totals more than \$5,000.00, ~~including any of the sources meeting~~
16 ~~that total described as follows:~~

17 (A) ~~employment~~, including the candidate's employer or business
18 name and address; and;

19 (B) if self-employed, a description of the nature of the self-
20 employment ~~without needing to disclose any individual clients, including the~~
21 names of any clients, known to the candidate or the candidate's domestic

1 partner, whose principal business activities are regulated by or that have a
2 contract with any municipal or State office, department, or agency, provided
3 that the disclosed information is not confidential information;~~and~~

4 ~~(B) investments, described generally as “investment income.”~~

5 (2) ~~Any~~ any board, commission, or other entity that is regulated by law
6 ~~or that receives funding from the State~~ on which the candidate served and the
7 candidate’s position on that entity;

8 (3)(A) ~~Any~~ any company of which the candidate or ~~his or her~~ the
9 candidate’s spouse or domestic partner, or the candidate together with his or
10 her the candidate’s spouse or domestic partner, owned more than 10 percent;
11 and

12 ~~(B) the details of any loan made to any applicable company in~~
13 subdivision (A) of this subdivision (3) that is not a commercially reasonable
14 loan made in the ordinary course of business;

15 (4) any company of which the candidate or the candidate’s spouse or
16 domestic partner, or the candidate together with the candidate’s spouse or
17 domestic partner, had an ownership or controlling interest in any amount, and
18 in the previous 12 months the company had business before or with any
19 municipal or State office, agency, or department;

20 (5) ~~Any~~ any lease or contract with the State held or entered into by:

1 (A) the candidate or ~~his or her~~ the candidate's spouse or domestic
2 partner; or

3 (B) a company of which the candidate or ~~his or her~~ the candidate's
4 spouse or domestic partner, or the candidate together with ~~his or her~~ the
5 candidate's spouse or domestic partner, owned more than 10 percent;

6 (6) a generalized description, but not amount, to the best of the
7 candidate's knowledge, of the following investments held by a candidate or the
8 candidate's spouse or domestic partner:

9 (A) publicly traded assets valued at \$25,000.00 or more, which a
10 candidate exercises control over or has the ability to exercise control over,
11 which shall be listed individually;

12 (B) interests in investment funds valued at \$25,000.00 or more, in
13 which a candidate neither exercises control over nor has the ability to exercise
14 control over the financial interests held by a fund, which shall be listed
15 individually;

16 (C) interests in trusts valued at \$25,000.00 or more, which shall be
17 listed individually; and

18 (D) municipal bonds issued in the State of Vermont of any value,
19 which shall be listed individually; and

20 (7) the full name of the candidate's spouse or domestic partner.

1 (b) In addition, if a candidate's spouse or domestic partner is a lobbyist, the
2 candidate shall disclose that fact and provide the name of ~~his or her~~ the
3 candidate's spouse or domestic partner and, if applicable, the name of ~~his or~~
4 ~~her~~ the lobbying firm.

5 (c) In addition, each candidate for State office shall attach to the disclosure
6 form described in subsection (a) of this section a copy of ~~his or her~~ the
7 candidate's most recent U.S. Individual Income Tax Return Form 1040;
8 provided, however, that the candidate may redact from that form the following
9 information:

10 (1) the candidate's Social Security number and that of ~~his or her~~ the
11 candidate's spouse, if applicable;

12 (2) the names of any dependent and the dependent's Social Security
13 number; ~~and~~

14 (3) the signature of the candidate and that of ~~his or her~~ the candidate's
15 spouse, if applicable;

16 (4) the candidate's street address; and

17 (5) any identifying information and signature of a paid preparer.

18 (d)(1) A senatorial district clerk or representative district clerk who
19 receives a disclosure form under this section shall forward a copy of the
20 disclosure to the Secretary of State within three business days ~~of~~ after
21 receiving it.

1 (2) “Commission” means the State Ethics Commission established
2 under subchapter 3 of this chapter.

3 (3) “Commercially reasonable loan made in the ordinary course of
4 business” means a loan made:

5 (A) in the usual manner on any recognized market;

6 (B) at the price current in any recognized market at the time of
7 making the loan; or

8 (C) otherwise in conformity with reasonable commercial practices
9 among lenders typically dealing in the type of loan made.

10 (4) “Confidential information” means information that is exempt from
11 public inspection and copying under 1 V.S.A. § 315 et seq. or is otherwise
12 designated by law as confidential.

13 (5) “Conflict of interest” means a direct or indirect interest of a public
14 servant or such an interest, known to the public servant, of a member of the
15 public servant’s immediate family, or of a business associate, in the outcome
16 of a particular matter pending before the public servant or the public servant’s
17 public body, or that is in conflict with the proper discharge of the public
18 servant’s duties. “Conflict of interest” does not include any interest that is not
19 greater than that of other individuals generally affected by the outcome of a
20 matter.

1 (6) “County officer” means an individual holding the office of high
2 bailiff or State’s Attorney.

3 (4)(7) “Domestic partner” means an individual in an enduring domestic
4 relationship of a spousal nature with the Executive officer or the public
5 servant, provided the individual and Executive officer or public servant:

6 (A) have shared a residence for at least six consecutive months;

7 (B) are at least 18 years of age;

8 (C) are not married to or considered a domestic partner of another
9 individual;

10 (D) are not related by blood closer than would bar marriage under
11 State law; and

12 (E) have agreed between themselves to be responsible for each
13 other’s welfare.

14 (5)(8) “Executive officer” means:

15 (A) a State officer; or

16 (B) a deputy under the Office of the Governor ~~a State officer,~~
17 including an agency secretary or deputy ~~or,~~ and a department commissioner or
18 deputy.

19 (6)(9) “Governmental conduct regulated by law” means conduct by an
20 individual in regard to the operation of State government that is restricted or
21 prohibited by law and includes:

1 (A) bribery pursuant to 13 V.S.A. § 1102;

2 (B) neglect of duty by public officers pursuant to 13 V.S.A. § 3006

3 and by members of boards and commissions pursuant to 13 V.S.A. § 3007;

4 (C) taking illegal fees pursuant to 13 V.S.A. § 3010;

5 (D) false claims against government pursuant to 13 V.S.A. § 3016;

6 (E) owning or being financially interested in an entity subject to a

7 department's supervision pursuant to section 204 of this title;

8 (F) failing to devote time to duties of office pursuant to section 205

9 of this title;

10 (G) engaging in retaliatory action due to a State employee's

11 involvement in a protected activity pursuant to chapter 27, subchapter 4A of

12 this title;

13 (H) a former legislator or former Executive officer serving as a

14 lobbyist pursuant to 2 V.S.A. § 266(b); ~~and~~

15 (I) a former Executive officer serving as an advocate pursuant to

16 section 267 of this title; and

17 (J) creating or permitting to persist any unlawful employment

18 practice pursuant to 21 V.S.A. § 495.

