

Journal of the Senate

THURSDAY, MARCH 30, 2023

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 36

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

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 102. An act relating to the Art in State Buildings Program.

H. 125. An act relating to boards and commissions.

H. 206. An act relating to miscellaneous changes affecting the duties of the Department of Vermont Health Access.

H. 213. An act relating to creating a study committee on mobile homes and mobile home parks.

H. 270. An act relating to miscellaneous amendments to the adult-use and medical cannabis programs.

H. 291. An act relating to the creation of the Cybersecurity Advisory Council.

H. 414. An act relating to establishing an unused drug repository for Vermont.

H. 472. An act relating to miscellaneous agricultural subjects.

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

Bills Referred

House bills of the following title were severally read the first time and referred:

H. 102.

An act relating to the Art in State Buildings Program.

To the Committee on Institutions.

H. 125.

An act relating to boards and commissions.

To the Committee on Government Operations.

H. 206.

An act relating to miscellaneous changes affecting the duties of the Department of Vermont Health Access.

To the Committee on Health and Welfare.

H. 213.

An act relating to creating a study committee on mobile homes and mobile home parks.

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

H. 270.

An act relating to miscellaneous amendments to the adult-use and medical cannabis programs.

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

H. 291.

An act relating to the creation of the Cybersecurity Advisory Council.

To the Committee on Government Operations.

H. 414.

An act relating to establishing an unused drug repository for Vermont.

To the Committee on Health and Welfare.

H. 472.

An act relating to miscellaneous agricultural subjects.

To the Committee on Agriculture.

Bill Amended; Third Reading Ordered**S. 30.**

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

An act relating to creating a Sister State Program.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 3 V.S.A. § 2488 is added to read:

§ 2488. VERMONT SISTER STATE PROGRAM

(a) Creation; administration. The Vermont Sister State Program is created within the Agency of Commerce and Community Development.

(b) Oversight.

(1) A Vermont Sister State Committee composed of the following members shall oversee the Program:

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

(B) the Chair of the Board of Directors of Vermont Humanities or designee;

(C) two members appointed by the Senate Committee on Committees with experience in international relations;

(D) two members appointed by the Speaker of the House with experience in international education and cultural exchange; and

(E) two members appointed by the Governor with experience in international arts, recreation, or governance.

(2) The members appointed pursuant to subdivision (1)(C)–(E) of this subsection shall serve for terms of five years or until the member's earlier resignation or removal for cause by the Governor.

(3) If a member resigns or is removed, the appointing authority shall appoint a new member for the remainder of the member's term.

(4) The members of the Committee shall select a chair by a majority vote.

(c) Administration. Subject to the approval of the Vermont Sister State Committee:

(1) the Agency may contract for administration of part or all of the Program with a nonprofit organization that has expertise in international affairs;

(2) the Agency, or its contracted administrator, shall create an application form and process for evaluating Sister State relationships; and

(3) the Agency may adopt rules and policies for the Program.

(d) Program requirements.

(1) The Vermont Sister State Committee may approve not more than five Sister State relationships at one time with countries or provinces in varying regions of the world upon finding that a relationship meets the following goals:

(A) The relationship fosters understanding and collaboration between residents, governments, businesses, and community organizations in Vermont and residents, governments, businesses, and community organizations in the Sister State.

(B) The relationship creates opportunities for cultural exchanges and joint programs for educational, recreational, artistic, humanitarian, and economic purposes that benefit both Vermont and the Sister State.

(C) The relationship promotes peace, human rights, and environmental sustainability.

(D) The relationship involves a diverse range of individuals, sectors, organizations, and communities in Vermont and the Sister State.

(2) A Sister State agreement shall not initially exceed eight years and may be renewed for five-year increments upon approval of the Committee if it determines the relationship has met the goals of the Sister State Program.

(3) The Committee shall report to the relevant legislative committees and the Governor biannually on or before February 1 concerning the status of the Sister State Program, its programs, agreements, and progress meeting the Program goals.

(4) In the event of an emergency, such as a public health emergency; war or armed conflict; or serious human rights, environmental, or economic violations, the Governor, Lieutenant Governor, and Speaker may agree to immediately terminate a Sister State agreement or individual program.

(e) Compensation.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23.

(2) Other members of the Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010.

(3) Payments to members of the Committee authorized under this subsection shall be made from monies appropriated to the Agency of Commerce and Community Development or other specific appropriation made for that purpose.

Sec. 2. IMPLEMENTATION

The authorities authorized to make appointments to the Vermont Sister State Committee pursuant to 3 V.S.A. § 2488(b)(1)(C)–(E) shall appoint members to initial terms of three, four, and five years, respectively.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Senator Perchlik, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass when so amended.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the recommendation of amendment was agreed to and third reading of the bill was ordered.

Bill Amended; Third Reading Ordered

S. 102.

Senator Ram Hinsdale, for the Committee on Economic Development, Housing and General Affairs, to which was referred Senate bill entitled:

An act relating to expanding employment protections and collective bargaining rights.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 21 V.S.A. § 495o is added to read:

§ 495o. EMPLOYER COMMUNICATIONS RELATING TO RELIGIOUS OR POLITICAL MATTERS; EMPLOYEE RIGHTS

(a) An employer, or an employer's agent, shall not discharge, discipline,

penalize, or otherwise discriminate against, or threaten to discharge, discipline, penalize, or otherwise discriminate against, an employee:

(1) because the employee declines:

(A) to attend or participate in an employer-sponsored meeting that has the primary purpose of communicating the employer's opinion about religious or political matters; or

(B) to view or participate in communications with or from the employer or the employer's agent that have the primary purpose of communicating the employer's opinion about religious or political matters; or

(2) as a means of requiring an employee to:

(A) attend an employer-sponsored meeting that has the primary purpose of communicating the employer's opinion about religious or political matters; or

(B) view or participate in communications with or from the employer or the employer's agent that have the primary purpose of communicating the employer's opinion about religious or political matters.

(b) Nothing in this section shall be construed to:

(1) limit an employee's right to bring a civil action for wrongful termination; or

(2) diminish or limit any rights provided to an employee pursuant to a collective bargaining agreement or employment contract.

(c) Nothing in this section shall be construed to prohibit an employer that is a religious or denominational institution or organization, or any organization operated for charitable or educational purposes, that is operated, supervised, or controlled by or in connection with a religious organization, from:

(1) communicating with its employees regarding the employer's opinion on religious matters;

(2) requiring its employees to attend a meeting regarding the employer's opinion on religious matters; or

(3) requiring its employees to view or participate in communications from the employer or the employer's agent regarding the employer's opinion on religious matters.