19 ~~(7)~~(10) "Immediate family" means an individual's spouse, domestic

20 partner, or civil union partner; child or foster child; sibling; parent; or such

1 relations by marriage or by civil union or domestic partnership; or an
2 individual claimed as a dependent for federal income tax purposes.

3 (11) “Investment fund” means a widely held investment fund, that is
4 publicly traded or available and has assets that are widely diversified.
5 Investment funds include a mutual fund, regulated investment company,
6 common trust fund maintained by a bank or similar financial institution,
7 pension or deferred compensation plan, and any other pooled investment fund.

8 ~~(8)~~(12) “Lobbyist” and “lobbying firm” have the same meanings as in
9 2 V.S.A. § 261.

10 ~~(9)~~(13) “Person” means any individual, group, business entity,
11 association, or organization.

12 ~~(40)~~(14) “Political committee” and “political party” have the same
13 meanings as in 17 V.S.A. § 2901.

14 (15) “Public servant” means an individual elected or appointed to serve
15 as a State officer, an individual elected or appointed to serve as a member of
16 the General Assembly, a State employee, an individual appointed to serve on a
17 State board or commission, or an individual who in any other way is
18 authorized to act or speak on behalf of the State.

19 ~~(44)~~(16) “State officer” means the Governor, Lieutenant Governor,
20 Treasurer, Secretary of State, Auditor of Accounts, or Attorney General.

1 appearance of a conflict shall be determined from the perspective of a
2 reasonable individual with knowledge of the relevant facts.

3 (2) Except as otherwise provided in subsections (b) and (c) of this
4 section, when confronted with a conflict of interest, a public servant shall
5 recuse themselves from the matter and not take further action.

6 (3) ~~As used in this section, “conflict of interest” means a direct or~~
7 ~~indirect interest of a public servant or such an interest, known to the public~~
8 ~~servant, of a member of the public servant’s immediate family or household, or~~
9 ~~of a business associate, in the outcome of a particular matter pending before~~
10 ~~the public servant or the public servant’s public body, or that is in conflict with~~
11 ~~the proper discharge of the public servant’s duties. “Conflict of interest” does~~
12 ~~not include any interest that is not greater than that of other individuals~~
13 ~~generally affected by the outcome of a matter. [Repealed.]~~

14 * * *

15 Sec. 5. 3 V.S.A. § 1211 is amended to read:

16 § 1211. EXECUTIVE OFFICERS; ANNUAL DISCLOSURE

17 (a) Annually, each Executive officer and county officer shall file with the
18 State Ethics Commission a disclosure form that contains the following
19 information in regard to the previous 12 months:

20 (1) ~~Each~~ each source, but not amount, of personal income of the officer
21 and of ~~his or her~~ the officer’s spouse or domestic partner, and of the officer

1 together with ~~his or her~~ the officer's spouse or domestic partner, that totals
2 more than \$5,000.00, including ~~any of the sources meeting that total described~~
3 ~~as follows:~~

4 (A) ~~employment, including the~~ officer's employer or business name
5 and address; and,

6 (B) if self-employed, a description of the nature of the self-
7 employment ~~without needing to disclose any individual clients, including the~~
8 names of any clients, known to the candidate or the candidate's domestic
9 partner, whose principal business activities are regulated by or that have a
10 contract with any municipal or State office, department, or agency, provided
11 that the disclosed information is not confidential information; ~~and~~

12 (B) ~~investments, described generally as "investment income."~~

13 (2) ~~Any~~ any board, commission, or other entity that is regulated by law
14 ~~or that receives funding from the State~~ on which the officer served and the
15 officer's position on that entity;:

16 (3)(A) ~~Any~~ any company of which the officer or ~~his or her~~ the officer's
17 spouse or domestic partner, or the officer together with ~~his or her~~ the officer's
18 spouse or domestic partner, owned more than 10 percent; and

19 (B) the details of any loan made to any applicable company in
20 subdivision (A) of this subdivision (3) that is not a commercially reasonable
21 loan made in the ordinary course of business;

1 (4) any company of which the officer or the officer's spouse or domestic
2 partner, or the officer together with the officer's spouse or domestic partner,
3 had an ownership or controlling interest in any amount, and the company had
4 business before or with any municipal or State office, agency, or department;

5 (5) Any any lease or contract with the State held or entered into by:

6 (A) the officer or ~~his or her~~ the officer's spouse or domestic partner;

7 or

8 (B) a company of which the officer or ~~his or her~~ the officer's spouse
9 or domestic partner, or the officer together with ~~his or her~~ the officer's spouse
10 or domestic partner, owned more than 10 percent;

11 (6) a generalized description, but not amount, to the best of the
12 candidate's knowledge, of the following investments held by a candidate or the
13 candidate's spouse or domestic partner:

14 (A) publicly traded assets valued at \$25,000.00 or more, which a
15 candidate exercises control over or has the ability to exercise control over,
16 which shall be listed individually;

17 (B) interests in investment funds valued at \$25,000.00 or more in
18 which a candidate neither exercises control over nor has the ability to exercise
19 control over the financial interests held by a fund, which shall be listed
20 individually;

1 (C) interests in trusts valued at \$25,000.00 or more, which shall be
2 listed individually; and

3 (D) municipal bonds issued in the State of Vermont of any value,
4 which shall be listed individually; and

5 (7) the full name of the officer's spouse or domestic partner.

6 (b) In addition, if an Executive officer's or county officer's spouse or
7 domestic partner is a lobbyist, the officer shall disclose that fact and provide
8 the name of ~~his or her~~ the officer's spouse or domestic partner and, if
9 applicable, the name of ~~his or her~~ the lobbying firm.

10 (c)(1) Disclosure forms shall contain the statement, "I certify that the
11 information provided on all pages of this disclosure form is true to the best of
12 my knowledge, information, and belief."

13 (2) Each Executive officer and county officer shall sign ~~his or her~~ the
14 officer's disclosure form in order to certify it in accordance with this
15 subsection.