(d) Nothing in this section shall be construed to prohibit an employer that is a political organization, a political party, or an organization that engages, in substantial part, in political matters from:

(1) communicating with its employees regarding the employer's opinion

on political matters;

(2) requiring its employees to attend a meeting regarding the employer's opinion on political matters; or

(3) requiring its employees to view or participate in communications from the employer or the employer's agent regarding the employer's opinion on political matters.

(e) Nothing in this section shall be construed to prohibit an employer or the employer's agent from:

(1) communicating information to an employee:

(A) that the employer is required to communicate pursuant to State or federal law; or

(B) that is necessary for the employee to perform the employee's job functions or duties;

(2) requiring an employee to attend a meeting to discuss issues related to the employer's business or operation when the discussion is necessary for the employee to perform the employee's job functions or duties; or

(3) offering meetings, forums, or other communications about religious or political matters for which attendance or participation is entirely voluntary.

(f)(1) The penalty and enforcement provisions of section 495b of this subchapter shall apply to this section.

(2) The provisions against retaliation in subdivision 495(a)(8) of this subchapter shall apply to this section.

(g) As used in this section:

(1) "Political matters" means matters relating to political affiliation, elections for political office, political parties, legislative proposals, proposals to change rules or regulations, and the decision to join or support any political party or political, civic, community, fraternal, or labor organization.

(2) "Religious matters" means matters relating to religious affiliation and practice and the decision to join or support any religious or denominational organization or institution.

Sec. 2. 21 V.S.A. § 1502 is amended to read:

§ 1502. DEFINITIONS

As used in this chapter:

* * *

(6) "Employee" includes any employee, and is not limited to the employees of a particular employer unless this chapter explicitly states otherwise, and includes any individual whose work has ceased as a consequence of, or in connection with, any current labor dispute or because of any unfair labor practice and who has not obtained any other regular and substantially equivalent employment, but does not include an individual:

~~(A)~~ employed as an agricultural laborer;

~~(B)~~ employed by his or her the individual's parent or spouse;

~~(C)~~ employed in the domestic service of any family or person at his or her home;

~~(D)~~(B) having the status of an independent contractor;

~~(E)~~(C) employed as a supervisor;

~~(F)~~(D) employed by an employer subject to the Railway Labor Act as amended from time to time; or

~~(G)~~(E) employed by any other person who is not an employer as defined in subdivision (7) of this section.

* * *

Sec. 3. 3 V.S.A. § 941 is amended to read:

§ 941. UNIT DETERMINATION, CERTIFICATION, AND REPRESENTATION

* * *

(e)(1) Whenever, on the basis of a petition pursuant to subdivision (d)(1) of this section or a hearing pursuant to subdivision (d)(2) of this section, the Board finds substantial interest among employees in forming a bargaining unit or being represented for purposes of collective bargaining, a secret ballot election shall be conducted by the Board not more than 23 business days after the petition is filed with the Board except as otherwise provided pursuant to subdivision (4) of this subsection and subdivision (g)(4) of this section.

* * *

(g)(1) In determining the representation of State employees in a collective bargaining unit, the Board shall conduct a secret ballot of the employees within the time period set forth in subdivision (e)(1) of this section, unless the time to conduct the election is extended pursuant to subdivision (e)(4) of this section, and certify the results to the interested parties and to the State employer. The original ballot shall be so prepared as to permit a vote against representation by anyone named on the ballot. No representative will be

certified with less than a majority of the votes cast by employees in the bargaining unit.

* * *

(4)(A) Notwithstanding any other provision of this subsection (g), if the Board determines that a petition to be represented for collective bargaining filed pursuant to subsection (c) of this section, which identifies a proposed exclusive representative of the employees in the bargaining unit, bears the signatures of at least 50 percent plus one of the employees in a bargaining unit deemed appropriate by the Board pursuant to this section, the Board shall certify the person or labor organization as the exclusive representative of the bargaining unit.

(B) Certification of a collective bargaining representative shall only be available pursuant to this subdivision (g)(4) when no other person or labor organization is currently certified or recognized as the exclusive representative of the employees in the bargaining unit.

(h) A representative chosen by secret ballot for the purposes of collective bargaining by a majority of the votes cast by secret ballot or certified pursuant to subdivision (g)(4) of this section shall be the exclusive representative of all the employees in such the bargaining unit for a minimum of one year. Such The representative shall be eligible for reelection or for recertification pursuant to subdivision (g)(4) of this section.

* * *

Sec. 4. 16 V.S.A. § 1992 is amended to read:

§ 1992. REFERENDUM PROCEDURE FOR REPRESENTATION

(a)(1) An organization purporting to represent a majority of all of the teachers or administrators employed by the school board may be recognized by the school board without the necessity of a referendum upon the submission of a petition bearing the valid signatures of a majority of the teachers or administrators employed by that school board. Within 15 calendar days after receiving the petition, the school board shall notify the teachers or administrators of the school district in writing of its intention to either require or waive a secret ballot referendum. If the school board gives notice of its intention to waive a referendum and recognize an organization, 10 percent of the teachers or administrators employed by the school board may submit a petition within 15 calendar days thereafter, objecting to the granting of recognition without a referendum, in which event a secret ballot referendum shall be held in the district for the purpose of choosing an exclusive representative as provided pursuant to the provisions of this section. The school board and the organization purporting to represent a majority of the

teachers or administrators shall, within 10 business days after the petition is submitted, agree on an impartial third party to examine the petition and determine whether a majority of the teachers or administrators support the organization. If the parties fail to agree on an impartial third party within 10 business days, the Vermont Labor Relations Board shall examine the petition and determine whether a majority of the teachers or administrators support the organization. If the impartial party or the Board determines that a majority of the teachers or administrators support the organization, it shall certify the organization as the exclusive representative of the teachers or administrators.

* * *

(b) ~~Recognition granted to~~ Certification of a negotiating unit as exclusive representative shall be valid and not subject to challenge by referendum petition or otherwise for the remainder of the fiscal year in which ~~recognition is granted~~ the certification occurs and for an additional period of 12 months after final adoption of the budget for the succeeding fiscal year and shall continue thereafter until a new referendum is called for.

(c)(1)(A) A secret ballot referendum shall be held not more than 21 calendar days after 20 percent of the teachers or administrators employed by the school board present a petition requesting a referendum on the matter of representation, except during a period of prior ~~recognition~~ certification, as provided pursuant to subsection (b) of this section.

* * *

Sec. 5. 21 V.S.A. § 1581 is amended to read:

§ 1581. PETITIONS FOR ELECTION; FILING, INVESTIGATIONS,
HEARINGS, DETERMINATIONS

* * *

(b)(1) The Board shall investigate the petition and if it has reasonable cause to believe that a question of representation exists shall provide for an appropriate hearing before the Board itself, a Board member thereof, or its agents appointed for that purpose upon due notice. Written notice of the hearing shall be mailed by certified mail to the parties named in the petition not less than seven days before the hearing.

(2) If the Board finds upon the record of the hearing that a question of representation exists, it shall conduct an election by secret ballot marked at the place of election and certify to the parties, in writing, the results ~~thereof~~ of the election.

(3)(A) If the Board finds upon the record of the hearing that a petition

to be represented for collective bargaining filed pursuant to subdivision (a)(1)(A) of this section, which identifies a proposed bargaining representative, bears the signatures of at least 50 percent plus one of the employees in the bargaining unit, the Board shall certify the individual or labor organization identified as the bargaining representative.

(B) Certification of a representative shall only be available pursuant to this subdivision (B) when no other individual or labor organization is currently certified or recognized as the bargaining representative.

(c) In determining whether or not a question of representation exists, ~~it~~ the Board shall apply the same regulations and rules of decision regardless of the identity of the persons filing the petition or the kind of relief sought.

* * *

Sec. 6. 21 V.S.A. § 1584 is amended to read:

§ 1584. PETITIONS AND ELECTION TO RESCIND
REPRESENTATIVE'S AUTHORITY

* * *

(b) No election ~~may~~ shall be conducted under this section in a bargaining unit or a subdivision within which in the preceding 12 months a valid election or certification of a representative pursuant to this subchapter has ~~been held~~ occurred.

Sec. 7. 21 V.S.A. § 1724 is amended to read:

§ 1724. CERTIFICATION PROCEDURE

* * *

(e)(1) ~~In~~ Except as otherwise provided pursuant to subsection (h) of this section, in determining the representation of municipal employees in a collective bargaining unit, the Board shall conduct an election by secret ballot of the employees and certify the results to the interested parties and to the employer. The election shall be held not more than 23 business days after the petition is filed with the Board except as otherwise provided pursuant to subdivision (4) of this subsection.

* * *

(h)(1) Notwithstanding subsections (e)–(g) of this section, if following its investigation pursuant to subsection (b) of this section the Board determines that a petition to be represented for collective bargaining filed pursuant to subsection (a) of this section, which identifies a proposed bargaining agent, bears the signatures of at least 50 percent plus one of the employees in the

bargaining unit, the Board shall certify the individual or labor organization identified as the bargaining agent.

(2) Certification of a bargaining agent shall only be available pursuant to this subsection when no other individual or labor organization is currently certified or recognized as the agent of the employees in the bargaining unit.

(i) No election ~~may~~ shall be conducted under this section in a bargaining unit or a subdivision within which in the preceding 12 months a valid election has been held.

Sec. 8. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

And that when so amended the bill ought to pass.

Senator Perchlik, for the Committee on Appropriations, to which the bill was referred, reported that the bill ought to pass when so amended.

Thereupon, the bill was read the second time by title only pursuant to Rule 43.

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs?, Senator Brock moved to amend the report as follows:

By striking out Secs. 3–8 in their entireties and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

Which was disagreed to.

Thereupon the question, Shall the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs?, was decided in the affirmative.

Thereupon, third reading was ordered, on a roll call, Yeas 23, Nays 7.

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

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Champion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, Mazza, McCormack, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, White, Wrenner.

Those Senators who voted in the negative were: Brock, Collamore, Ingalls, Norris, Weeks, Westman, Williams.

Bill Amended; Bill Passed

S. 4.

Senate committee bill entitled:

An act relating to reducing crimes of violence associated with juveniles and dangerous weapons.

Was taken up.

Thereupon, pending third reading of the bill, Senators Vyhovsky, Sears, Hashim and Baruth moved to amend the bill in Sec. 2, 18 V.S.A. § 4252, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) No person shall knowingly or recklessly permit a dwelling, building, or structure owned by or under the control of the person to be used for the purpose of illegally ~~dispensing or~~ selling a regulated drug.

Which was agreed to.

Thereupon, the bill was read a third time and passed.

Bill Amended; Bill Passed

S. 17.

Senate committee bill entitled:

An act relating to sheriff reforms.

Was taken up.

Thereupon, pending third reading of the bill, Senators Hardy, Vyhovsky and White moved to amend the bill as follows:

First: In Sec. 4, 24 V.S.A. § 314, by striking out subsection (d) in its entirety and inserting in lieu thereof a new subsection (d) to read as follows:

(d) The Department of State's Attorneys and Sheriffs shall establish procedures for handling ethics complaints from any source based on the procedures set forth in 3 V.S.A. § 1223. The procedures shall be included in any standard operating procedures manual or policy manual followed by sheriffs and deputy sheriff pursuant to subsection 293(c) of this title.

Second: In Sec. 6, 24 V.S.A. § 293, in subsection (b), by striking out the word "detailed"

Which was agreed to.

Thereupon, the bill was read a third time, and passed, on a roll call, Yeas 24, Nays 6.

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

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Champion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, Mazza, McCormack, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Westman, White, Wrenner.

Those Senators who voted in the negative were: Brock, Collamore, Ingalls, Norris, Weeks, Williams.

Bills Passed

Senate bills of the following titles were severally read the third time and passed:

- S. 18.** An act relating to banning flavored tobacco products and e-liquids.
- S. 133.** An act relating to miscellaneous changes to education law.
- S. 137.** An act relating to energy efficiency modernization.
- S. 138.** An act relating to school safety.

Bill Amended; Third Reading Ordered

S. 100.

Senate committee bill entitled:

An act relating to housing opportunities made for everyone.

Having appeared on the Calendar for notice for one day, was taken up.

Senator Bray, for the Committee on Natural Resources and Energy, to which the bill was referred, reported recommending that the bill be amended as follows:

First: In Sec. 2, 24 V.S.A. § 4412, in subdivision (12), by striking out the word “four” and inserting in lieu thereof the word five

Second: By striking out Sec. 6, 24 V.S.A. § 4465, in its entirety and inserting in lieu thereof a new Sec. 6 to read as follows:

Sec. 6. 24 V.S.A. § 4465 is amended to read:

§ 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

(a) An interested person may appeal any decision or act taken by the administrative officer in any municipality by filing a notice of appeal with the secretary of the board of adjustment or development review board of that municipality or with the clerk of that municipality if no such secretary has been elected. This notice of appeal must be filed within 15 days of following the date of that decision or act, and a copy of the notice of appeal shall be filed with the administrative officer.