16 (d)(1) ~~An~~ Each Executive officer and county officer shall file ~~his or her~~ the
17 officer's disclosure on or before January 15 of each year or, if ~~he or she~~ the
18 officer is appointed after January 15, within 10 days after that appointment.

19 (2) ~~An officer who filed this disclosure form as a candidate in~~
20 ~~accordance with 17 V.S.A. § 2414 in the preceding year and whose disclosure~~

1 ~~information has not changed since that filing may update that filing to indicate~~
2 ~~that there has been no change.~~ [Repealed.]

3 (e) [Repealed.]

4 * * * Delinquent Disclosures for Candidates for State Office, County Office,
5 State Senator, and State Representative * * *

6 Sec. 6. 17 V.S.A. § 2415 is added to read:

7 § 2415. FAILURE TO FILE; PENALTIES

8 (a) If any disclosure required of a candidate for State office, county office,
9 State Senator, or State Representative by section 2414 of this title is not filed in
10 the time and manner set forth in sections 2356, 2361, and 2402 of this title, the
11 candidate for State office, county office, State Senator, or State Representative
12 shall be addressed as follows:

13 (1) The State Ethics Commission, after notification by the Office of the
14 Secretary of State of the names of delinquent filers, shall issue a notice of
15 delinquency to the candidate for State office, county office, State Senator, or
16 State Representative for any disclosure required of a candidate for State office,
17 county office, State Senator, or State Representative by section 2414 of this
18 title that is not filed in the time and manner set forth in sections 2356, 2361,
19 and 2402 of this title.

20 (2) Following notice of delinquency sent by the State Ethics
21 Commission to the candidate for State office, county office, State Senator, or

1 State Representative, the candidate shall have five working days from the date
2 of the issuance of the notice to cure the delinquency.

3 (3) Beginning six working days from the date of notice, the delinquent
4 candidate for State office, county office, State Senator, or State Representative
5 shall pay a \$10.00 penalty for each day thereafter that the disclosure remains
6 delinquent; provided, however, that in no event shall the amount of any penalty
7 imposed under this subdivision exceed \$1,000.00.

8 (4) Notwithstanding subdivision (3) of this subsection (a), the State
9 Ethics Commission may reduce or waive any penalty imposed under this
10 section if the candidate for State office, county office, State Senator, or State
11 Representative demonstrates good cause, as determined by the State Ethics
12 Commission and in the sole discretion of the State Ethics Commission.

13 (b) The Commission shall send a notice of delinquency to the e-mail
14 address provided by the candidate for State office, county office, State Senator,
15 or State Representative in the candidate's consent of candidate form.

16 (c) The State Ethics Commission may avail itself of remedies available
17 under the Vermont Setoff Debt Collection Act, as set forth in 32 V.S.A.
18 chapter 151, subchapter 12, to collect any unpaid penalty.

19 (d)(1) A candidate for State office, county office, State Senator, or State
20 Representative who files a disclosure with intent to defraud, falsify, conceal, or
21 cover up by any trick, scheme, or device a material fact, or, with intent to

1 defraud, make any false, fictitious, or fraudulent claim or representation as to a
2 material fact, or, with intent to defraud, make or use any writing or document
3 knowing the same to contain any false, fictitious, or fraudulent claim or entry
4 as to a material fact shall be considered to have made a false claim for the
5 purposes of 13 V.S.A. § 3016.

6 (2) Pursuant to 3 V.S.A. § 1223 and section 2904a of this title,
7 complaints regarding any candidate for State office, county office, State
8 Senator, or State Representative who fails to properly file a disclosure required
9 under this subchapter may be filed with the State Ethics Commission. The
10 Executive Director of the State Ethics Commission shall refer complaints to
11 the Attorney General or to the State’s Attorney of jurisdiction for investigation,
12 as appropriate.

13 * * * Expansion of State Ethics Commission’s Powers * * *

14 Sec. 7. 3 V.S.A. § 1221(a) is amended to read:

15 (a) Creation. There is created within the Executive Branch an independent
16 commission named the State Ethics Commission to accept, review, investigate;
17 hold hearings; issue warnings and reprimands; and recommended actions,
18 make referrals regarding, and track complaints of alleged violations of
19 governmental conduct regulated by law, of the Department of Human
20 Resources Personnel Policy and Procedure Manual, of the State Code of
21 Ethics, and of the State’s campaign finance law set forth in 17 V.S.A. chapter

1 61; to provide ethics training; and to issue guidance and advisory opinions
2 regarding ethical conduct.

3 Sec. 8. 3 V.S.A. § 1222 is redesignated to read:

4 § 1222. COMMISSION MEMBER ~~DUTIES AND~~ PROHIBITED
5 CONDUCT

6 Sec. 9. 3 V.S.A. § 1223 is amended to read:

7 § 1223. PROCEDURE FOR ~~HANDLING~~ ACCEPTING AND REFERRING
8 COMPLAINTS

9 * * *

10 (b) Preliminary review by Executive Director. The Executive Director
11 shall conduct a preliminary review of complaints made to the Commission in
12 order to take action as set forth in this subsection and section 1223a of this
13 title, which shall include referring complaints to all relevant entities, including
14 the Commission itself.

15 * * *

16 (c) Consultation on unethical conduct. If the Executive Director refers a
17 complaint under subsection (b) of this section, the Executive Director shall
18 signify any likely unethical conduct described in the complaint. Any entity
19 receiving a referred complaint shall consult with the Commission regarding the
20 application of the State Code of Ethics to facts presented in the complaint. The
21 consultation shall occur within 60 days after an entity receives a referred

1 complaint and prior to the entity making a determination on the complaint,
2 meaning either closing a complaint without further investigation or issuing
3 findings following an investigation.

4 (d) Confidentiality. Complaints and related documents in the custody of
5 the Commission shall be exempt from public inspection and copying under the
6 Public Records Act and kept confidential, except as provided for in section
7 1231 of this title.

8 Sec. 10. 3 V.S.A. § 1227 is added to read:

9 § 1227. INVESTIGATIONS

10 (a) Power to investigate. The Commission, through its Executive Director,
11 may investigate public servants for alleged unethical conduct. The
12 Commission may investigate alleged unethical conduct after receiving a
13 complaint pursuant to section 1223 of this title. The Commission may also
14 investigate suspected unethical conduct without receiving any complaint.

15 (b) Initiation of investigation by Commission vote. The Executive Director
16 shall only initiate an investigation upon an affirmative vote to proceed with the
17 investigation of unethical conduct by a majority of current members of the
18 Commission who have not recused themselves.