(b) ~~For the purposes of~~ As used in this chapter, an “interested person” means any one of the following:

(1) A person owning title to property, or a municipality or solid waste management district empowered to condemn it or an interest in it, affected by a bylaw, who alleges that the bylaw imposes on the property unreasonable or inappropriate restrictions of present or potential use under the particular circumstances of the case.

(2) The municipality that has a plan or a bylaw at issue in an appeal brought under this chapter or any municipality that adjoins that municipality.

(3) A person owning or occupying property in the immediate neighborhood of a property that is the subject of any decision or act taken under this chapter, who can demonstrate a physical or environmental impact on the person’s interest under the criteria reviewed, and who alleges that the decision or act, if confirmed, will not be in accord with the policies, purposes, or terms of the plan or bylaw of that municipality.

(4) ~~Any ten~~ 10 persons who allege a common injury to a particularized interest protected by this chapter, who may be any combination of voters or real property owners within a municipality listed in subdivision (2) of this subsection who, by signed petition to the appropriate municipal panel of a municipality, the plan or a bylaw of which is at issue in any appeal brought under this title, allege that any relief requested by a person under this title, if granted, will not be in accord with the policies, purposes, or terms of the plan or bylaw of that municipality. This petition to the appropriate municipal panel must designate one person to serve as the representative of the petitioners regarding all matters related to the appeal.

(5) Any department and administrative subdivision of this State owning property or any interest in property within a municipality listed in subdivision (2) of this subsection, and the Agency of Commerce and Community Development of this State.

* * *

Third: By striking out Sec. 13, 24 V.S.A. § 3101(a), and its reader assistance heading in their entirety and inserting in lieu thereof a new Sec. 13 to read as follows:

* * * Energy Codes * * *

Sec. 13. 24 V.S.A. § 3101(a) is amended to read:

(a) The mayor and board of aldermen of a city, the selectboard of a town, or the trustees of an incorporated village, may, in accordance with this chapter, establish codes and regulations for the construction, maintenance, repair, and alteration of buildings and other structures within the municipality. Such codes and regulations may include provisions relating to building materials, structural design, passageways, stairways and exits, heating systems, fire protection procedures, and such other matters as may be reasonably necessary for the health, safety, and welfare of the public, but excluding electrical installations subject to regulation under 26 V.S.A. chapter 15. Any energy codes and regulations adopted after July 1, 2023 shall not be more restrictive than the Residential Building Energy Standards or the stretch code adopted under 30 V.S.A. § 51 or the Commercial Building Energy Standards adopted under 30 V.S.A. § 53, except where enabled by a municipal charter.

Fourth: By striking out Sec. 16, 10 V.S.A. § 6001, in its entirety and inserting in lieu thereof a new Sec. 16 to read as follows:

Sec. 16. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

* * *

(3)(A) “Development” means each of the following:

* * *

(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction ~~or~~ maintenance of mobile homes or mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. However:

* * *

(xi) Until July 1, 2026, the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 25 or more units, constructed or maintained on a tract or tracts of land, located entirely within a designated downtown development district, a designated neighborhood development area, or a designated growth center, owned or

controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years.

* * *

(D) The word “development” does not include:

* * *

(viii)(I) The construction of a priority housing project in a municipality with a population of 10,000 or more.

(II) If the construction of a priority housing project in this subdivision (3)(D)(viii) involves demolition of one or more buildings that are listed or eligible to be listed on the State or National Register of Historic Places, this exemption shall not apply unless the Division for Historic Preservation has made the determination described in subdivision (A)(iv)(I)(ff) of this subdivision (3) and any imposed conditions are enforceable in the manner set forth in that subdivision.

(III) Notwithstanding any other provision of law to the contrary, until July 1, 2026, the construction of a priority housing project located entirely within a designated downtown development district or a designated growth center.

* * *

Fifth: By adding a new Sec. 16a. to read as follows:

Sec. 16a. 10 V.S.A. § 6086b is amended to read:

§ 6086b. DOWNTOWN DEVELOPMENT; FINDINGS; MASTER PLAN PERMITS

(a) Findings and conclusions. Notwithstanding any provision of this chapter to the contrary, each of the following shall apply to a development or subdivision that is completely within a downtown development district designated under 24 V.S.A. chapter 76A and for which a permit or permit amendment would otherwise be required under this chapter:

(1) In lieu of obtaining a permit or permit amendment, a person may request findings and conclusions from the District Commission, which shall approve the request if it finds that the development or subdivision will meet subdivisions 6086(a)(1) (air and water pollution), (2) (sufficient water available), (3) (burden on existing water supply), (4) (soil erosion), (5) (traffic), (8) (aesthetics, historic sites, rare and irreplaceable natural areas), (8)(A) (endangered species; necessary wildlife habitat), (9)(B) (primary agricultural soils), (9)(C) (productive forest soils), (9)(F) (energy conservation), and (9)(K) (public facilities, services, and lands) of this title.

* * *

(b) Master plan permits.

(1) Any municipality within which a downtown development district or neighborhood development area has been formally designated pursuant to 24 V.S.A. chapter 76A may apply to the District Commission for a master plan permit for that area or any portion of that area pursuant to the rules of the Board. Municipalities making an application under this subdivision are not required to exercise ownership of or control over the affected property.

(2) Subsequent development of an individual lot within the area of the master plan permit that requires a permit under this chapter shall take the form of a permit amendment.

(3) In neighborhood development areas, subsequent master plan permit amendments may only be issued for development that is housing.

(4) In approving a master plan permit and amendments, the District Commission may include specific conditions that an applicant for an individual project permit will be required to meet.

(5) For a master plan permit issued pursuant to this section, an application for an amendment may use the findings issued in the master plan permit as a rebuttable presumption to comply within any applicable criteria under subsection 6086(a) of this title.

Sixth: By striking out Sec. 17, 10 V.S.A. § 6081, in its entirety and inserting in lieu thereof the following:

* * * Enhanced Village Centers * * *

Sec. 17. 24 V.S.A. § 2793a is amended to read:

§ 2793a. DESIGNATION OF VILLAGE CENTERS BY STATE BOARD

* * *

(e)(1) A village center designated by the State Board pursuant to subsection (a) of this section is eligible to apply to the State Board to receive an enhanced designation. This enhanced designation allows a priority housing project with 50 or fewer units located entirely within the village center to be exempt from 10 V.S.A. chapter 151.

(2) To receive enhanced designation under this subsection, a village center shall have:

(A) duly adopted permanent zoning and subdivision bylaws;

(B) municipal sewer and water infrastructure; and

(C) adequate municipal staff to support coordinated comprehensive and capital planning, development review, and zoning administration.

Sec. 17a. 10 V.S.A. § 6081 is amended to read:

§ 6081. PERMITS REQUIRED; EXEMPTIONS

* * *

(y) Notwithstanding any other provision of law to the contrary, until July 1, 2026, no permit or permit amendment is required for a priority housing project with 50 or fewer units that is located entirely within a village center that has received enhanced designation under 24 V.S.A. § 2793a(e).

Seventh: By striking out Secs. 24 and 25 and their reader assistance heading in their entireties and inserting in lieu thereof the following:

* * * Building energy code study committee * * *

Sec. 24. FINDINGS

The General Assembly finds that:

(1) Vermont established the Residential Building Energy Standards (RBES) in 1997 and the Commercial Building Energy Standards (CBES) in 2007. The Public Service Department is responsible for adopting and updating these codes regularly but does not have the capacity to administer or enforce them.

(2) The RBES and CBES are mandatory, but while municipalities with building departments handle some aspects of review and inspection, there is no State agency or office designated to interpret, administer, and enforce them.

(3) The Division of Fire Safety in the Department of Public Safety is responsible for development, administration, and enforcement of building codes but does not currently have expertise or capacity to add administration or enforcement of energy codes in buildings.

(4) Studies in recent years show compliance with the RBES at about 54 percent and CBES at about 87 percent, with both rates declining. Both codes are scheduled to become more stringent with the goal of “net-zero ready” by 2030.

(5) In December 2022, the U.S. Department of Energy issued the Bipartisan Infrastructure Law: Resilient and Efficient Codes Implementation Funding Opportunity Announcement. The first \$45 million of a five-year \$225 million program is available in 2023. Vermont’s increased code compliance plans should include contingencies for this potential funding.

Sec. 25. ENERGY CODE COMPLIANCE; STUDY COMMITTEE

(a) Creation. There is created the Building Energy Code Study Committee to recommend strategies for increasing compliance with the Residential Building Energy Standards (RBES) and Commercial Building Energy Standards (CBES).

(b) Membership. The Committee shall have 15 members with applicable expertise, to include program design and implementation, building code administration and enforcement, and Vermont's construction industry. The Speaker of the House shall appoint three members, including up to one legislator. The Committee on Committees shall appoint two members, including up to one legislator. The remaining members shall be the following:

- (1) the Commissioner of Public Service, or designee;
- (2) the Director of Fire Safety, or designee;
- (3) a representative of Efficiency Vermont;
- (4) a representative of American Institute of Architects–Vermont;
- (5) a representative of the Vermont Builders and Remodelers Association;
- (6) a representative the Burlington Electric Department;
- (7) a representative of Vermont Gas Systems;
- (8) a representative of the Association of General Contractors of Vermont;
- (9) a representative of the Vermont League of Cities and Towns; and
- (10) a representative from a regional planning commission.

(c) Powers and duties. The Committee shall consider and recommend strategies to increase awareness of and compliance with the RBES and CBES, including designation of the Division of Fire Safety (DFS) in the Department of Public Safety as the statewide authority having jurisdiction for administration, interpretation, and enforcement, in conjunction with DFS' existing jurisdiction, over building codes.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Department of Public Service. The Department shall hire a third-party consultant to assist and staff the Committee which may be funded by monies appropriated by the General Assembly or any grant funding received.

(e) Report. On or before December 1, 2023, the Committee shall submit a written report to the General Assembly with its findings and recommendations for legislative action.

(f) Meetings.

(1) The Department of Public Service shall call the first meeting of the Committee to occur on or before July 15, 2023.

(2) The Committee shall elect a chair from among its members at the first meeting.

(3) A majority of the membership shall constitute a quorum.

(4) The final meeting shall be held on or before October 31, 2023. The Committee shall cease to exist on December 1, 2023.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee serving in the legislator's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six meetings.

(2) Other members of the Committee who are not otherwise compensated by their employer shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than six meetings.

(3) The payments under this subsection (g) shall be made from monies appropriated by the General Assembly or any grant funding received.

Sec. 25a. STUDY COMMITTEE; APPROPRIATION

The sum of \$125,000.00 is appropriated from the General Fund to the Department of Public Service in fiscal year 2024 for the purpose of hiring the consultant described in Sec. 24(d) of this act and to pay the Committee member per diem compensation.

And that when so amended the bill ought to pass.

Senator Bray, on behalf of the Committee on Natural Resources and Energy, moves to substitute a recommendation of amendment for the recommendation of amendment of the Committee on Natural Resources and Energy as follows:

First: In Sec. 2, 24 V.S.A. § 4412, in subdivision (12), by striking out the word "four" and inserting in lieu thereof five

Second: By striking out Sec. 6, 24 V.S.A. § 4465, in its entirety and inserting in lieu thereof a new Sec. 6 to read as follows:

Sec. 6. 24 V.S.A. § 4465 is amended to read:

§ 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

(a) An interested person may appeal any decision or act taken by the administrative officer in any municipality by filing a notice of appeal with the secretary of the board of adjustment or development review board of that municipality or with the clerk of that municipality if no such secretary has been elected. This notice of appeal must be filed within 15 days of following the date of that decision or act, and a copy of the notice of appeal shall be filed with the administrative officer.

(b) ~~For the purposes of~~ As used in this chapter, an “interested person” means any one of the following:

(1) A person owning title to property, or a municipality or solid waste management district empowered to condemn it or an interest in it, affected by a bylaw, who alleges that the bylaw imposes on the property unreasonable or inappropriate restrictions of present or potential use under the particular circumstances of the case.

(2) The municipality that has a plan or a bylaw at issue in an appeal brought under this chapter or any municipality that adjoins that municipality.

(3) A person owning or occupying property in the immediate neighborhood of a property that is the subject of any decision or act taken under this chapter, who can demonstrate a physical or environmental impact on the person’s interest under the criteria reviewed, and who alleges that the decision or act, if confirmed, will not be in accord with the policies, purposes, or terms of the plan or bylaw of that municipality.