19 (c) Statute of limitations. The Commission shall only initiate an
20 investigation relating to unethical conduct that last occurred within the prior
21 two years.

1 (d) Outside legal counsel and investigators. The Executive Director may
2 appoint legal counsel, who shall be an attorney admitted to practice in this
3 State, and investigators to assist with investigations, hearings, and issuance of
4 warnings, reprimands, and recommended actions.

5 (e) Notice. The Executive Director shall notify the complainant and public
6 servant, in writing, of any complaint being investigated.

7 (f) Complainant participation. A complainant shall have the right to be
8 heard in an investigation resulting from the complaint.

9 (g) Timeline of investigation. An investigation shall conclude within six
10 months after either the date of the complaint received or, in the event no
11 complaint was received, the date of the investigation's initiation by the
12 Executive Director.

13 (h) Burden of proof. For a hearing to be warranted subsequent to an
14 investigation, the Executive Director shall find that there is a reasonable basis
15 to believe that the public servant's conduct constitutes an unethical violation.

16 (i) Determination after investigation.

17 (1) Upon investigating the alleged unethical conduct, if the Executive
18 Director determines that an evidentiary hearing is warranted, the Executive
19 Director shall notify the Commission. If a majority of current members of the
20 Commission who have not recused themselves vote in concurrence with the
21 Executive Director's determination that an evidentiary hearing is warranted,

1 the Executive Director shall prepare an investigation report specifying the
2 public servant's alleged unethical conduct, a copy of which shall be served
3 upon the public servant and any complainant, together with the notice of
4 hearing set forth in section 1228 of this title.

5 (2) Upon investigating the alleged unethical conduct, if the Executive
6 Director determines that an evidentiary hearing is not warranted, the Executive
7 Director shall notify the Commission, the public servant, and any complainant,
8 in writing, of the result of the investigation and the termination of proceedings.

9 Sec. 11. 3 V.S.A. § 1228 is added to read:

10 § 1228. HEARINGS BEFORE THE COMMISSION

11 (a) Power to hold hearings. The Commission may meet and hold hearings
12 for the purpose of gathering evidence and testimony if found warranted
13 pursuant to section 1227 of this title and to make determinations.

14 (b) All Commission hearings shall be considered meetings of the
15 Commission as described in subsection 1221(e) of this title, and shall be
16 conducted in accordance with 1 V.S.A. § 310 et seq.

17 (c) Time of hearing. The Chair of the Commission shall set a time for the
18 hearing as soon as convenient following the Director's determination that an
19 evidentiary hearing is warranted, subject to the discovery needs of the public
20 servant and any complainant as established in any prehearing or discovery
21 conference or in any orders regulating discovery and depositions, or both, but

1 not earlier than 30 days after service of the charge upon the public servant.

2 The public servant or a complainant may file motions to extend the time of the
3 hearing for good cause, which may be granted by the Chair.

4 (d) Notice of hearing. The Chair shall give the public servant and any
5 complainant reasonable notice of a hearing, which shall include:

6 (1) A statement of the time, place, and nature of the hearing.

7 (2) A statement of the legal authority and jurisdiction under which the
8 hearing is to be held.

9 (3) A reference to the particular sections of the statutes and rules
10 involved.

11 (4) A short and plain statement of the matters at issue. If the
12 Commission is unable to state the matters in detail at the time the notice is
13 served, the initial notice may be limited to a statement of the issues involved.
14 Thereafter, upon application by either the public servant or any complainant, a
15 more definite and detailed statement shall be furnished.

16 (5) A reference and copy of any rules adopted by the Commission
17 regarding the hearing's procedures, rules of evidence, and other aspects of the
18 hearing.

19 (e) Rights of public servants and complainants. Opportunity shall be given
20 to the public servant and any complainant to be heard at the hearing, present

1 evidence, respond to evidence, and argue on all issues related to the alleged
2 unethical misconduct.

3 (f) Executive session. In addition to the provisions of 1 V.S.A. § 313(a),
4 the Commission may enter executive session if the Commission deems it
5 appropriate in order to protect the confidentiality of an individual or any other
6 protected information pertaining to any identifiable person that is otherwise
7 confidential under State or federal law.

8 Sec. 12. 3 V.S.A. § 1229 is added to read:

9 § 1229. WARNINGS; REPRIMANDS; RECOMMENDED ACTIONS;

10 AGREEMENTS

11 (a) Power to issue warnings, reprimands, and recommended actions. The
12 Commission may issue warnings, reprimands, and recommended actions, not
13 inconsistent with the Vermont Constitution and laws of the State, including
14 facilitated mediation, additional training and education, referrals to counseling
15 and wellness support, or other remedial actions.

16 (b) Factors in determination.

17 (1) Circumstances of unethical conduct. In this determining, the
18 Commission shall consider the degree of unethical conduct, the timeline over
19 which the unethical conduct occurred and whether the conduct was repeated,
20 and the privacy, rights, and responsibilities of the parties.

1 (2) Determination based on evidence. The Commission shall render its
2 determination on the allegation on the basis of the evidence in the record
3 before it, regardless of whether the Commission makes its determination on the
4 investigation report of the Executive Director pursuant to section 1227 of this
5 title alone, on evidence and testimony presented in the hearing pursuant to
6 section 1228 of this title, or on its own findings.

7 (3) Burden of proof. The Commission shall only issue a warning,
8 reprimand, or recommended action if it finds that, by a preponderance of the
9 evidence, the public servant committed unethical conduct.

10 (c) Determination after hearing.

11 (1) If a majority of current members of the Commission who have not
12 recused themselves find that the public servant committed unethical conduct as
13 specified in the investigation report the Executive Director pursuant to section
14 1227 of this title alone, the Commission shall then, in writing or stated in the
15 record, issue a warning, reprimand, or recommended action.

16 (2) If the Commission does not find that the public servant committed
17 unethical conduct, the Commission shall issue a statement that the allegations
18 were not proved.

19 (3) When a determination or order is approved for issue by a board or
20 commission, the decision or order may be signed by the chair on behalf of the
21 issuing board or commission.

1 (d) Timeline for determination. The Commission shall make its
2 determination within 30 days after concluding the Commission's last hearing
3 under this section and notify the public servant and any complainant of the
4 Committee's determination. This timeline may be extended by the
5 Commission for good cause or pursuant to an agreement made between the
6 Commission and the public servant.