(4) Any ~~ten~~ 10 persons who allege a common injury to a particularized interest protected by this chapter, who may be any combination of voters or real property owners within a municipality listed in subdivision (2) of this subsection who, by signed petition to the appropriate municipal panel of a municipality, the plan or a bylaw of which is at issue in any appeal brought under this title, allege that any relief requested by a person under this title, if granted, will not be in accord with the policies, purposes, or terms of the plan or bylaw of that municipality. For purposes of this subdivision, a particularized interest shall not include the character of the area affected. This petition to the appropriate municipal panel must designate one person to serve as the representative of the petitioners regarding all matters related to the appeal.

(5) Any department and administrative subdivision of this State owning property or any interest in property within a municipality listed in subdivision (2) of this subsection, and the Agency of Commerce and Community Development of this State.

* * *

Third: By striking out Sec. 13, 24 V.S.A. § 3101(a), and its reader assistance heading in their entirety and inserting in lieu thereof the following:

* * * Energy Codes * * *

Sec. 13. 24 V.S.A. § 3101(a) is amended to read:

(a) The mayor and board of aldermen of a city, the selectboard of a town, or the trustees of an incorporated village, may, in accordance with this chapter, establish codes and regulations for the construction, maintenance, repair, and alteration of buildings and other structures within the municipality. Such codes and regulations may include provisions relating to building materials, structural design, passageways, stairways and exits, heating systems, fire protection procedures, and such other matters as may be reasonably necessary for the health, safety, and welfare of the public, but excluding electrical installations subject to regulation under 26 V.S.A. chapter 15. Any energy codes and regulations adopted after July 1, 2023 shall not be more restrictive than the Residential Building Energy Standards or the stretch code adopted under 30 V.S.A. § 51 or the Commercial Building Energy Standards adopted under 30 V.S.A. § 53, except where enabled by a municipal charter.

Fourth: By striking out Sec. 16, 10 V.S.A. § 6001, in its entirety and inserting in lieu thereof a new Sec. 16 to read as follows:

Sec. 16. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

* * *

(3)(A) “Development” means each of the following:

* * *

(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction ~~or maintenance~~ of mobile homes or mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. However:

* * *

(xi) Until July 1, 2026, the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 25 or more units, constructed or maintained on a tract or tracts of land, located entirely within a designated downtown development district, a designated neighborhood development area, or a designated growth center, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years.

* * *

(D) The word “development” does not include:

* * *

(viii)(I) The construction of a priority housing project in a municipality with a population of 10,000 or more.

(II) If the construction of a priority housing project in this subdivision (3)(D)(viii) involves demolition of one or more buildings that are listed or eligible to be listed on the State or National Register of Historic Places, this exemption shall not apply unless the Division for Historic Preservation has made the determination described in subdivision (A)(iv)(I)(ff) of this subdivision (3) and any imposed conditions are enforceable in the manner set forth in that subdivision.

(III) Notwithstanding any other provision of law to the contrary, until July 1, 2026, the construction of a priority housing project located entirely within a designated downtown development district, designated neighborhood development area, or a designated growth center.

* * *

Fifth: By adding a new Sec. 16a. to read as follows:

Sec. 16a. 10 V.S.A. § 6086b is amended to read:

§ 6086b. DOWNTOWN DEVELOPMENT; FINDINGS; MASTER PLAN PERMITS

(a) Findings and conclusions. Notwithstanding any provision of this chapter to the contrary, each of the following shall apply to a development or subdivision that is completely within a downtown development district designated under 24 V.S.A. chapter 76A and for which a permit or permit amendment would otherwise be required under this chapter:

(1) In lieu of obtaining a permit or permit amendment, a person may request findings and conclusions from the District Commission, which shall approve the request if it finds that the development or subdivision will meet subdivisions 6086(a)(1) (air and water pollution), (2) (sufficient water

available), (3) (burden on existing water supply), (4) (soil erosion), (5) (traffic), (8) (aesthetics, historic sites, rare and irreplaceable natural areas), (8)(A) (endangered species; necessary wildlife habitat), (9)(B) (primary agricultural soils), (9)(C) (productive forest soils), (9)(F) (energy conservation), and (9)(K) (public facilities, services, and lands) of this title.

* * *

(b) Master plan permits.

(1) Any municipality within which a downtown development district or neighborhood development area has been formally designated pursuant to 24 V.S.A. chapter 76A may apply to the District Commission for a master plan permit for that area or any portion of that area pursuant to the rules of the Board. Municipalities making an application under this subdivision are not required to exercise ownership of or control over the affected property.

(2) Subsequent development of an individual lot within the area of the master plan permit that requires a permit under this chapter shall take the form of a permit amendment.

(3) In neighborhood development areas, subsequent master plan permit amendments may only be issued for development that is housing.

(4) In approving a master plan permit and amendments, the District Commission may include specific conditions that an applicant for an individual project permit will be required to meet.

(5) For a master plan permit issued pursuant to this section, an application for an amendment may use the findings issued in the master plan permit as a rebuttable presumption to comply within any applicable criteria under subsection 6086(a) of this title.

Sixth: By adding a new Sec. 16b. to read as follows:

Sec. 16b. ACT 250 EXEMPTION REQUIREMENTS

In order to qualify for the exemptions established in 10 V.S.A. § 6001 (3)(A)(xi) and (3)(D)(viii)(III) and 10 V.S.A. § 6081(y), a person shall apply for a jurisdictional opinion under 10 V.S.A. § 6007 by July 1, 2026. The jurisdictional opinion shall require the project to substantially complete construction by June 30, 2029 in order to remain exempt.

Seventh: By striking out Sec. 17, 10 V.S.A. § 6081, in its entirety and inserting in lieu thereof the following:

* * * Enhanced Village Centers * * *

Sec. 17. 24 V.S.A. § 2793a is amended to read:

§ 2793a. DESIGNATION OF VILLAGE CENTERS BY STATE BOARD

* * *

(e)(1) A village center designated by the State Board pursuant to subsection (a) of this section is eligible to apply to the State Board to receive an enhanced designation. This enhanced designation allows a priority housing project with 50 or fewer units located entirely within the village center to be exempt from 10 V.S.A. chapter 151.

(2) To receive enhanced designation under this subsection, a village center shall have:

(A) duly adopted permanent zoning and subdivision bylaws;

(B) at least one of the following: municipal sewer infrastructure, a community or alternative wastewater system approved by the Agency of Natural Resources, or a public community water system; and

(C) adequate municipal staff to support coordinated comprehensive and capital planning, development review, and zoning administration.

Sec. 17a. 10 V.S.A. § 6081 is amended to read:

§ 6081. PERMITS REQUIRED; EXEMPTIONS

* * *

(y) Notwithstanding any other provision of law to the contrary, until July 1, 2026, no permit or permit amendment is required for a priority housing project with 50 or fewer units that is located entirely within a village center that has received enhanced designation under 24 V.S.A. § 2793a(e).

Sec. 17b. 24 V.S.A. § 2793e is amended to read:

§ 2793e. NEIGHBORHOOD PLANNING AREAS; DESIGNATION OF
NEIGHBORHOOD DEVELOPMENT AREAS

* * *

(c) Application for designation of a neighborhood development area. The State Board shall approve a neighborhood development area if the application demonstrates and includes all of the following elements:

* * *

(6) The neighborhood development area is served by at least one of the following:

(A) municipal sewer infrastructure;

(B) a community or alternative wastewater system approved by the Agency of Natural Resources; or

(C) a public community water system.

* * *

Eighth: By striking out Secs. 24 and 25 and their reader assistance heading in their entireties and inserting in lieu thereof the following:

* * * Building energy code study committee * * *

Sec. 24. FINDINGS

The General Assembly finds that:

(1) Vermont established the Residential Building Energy Standards (RBES) in 1997 and the Commercial Building Energy Standards (CBES) in 2007. The Public Service Department is responsible for adopting and updating these codes regularly but does not have the capacity to administer or enforce them.

(2) The RBES and CBES are mandatory, but while municipalities with building departments handle some aspects of review and inspection, there is no State agency or office designated to interpret, administer, and enforce them.

(3) The Division of Fire Safety in the Department of Public Safety is responsible for development, administration, and enforcement of building codes but does not currently have expertise or capacity to add administration or enforcement of energy codes in buildings.

(4) Studies in recent years show compliance with the RBES at about 54 percent and CBES at about 87 percent, with both rates declining. Both codes are scheduled to become more stringent with the goal of “net-zero ready” by 2030.

(5) In December 2022, the U.S. Department of Energy issued the Bipartisan Infrastructure Law: Resilient and Efficient Codes Implementation Funding Opportunity Announcement. The first \$45 million of a five-year \$225 million program is available in 2023. Vermont’s increased code compliance plans should include contingencies for this potential funding.

Sec. 25. ENERGY CODE COMPLIANCE; STUDY COMMITTEE

(a) Creation. There is created the Building Energy Code Study Committee to recommend strategies for increasing compliance with the Residential Building Energy Standards (RBES) and Commercial Building Energy Standards (CBES).

(b) Membership. The Committee shall have 15 members with applicable expertise, to include program design and implementation, building code administration and enforcement, and Vermont's construction industry. The Speaker of the House shall appoint three members, including up to one legislator. The Committee on Committees shall appoint two members, including up to one legislator. The remaining members shall be the following:

- (1) the Commissioner of Public Service, or designee;
- (2) the Director of Fire Safety, or designee;
- (3) a representative of Efficiency Vermont;
- (4) a representative of American Institute of Architects–Vermont;
- (5) a representative of the Vermont Builders and Remodelers Association;
- (6) a representative the Burlington Electric Department;
- (7) a representative of Vermont Gas Systems;
- (8) a representative of the Association of General Contractors of Vermont;
- (9) a representative of the Vermont League of Cities and Towns; and
- (10) a representative from a regional planning commission.

(c) Powers and duties. The Committee shall consider and recommend strategies to increase awareness of and compliance with the RBES and CBES, including designation of the Division of Fire Safety (DFS) in the Department of Public Safety as the statewide authority having jurisdiction for administration, interpretation, and enforcement, in conjunction with DFS' existing jurisdiction, over building codes.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Department of Public Service. The Department shall hire a third-party consultant to assist and staff the Committee which may be funded by monies appropriated by the General Assembly or any grant funding received.

(e) Report. On or before December 1, 2023, the Committee shall submit a written report to the General Assembly with its findings and recommendations for legislative action.

(f) Meetings.

(1) The Department of Public Service shall call the first meeting of the Committee to occur on or before July 15, 2023.

(2) The Committee shall elect a chair from among its members at the first meeting.

(3) A majority of the membership shall constitute a quorum.

(4) The final meeting shall be held on or before October 31, 2023. The Committee shall cease to exist on December 1, 2023.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee serving in the legislator's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six meetings.

(2) Other members of the Committee who are not otherwise compensated by their employer shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than six meetings.

(3) The payments under this subsection (g) shall be made from monies appropriated by the General Assembly or any grant funding received.

Sec. 25a. STUDY COMMITTEE; APPROPRIATION

The sum of \$125,000.00 is appropriated from the General Fund to the Department of Public Service in fiscal year 2024 for the purpose of hiring the consultant described in Sec. 25(d) of this act and to pay the Committee member per diem compensation.

And that when so amended, the bill ought to pass.

Which was agreed to.

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported that the bill ought to pass.

Senator Perchlik, for the Committee on Appropriations, to which the bill was referred, reported that the bill be amended as recommended by the Committee on Natural Resources and Energy with the following amendments thereto:

First: By striking out Sec. 14, appropriation, in its entirety and inserting in lieu thereof the following:

Sec. 14. [Deleted.]

Second: By striking out Sec. 15, housing resource navigator for regional planning commissions, in its entirety and inserting in lieu thereof the following:

Sec. 15. [Deleted.]

Third: By striking out Sec. 25a, study committee; appropriation, in its entirety.

Fourth: By striking out Sec. 27, human rights commission; position; appropriation, in its entirety and inserting in lieu thereof the following:

Sec. 27. [Deleted.]

Fifth: By striking out Secs. 30–39 in their entireties and inserting in lieu thereof the following:

Secs. 30–39. [Deleted.]

Sixth: By striking out Secs. 41–42 in their entireties and inserting in lieu thereof the following:

Secs. 41–42. [Deleted.]

And that when so amended the bill ought to pass.

Thereupon, the bill was read a second time by title only, pursuant to Rule 43, and the recommendation of amendment of the Committee on Natural Resources and Energy was agreed to, on a roll call, Yeas, 19, Nays 11.

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

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Campion, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, Mazza, Perchlik, Ram Hinsdale, Sears, Vyhovsky, Watson, White, Wrenner.

Those Senators who voted in the negative were: Brock, Chittenden, Collamore, Ingalls, MacDonald, McCormack, Norris, Starr, Weeks, Westman, Williams.

Thereupon, the recommendation of amendment of the Committee on Appropriations was agreed to.