7 (e) Referral of unethical conduct. Notwithstanding subsection 1223(c) of
8 this title, the Commission shall notify the Attorney General or the State's
9 Attorney of jurisdiction of any alleged violations of governmental conduct
10 regulated by law or the relevant federal agency of any alleged violations of
11 federal law, if discovered in the course of the Commission's investigations.

12 (f) Power to enter into resolution agreements.

13 (1) Notwithstanding any provisions of this chapter to the contrary, the
14 Commission may, by a majority vote of its current members who have not
15 recused themselves, enter into a resolution agreement with the public servant.

16 (2) A resolution agreement shall:

17 (A) include an agreed course of remedial action to be taken by the
18 public servant;

19 (B) be in writing;

20 (C) be executed by both the public servant and Executive Director;

21 and

1 (D) be a public record subject to public inspection and copying under
2 the Public Records Act.

3 (3) A resolution agreement may be entered into at any point in time
4 before or during Commission proceedings. Any procedural deadlines
5 described in this chapter or rules adopted pursuant to this chapter shall be
6 paused at the time of execution of the resolution agreement. The Executive
7 Director shall verify compliance with the resolution agreement within three
8 months following execution of the agreement, and if the Executive Director is
9 not satisfied that compliance has been achieved, the Commission may resume
10 its initial proceedings.

11 Sec. 13. 3 V.S.A. § 1230 is added to read:

12 § 1230. PROCEDURE; RULEMAKING

13 (a) Procedure. Unless otherwise controlled by statute or rules adopted by
14 the Commission, the Vermont Rules of Civil Procedure and the Vermont Rules
15 of Evidence shall apply in the Commission's investigations and hearings.

16 (b) Rulemaking. The Commission shall adopt rules pursuant to 3 V.S.A.
17 chapter 25 regarding procedural and evidentiary aspects of the Commission's
18 investigations and hearings.

19 (c) Waiver of rules. To prevent unnecessary hardship, delay, or injustice,
20 or for other good cause, a vote of two-thirds of the Commission's members

1 present and voting may waive the application of a rule upon such conditions as
2 the Chair may require, unless precluded by rule or by statute.

3 (d) Subpoenas and oaths. The Commission, the Executive Director, and
4 the Commission's legal counsel and investigators shall have the power to issue
5 subpoenas and administer oaths in connection with any investigation or
6 hearing, including compelling the provision of materials or the attendance of
7 witnesses at any investigation or hearing. The Commission, the Executive
8 Director, and the Commission's legal counsel and investigators may take or
9 cause depositions to be taken as needed in any investigation or hearing.

10 Sec. 14. 3 V.S.A. § 1231 is added to read:

11 § 1231. RECORD; CONFIDENTIALITY

12 (a) Intent. It is the intent of this section both to protect the reputation of
13 public servants from public disclosure of frivolous complaints against them
14 and to fulfill the public's right to know any unethical conduct committed by a
15 public servant that results in issued warnings, reprimands, or recommended
16 actions.

17 (b) Public records. Public records relating to the Commission's handling of
18 complaints, alleged unethical conduct, investigations, and proceedings are
19 exempt from public inspection and copying under the Public Records Act and
20 shall be kept confidential, except those public records required or permitted to

1 be released under this chapter. Records subject to public inspection and
2 copying under the Public Records Act shall include:

3 (1) investigation reports relating to alleged unethical conduct
4 determined to warrant a hearing pursuant to section 1227 of this title, but not
5 any undisclosed records gathered or created in the course of an investigation;

6 (2) at the request of the public servant or the public servant's designated
7 representative, investigation reports relating to alleged unethical conduct
8 determined to not warrant a hearing pursuant to section 1227 of this title, but
9 not any undisclosed records gathered or created in the course of an
10 investigation;

11 (3) evidence produced in the open and public portions of Commission
12 hearings;

13 (4) any warnings, reprimands, and recommendations issued by the
14 Commission;

15 (5) any executed resolution agreements; and

16 (6) any records, as determined by the Commission, that support a
17 warning, reprimand, recommendation, or executed resolution agreement,
18 including consultations created pursuant to subsection 1223(c) of this title and
19 investigation reports in accordance with subdivisions (1) and (2) of this
20 subsection.

1 (c) Court orders. Nothing in this section shall prohibit the disclosure of any
2 information regarding alleged unethical conduct pursuant to an order from a
3 court of competent jurisdiction, or to a State or federal law enforcement agency
4 in the course of its investigation, provided the agency agrees to maintain the
5 confidentiality of the information as provided in subsection (b) of this section.

6 * * * State Ethics Commission Membership * * *

7 Sec. 15. 3 V.S.A. § 1221(b) is amended to read:

8 (b) Membership.

9 (1) The Commission shall be composed of the following ~~five~~ six
10 members:

11 (A) one member, appointed by the Chief Justice of the Supreme
12 Court;

13 (B) one member, appointed by the League of Women Voters of
14 Vermont, who shall be a member of the League;

15 (C) one member, appointed by the Board of Directors of the Vermont
16 Society of Certified Public Accountants, who shall be a member of the Society;

17 (D) one member, appointed by the Board of Managers of the
18 Vermont Bar Association, who shall be a member of the Association; ~~and~~

19 (E) one member, appointed by the Board of Directors of the SHRM
20 (Society for Human Resource Management) Vermont State Council, who shall
21 be a member of the Council; and

1 (a) Annually, on or before November 15, the following entities shall report
2 to the State Ethics Commission aggregate data on ethics complaints not
3 submitted to the Commission, with the complaints separated by topic, and the
4 disposition of those complaints, including any prosecution, enforcement action,
5 or dismissal:

6 (1) the office of the Attorney General and State’s Attorneys’ offices, of
7 alleged violations of governmental conduct regulated by law and associated
8 crimes and including campaign finance requirements;

9 (2) the Department of Human Resources, of complaints alleging conduct
10 that violates the ethical provisions of the Department of Human Resources
11 Personnel Policy and Procedure Manual or of the State Code of Ethics;

12 (3) the Senate Ethics Panel, of alleged unethical conduct committed by
13 State Senators;

14 (4) the House Ethics Panel, of alleged unethical conduct committed by
15 State Representatives;

16 (5) the Judicial Conduct Board, of alleged unethical conduct committed
17 by a judicial officer;

18 (6) the Professional Responsibility Board, of alleged unethical conduct
19 committed by an attorney employed by the State; and

20 (7) the Office of the State Court Administrator, of complaints alleging
21 conduct that violates the ethical provisions of the Judicial Branch Personnel

1 Policy or of the State Code of Ethics, including for attorneys employed by the
2 State.

3 (b) Annually, on or before January 15, the State Ethics Commission shall
4 report to the General Assembly regarding the following issues:

5 (1) Complaints.

6 (A) The number and a summary of the complaints made to ~~the~~ the
7 Commission, separating the complaints by topic, and the disposition of those
8 complaints, including any prosecution, enforcement action, or dismissal. This
9 summary of complaints shall not include any personal identifying information.

10 (B) The number and a summary of the complaints data received by
11 the Commission pursuant to subsection (a) of this section.

12 * * *

13 * * * Repeal of Redundant Municipal Ethics Law * * *

14 Sec. 20. REPEAL

15 24 V.S.A. § 1984 (conflict of interest prohibition) is repealed.

16 Sec. 21. 24 V.S.A. § 2291 is amended to read:

17 § 2291. ENUMERATION OF POWERS

18 For the purpose of promoting the public health, safety, welfare, and
19 convenience, a town, city, or incorporated village shall have the following
20 powers:

21 * * *

1 (5) “Conflict of interest” means a direct or indirect interest of a
2 municipal officer or such an interest, known to the officer, of a member of the
3 officer’s immediate family or household, or of a business associate, in the
4 outcome of a particular matter pending before the officer or the officer’s public
5 body, or that is in conflict with the proper discharge of the officer’s duties.
6 “Conflict of interest” does not include any interest that is not greater than that
7 of other individuals generally affected by the outcome of a matter.

8 (6) “Domestic partner” means an individual in an enduring domestic
9 relationship of a spousal nature with the municipal officer, provided the
10 individual and municipal officer:

11 (A) have shared a residence for at least six consecutive months;

12 (B) are at least 18 years of age;

13 (C) are not married to or considered a domestic partner of another
14 individual;

15 (D) are not related by blood closer than would bar marriage under
16 State law; and

17 (E) have agreed between themselves to be responsible for each
18 other’s welfare.

19 (7) “Immediate family” means an individual’s spouse, domestic partner,
20 or civil union partner; child or foster child; sibling; parent; or such relations by

1 marriage or by civil union or domestic partnership; or an individual claimed as
2 a dependent for federal income tax purposes.

3 (8) “Legislative body” means the selectboard in the case of a town, the
4 mayor, alderpersons, and city council members in the case of a city, the
5 president and trustees in the case of an incorporated village, the members of
6 the prudential committee in the case of a fire district, and the supervisor in the
7 case of an unorganized town or gore.

8 (9)(A) “Municipal officer” or “officer” means:

9 (i) any member of a legislative body of a municipality;

10 (ii) any member of a quasi-judicial body of a municipality; or

11 (iii) any individual who, as part of their official municipal duties,
12 exercises authority and discretion in performing any governmental action or
13 function, other than in a solely clerical, secretarial, or ministerial capacity.

14 (B) “Municipal officer” or “officer” does not mean:

15 (i) any member of an advisory body of a municipality; or

16 (ii) any individual who, as part of their official municipal duties,
17 performs governmental actions or functions in a solely clerical, secretarial, or
18 ministerial capacity.

19 (10) “Municipality” has the same meaning as in 1 V.S.A. § 126 but does
20 not include town or incorporated school districts.

21 (11) “Public body” has the same meaning as in 1 V.S.A. § 310.

1 (12) “Retaliate” or “retaliation” means:

2 (A) the discharge, suspension, reprimand, demotion, denial of
3 promotion, imposition of a performance warning period, involuntary transfer
4 or reassignment, or adverse employment action; or

5 (B) the use of official authority or position to deny, deprive, or
6 interfere with any right or privilege otherwise available to an individual under
7 the law.

8 § 1992. CONFLICTS OF INTEREST

9 (a) Duty to avoid conflicts of interest. In the municipal officer’s official
10 capacity, the officer shall avoid any conflict of interest or the appearance of a
11 conflict of interest. The appearance of a conflict shall be determined from the
12 perspective of a reasonable individual with knowledge of the relevant facts.

13 (b) Recusal.

14 (1) If a municipal officer is confronted with a conflict of interest or the
15 appearance of one, the officer shall immediately recuse themselves from the
16 matter, except as otherwise provided in subdivisions (2) and (5) of this
17 subsection, and not take further action on the matter or participate in any way
18 or act to influence a decision regarding the matter. After recusal, an officer
19 may still take action on the matter if the officer is a party, as defined by section
20 1201 of this title, in a contested hearing or litigation and acts only in their

1 capacity as a member of the public. The officer shall make a public statement
2 explaining the officer's recusal.

3 (2)(A) Notwithstanding subdivision (1) of this subsection (b), an officer
4 may continue to act in a matter involving the officer's conflict of interest or
5 appearance of a conflict of interest if the officer first:

6 (i) determines there is good cause for the officer to proceed,

7 meaning:

8 (I) the conflict is amorphous, intangible, or otherwise

9 speculative;

10 (II) the officer cannot legally or practically delegate the matter;

11 or

12 (III) the action to be taken by the officer is purely ministerial

13 and does not involve substantive decision-making; and

14 (ii) the officer submits a written nonrecusal statement to the
15 legislative body of the municipality regarding the nature of the conflict that
16 shall:

17 (I) include a description of the matter requiring action;

18 (II) include a description of the nature of the potential conflict

19 or actual conflict of interest;

1 (III) include an explanation of why good cause exists so that
2 the municipal officer can take action in the matter fairly, objectively, and in the
3 public interest;

4 (IV) be written in plain language and with sufficient detail so
5 that the matter may be understood by the public; and

6 (V) be signed by the municipal officer.

7 (B) Notwithstanding subsection (A) of this subdivision (2), a
8 municipal officer that would benefit from any contract entered into by the
9 municipality and the officer, the officer's immediate family, or an associated
10 business of the officer or the officer's immediate family, and whose official
11 duties include execution of that contract, shall recuse themselves from any
12 decision-making process involved in the awarding of that contract.

13 (C) Notwithstanding subsection (A) of this subdivision (2), a
14 municipal officer shall not continue to act in a matter involving the officer's
15 conflict of interest or appearance of a conflict of interest if authority granted to
16 another official or public body elsewhere under law is exercised to preclude
17 the municipal officer from continuing to act in the matter.

18 (3) If an officer's conflict of interest or the appearance of a conflict of
19 interest concerns an official act or actions that take place outside a public
20 meeting, the officer's nonrecusal statement shall be filed with the clerk of the

1 municipality and be available to the public for the duration of the officer's
2 service plus a minimum of five years.

3 (4) If an officer's conflict of interest is related to an official municipal
4 act or actions considered at a public meeting, the officer's nonrecusal
5 statement shall be filed as part of the minutes of the meeting of the public body
6 in which the municipal officer serves.

7 (5) If, at a meeting of a public body, an officer becomes aware of a
8 conflict of interest or the appearance of a conflict of interest for the officer and
9 the officer determines there is good cause to proceed, the officer may proceed
10 with the matter after announcing and fully stating the conflict on the record.

11 The officer shall submit a written nonrecusal statement pursuant to subdivision
12 (2) of this subsection within five business days after the meeting. The meeting
13 minutes shall be subsequently amended to reflect the submitted written
14 nonrecusal statement.

15 (c) Authority to inquire about conflicts of interest. If a municipal officer is
16 a member of a public body, the other members of that body shall have the
17 authority to inquire of the officer about any possible conflict of interest or any
18 appearance of a conflict of interest and to recommend that the member recuse
19 themselves from the matter.

1 (d) Confidential information. Nothing in this section shall require a
2 municipal officer to disclose confidential information or information that is
3 otherwise privileged under law.

4 § 1993. PROHIBITED CONDUCT

5 (a) Directing unethical conduct. A municipal officer shall not direct any
6 individual to act in a manner that would:

7 (1) benefit a municipal officer in a manner related to the officer's
8 conflict of interest;

9 (2) create a conflict of interest or the appearance of a conflict of interest
10 for the officer or for the directed individual; or

11 (3) otherwise violate the Municipal Code of Ethics as described in this
12 chapter.

13 (b) Preferential treatment. A municipal officer shall act impartially and not
14 unduly favor or prejudice any person in the course of conducting official
15 business. An officer shall not give, or represent an ability to give, undue
16 preference or special treatment to any person because of the person's wealth,
17 position, or status or because of a person's personal relationship with the
18 officer, unless otherwise permitted or required by State or federal law.

19 (c) Misuse of position. A municipal officer shall not use the officer's
20 official position for the personal or financial gain of the officer, a member of

1 the officer's immediate family or household, or the officer's business
2 associate.

3 (d) Misuse of information. A municipal officer shall not use nonpublic or
4 confidential information acquired during the course of official business for
5 personal or financial gain of the officer or for the personal or financial gain of
6 a member of the officer's immediate family or household or of an officer's
7 business associate.

8 (e) Misuse of government resources. A municipal officer shall not make
9 use of a town's, city's, or village's materials, funds, property, personnel,
10 facilities, or equipment, or permit another person to do so, for any purpose
11 other than for official business unless the use is expressly permitted or required
12 by State law; ordinance; or a written agency, departmental, or institutional
13 policy or rule. An officer shall not engage in or direct another person to
14 engage in work other than the performance of official duties during working
15 hours, except as permitted or required by law or a written agency,
16 departmental, or institutional policy or rule.

17 (f) Gifts.

18 (1) No person shall offer or give to a municipal officer or candidate, or
19 the officer's or candidate's immediate family, anything of value, including a
20 gift, loan, political contribution, reward, or promise of future employment

1 based on any understanding that the vote, official action, or judgment of the
2 municipal officer or candidate would be, or had been, influenced thereby.

3 (2) A municipal officer or candidate shall not solicit or accept anything
4 of value, including a gift, loan, political contribution, reward, or promise of
5 future employment based on any understanding that the vote, official action, or
6 judgment of the municipal officer or candidate would be or had been
7 influenced thereby.

8 (3) Nothing in subdivision (1) or (2) of this subsection shall be
9 construed to apply to any campaign contribution that is lawfully made to a
10 candidate or candidate's committee pursuant to 17 V.S.A. chapter 61 or to
11 permit any activity otherwise prohibited by 13 V.S.A. chapter 21.

12 (g) Unauthorized commitments. A municipal officer shall not make
13 unauthorized commitments or promises of any kind purporting to bind the
14 municipality unless otherwise permitted by law.

15 (h) Benefit from contracts. A municipal officer shall not benefit from any
16 contract entered into by the municipality and the officer, the officer's
17 immediate family, or an associated business of the officer or the officer's
18 immediate family, unless:

19 (1) the benefit is not greater than that of other individuals generally
20 affected by the contract;

21 (2) the contract is a contract for employment with the municipality;

1 (3) the contract was awarded through an open and public process of
2 competitive bidding; or

3 (4) the total value of the contract is less than \$2,000.00.

4 § 1994. GUIDANCE AND ADVISORY OPINIONS

5 (a) Guidance.

6 (1) The Executive Director of the State Ethics Commission may provide
7 guidance only to a municipal officer and only with respect to the officer's
8 duties regarding any provision of this chapter or regarding any other issue
9 related to governmental ethics.

10 (2) The Executive Director may consult with members of the State
11 Ethics Commission and the municipality in preparing this guidance.

12 (3) Guidance provided under this subsection shall be exempt from
13 public inspection and copying under the Public Records Act and shall be kept
14 confidential unless the receiving entity has publicly disclosed it.

15 (b) Advisory opinions.

16 (1) On the written request of any municipal officer, the Executive
17 Director may issue an advisory opinion to that officer that provides general
18 advice or interpretation with respect to the officer's duties regarding any
19 provision of this chapter or regarding any other issue related to governmental
20 ethics.

1 (2) The Executive Director may consult with members of the
2 Commission and the municipality in preparing these advisory opinions.

3 (3) The Executive Director may seek comment from persons interested
4 in the subject of an advisory opinion under consideration.

5 (4) The Executive Director shall post on the Commission’s website any
6 advisory opinions that the Executive Director issues. Personally identifiable
7 information is exempt from public inspection and copying under the Public
8 Records Act and shall be kept confidential unless the municipal officer who is
9 the subject of the advisory opinion authorizes the publication of the personally
10 identifiable information.

11 § 1995. ETHICS TRAINING

12 (a) Initial ethics training. Within 120 days after a municipal officer is
13 elected or appointed, the officer shall complete ethics training, as approved by
14 the State Ethics Commission. The officer, the officer’s employer, or another
15 individual designated by the municipality shall document the officer’s
16 completed ethics training.

17 (b) Continuing ethics training. Upon completing initial ethics training, a
18 municipal officer shall complete additional ethics training, as determined by
19 the State Ethics Commission, every three years.

20 (c) Approval of training. Ethics trainings shall at minimum reflect the
21 contents of the Municipal Ethics Code and be approved by the State Ethics

1 Commission. Approval of ethics trainings shall not be unreasonably withheld.
2 Ethics trainings shall be conducted by the State Ethics Commission, the
3 municipality, or a third party approved in advance by the State Ethics
4 Commission. The State Ethics Commission may approve trainings that are in
5 person, online, and synchronous or asynchronous. The State Ethics
6 Commission shall require ethics training to be designed in a manner as to
7 achieve improved competency in the subject matter rather than rely on fixed
8 hours of training as a measure of completed training. The training shall
9 include information approved by the Secretary of State regarding the State's
10 Open Meeting Law and the State's Public Records Act.

11 (d) The State Ethics Commission shall develop and make available to
12 municipalities trainings regarding how to investigate and resolve complaints
13 that allege violations of the Municipal Code of Ethics.

14 (e) State Ethics Commission liaisons. Each municipality, acting through its
15 legislative body, shall designate an employee as its liaison to the State Ethics
16 Commission. If a municipality does not have any employees, the legislative
17 body shall designate one of its members as its liaison to the State Ethics
18 Commission. The municipality shall notify the Commission in writing of any
19 newly designated liaison within 30 days after such change. The Commission
20 shall disseminate information to the designated liaisons and conduct
21 educational seminars for designated liaisons on a regular basis on a schedule to

1 be determined by the Commission, in consultation with the municipality. The
2 Commission shall report any ethics training conducted by the Commission and
3 completed by an officer to the liaison of that officer's municipality.

4 § 1996. ENFORCEMENT AND REMEDIES

5 Each municipality shall:

6 (1) ensure that the Municipal Code of Ethics is posted on the town's,
7 city's, or village's website or, if no such website exists, ensure that a copy of
8 the Municipal Code of Ethics is received by all municipal officers and is made
9 available to the public upon request;

10 (2) maintain a record of municipal officers who have received ethics
11 training pursuant to section 1995 of this title;

12 (3) designate a municipal officer or body to receive complaints alleging
13 violations of the Municipal Code of Ethics;

14 (4) where appropriate or necessary, investigate complaints that allege
15 violations of the Municipal Code of Ethics;

16 (5) maintain a record of received complaints and the disposition of each
17 complaint made against a municipal officer for the duration of the municipal
18 officer's service plus a minimum of five years; and

19 (6) upon request of the State Ethics Commission, promptly provide the
20 State Ethics Commission with a summary of complaints received by the

1 municipality and the outcome of each complaint, but excluding any personally
2 identifiable information.

3 § 1997. WHISTLEBLOWER PROTECTION

4 (a) Protected disclosure. Consistent with 3 V.S.A. §§ 971–978, any
5 municipal officer, municipal employee, or any other individual shall be free to
6 disclose, in good faith and with candor, any fraud, abuse of authority,
7 violations of law, or violations of this or other applicable codes regarding
8 ethical conduct, to any relevant public body, including the municipality’s
9 legislative body and the State Ethics Commission, without fear of reprisal,
10 intimidation, or retaliation.

11 (b) Antiwhistleblower policies. A municipal officer, legislative body, or
12 public body shall not make, adopt, or enforce any policy or practice preventing
13 the disclosure of fraud, abuse of authority, violations of law, or violations of
14 this or other applicable codes regarding ethical conduct.

15 (c) Civil action.

16 (1) To avail themselves of any remedies under this section, an injured
17 individual must have:

18 (A) at the time of discovering the violation, then disclosed in writing
19 to the relevant public body of the violation; and

1 (B) in that disclosure, clearly alleged the conduct constituting fraud,
2 abuse of authority, or violations of law, or violations of this or other applicable
3 codes regarding ethical conduct.

4 (2) An individual who has been the object of retaliation in violation of
5 this section may bring a civil action against the municipality and the municipal
6 officer in the Civil Division of the Superior Court for relief within one year
7 after discovering the retaliation, or within three years after the retaliation,
8 whichever is earlier.

9 (3) An individual who brings a claim in the Civil Division of the
10 Superior Court may be awarded the following remedies:

11 (A) appropriate injunction relief;

12 (B) reinstatement of the employee to the same position, seniority, and
13 work location held prior to the retaliatory action;

14 (C) back pay, lost wages, benefits, and other remuneration;

15 (D) other compensatory damages;

16 (E) reasonable costs and attorney's fees; and

17 (F) punitive damages not to exceed \$5,000.00.

18 § 1998. MUNICIPAL CHARTERS; SUPPLEMENTAL ETHICS POLICIES

19 (a) To the extent any provisions of this chapter conflict with the provisions
20 of any municipal charter listed in Title 24 Appendix, the provisions of this
21 chapter shall prevail.

1 (b) A municipality may adopt additional ethics or personnel policies,
2 provided that these are not in conflict with the provisions of this chapter.

3 * * * Initial Ethics Training for In-Office Municipal Officers * * *

4 Sec. 23. INITIAL ETHICS TRAINING FOR IN-OFFICE MUNICIPAL
5 OFFICERS

6 On or before May 1, 2025, all municipal officers shall complete ethics
7 training, which may be in person or online, as approved by the State Ethics
8 Commission, unless they have otherwise completed ethics training pursuant to
9 24 V.S.A. § 1995 (ethics training). The State Ethics Commission shall require
10 ethics training to be designed in a manner as to achieve improved competency
11 in the subject matter rather than rely on fixed hours of training as a measure of
12 completed training. The training shall include information approved by the
13 Secretary of State regarding the State's Open Meeting Law and the State's
14 Public Records Act. The officer, the officer's employer, or another individual
15 designated by the municipality shall document the officer's completed ethics
16 training.

17 * * * Effective Dates * * *

18 Sec. 24. EFFECTIVE DATES

19 This act shall take effect on passage, except that Sec. 1 (amending
20 17 V.S.A. § 2414) shall take effect on January 1, 2026 and Secs. 7 (amending
21 3 V.S.A. § 1221(a)), 8 (amending 3 V.S.A. § 1222), 9 (amending 3 V.S.A.

1 § 1223), 10 (adding 3 V.S.A. § 1227), 11 (adding 3 V.S.A. § 1228), 12 (adding
2 3 V.S.A. § 1229), and 14 (adding 3 V.S.A. § 1231) shall take effect on January
3 1, 2025.