Thereupon third reading of the bill was ordered, on a roll call, Yeas 30, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Brock, Champion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Bill Amended; Third Reading Ordered**S. 56.**

Senator Hardy, for the Committee on Health and Welfare, to which was referred Senate bill entitled:

An act relating to child care and early childhood education.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following::

* * * Legislative Intent * * *

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly that investments in and policy changes to Vermont's child care system shall:

(1) increase access to and the quality of child care services throughout the State;

(2) provide financial stability to child care programs;

(3) stabilize Vermont's talented child care workforce;

(4) address the workforce needs of the State's employers;

(5) provide policy recommendations for expanding access and capacity in Vermont's prekindergarten system; and

(6) reorganize the Department for Children and Families to ensure greater oversight and focus on child care and early childhood education.

* * * Prekindergarten * * *

Sec. 1a. PREKINDERGARTEN EDUCATION STUDY COMMITTEE;
REPORT

(a) Creation. There is created the Prekindergarten Education Study Committee to make recommendations on how to improve and expand accessible, affordable, and high-quality prekindergarten education.

(b) Membership. The Committee shall be composed of the following members:

- (1) the Secretary of Education or designee, who shall serve as chair;
- (2) the Secretary of Human Services or designee;
- (3) the Executive Director of the Vermont Principals' Association or designee;
- (4) the Executive Director of the Vermont Superintendents Association or designee;
- (5) the Executive Director of the Vermont School Board Association or designee;
- (6) the Executive Director of the Vermont National Education Association or designee;
- (7) the Chair of the Vermont Council of Special Education Administrators or designee;
- (8) the Executive Director of the Vermont Curriculum Leaders Association or designee;
- (9) the Executive Director of Building Bright Futures or designee;
- (10) a representative of a prequalified private provider as defined in 16 V.S.A. § 829, operating a licensed center-based child care and preschool program, appointed by the Speaker of the House;
- (11) a representative of a prequalified private provider as defined in 16 V.S.A. § 829, operating a regulated family child care home, appointed by the Committee on Committees;
- (12) the Head Start Collaboration Office Director or designee;
- (13) the Executive Officer of Let's Grow Kids or designee; and
- (14) a family representative with a prekindergarten-age child, appointed by the Building Bright Futures Council.

(c) Powers and duties. The Committee shall examine the delivery of prekindergarten education in Vermont and make recommendations for expanding equitable access for all children three and four years of age in a manner that achieves the best outcomes for children, whether through the current mixed-delivery system, the public school system, the private prekindergarten system, or a system that allows school districts to contract with private providers. The Committee shall also examine and make recommendations on the changes necessary to provide prekindergarten education to all children three and four years of age through the public school

system, including a timeline and transition plan for such changes. In conducting its analysis, the Committee shall address the following topics and questions, which may yield distinct recommendations for children three and four years of age:

(1) Outcomes and quality.

(A) What are the benchmarks for “high quality” in prekindergarten education?

(B) How should best practices be implemented and measured across various prekindergarten education settings?

(2) Capacity and demand.

(A) How many children, by age, does the current mixed-delivery system have the capacity to serve? In studying this issue, the Committee shall consider the number of children on waitlists and the number of vacancies in programs.

(B) What are the workforce requirements to expand prekindergarten education? In studying this question, the Committee may consider:

(i) whether there is a gap between the total number of licensed teachers currently working and the number needed for expansion;

(ii) whether there is a gap between the total prekindergarten education workforce, including paraeducators, and the number needed for expansion; and

(iii) the educational and training costs associated with training and retaining the workforce necessary for expansion?

(C) If prekindergarten education in the public school system is provided solely to children four years of age, what is the impact on the capacity and workforce of private prekindergarten providers?

(3) Special education.

(A) How many children three and four years of age are currently on individual education programs receiving services in public and private settings?

(B) Are children three and four years of age on individual education plans receiving the full range of services that they are entitled to?

(C) Does the availability or cost of special education services vary between private and public prequalified providers?

(4) Public school expansion.

(A) What infrastructure changes are necessary to expand prekindergarten education?

(B) How would the current prekindergarten education mixed-delivery system transition to a program within the public school system?

(C) What capacity needs to be built for developmentally appropriate afterschool and out-of-school-time care?

(D) Are changes needed to existing health and safety standards for public schools to accommodate children three and four years of age?

(5) Funding and costs.

(A) What are fiscally strategic options to sustain and expand universal prekindergarten education?

(B) What is the financial and business impact on regulated private childcare providers if the prekindergarten system transitions to public schools?

(C) What, if any, changes need to be made to pupil weights for prekindergarten students?

(D) What, if any, changes need to be made to tuition rates for private prekindergarten programs?

(6) Oversight.

(A) What additional Agency of Education personnel or resources would be needed to oversee an expansion of the current prekindergarten education system under either a mixed-delivery model, a public school system model, or a system that allows school districts to contract with private providers?

(B) What additional Agency of Human Services personnel or resources would be needed to oversee an expansion of the current mixed-delivery model or a private prekindergarten system?

(d) Assistance. The Committee shall have the administrative, technical, fiscal, and legal assistance of the Agencies of Education and of Human Services. If the Agencies are unable to provide the Committee with adequate support to assist with its technical, fiscal, or legal needs, then the Agency of Education shall retain a contractor with the necessary expertise to assist the Committee.

(e) Report. On or before December 1, 2023, the Committee shall submit a written report to the House Committees on Education and on Human Services and the Senate Committees on Education and on Health and Welfare with its findings and recommendations based on the analysis conducted pursuant to

subsection (c) of this section. The report shall include draft legislative language to support the Committee's recommendations.

(f) Meetings.

(1) The Secretary of Education or designee shall call the first meeting of the Committee to occur on or before July 15, 2023.

(2) A majority of the membership shall constitute a quorum.

(3) The Committee shall cease to exist on February 1, 2024.

(g) Compensation and reimbursement. Members of the Committee who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than 10 meetings per year. These payments shall be made from monies appropriated to the Agency of Education.

(h) Appropriations.

(1) The sum of \$5,000.00 is appropriated to the Agency of Education from the General Fund in fiscal year 2024 for per diem compensation and reimbursement of expenses for members of the Committee.

(2) The sum of \$100,000.00 is appropriated to the Agency of Education from the General Fund in fiscal year 2024 for cost of retaining a contractor as provided under subsection (d) of this section.

(3) Any unused portion of these appropriations shall, as of July 1, 2024, revert to the General Fund.

Sec. 1b. 16 V.S.A. § 213 is amended to read:

§ 213. DEPUTY SECRETARIES

The Secretary shall employ ~~such number of deputy secretaries as he or she deems necessary~~ at least two deputy secretaries. One deputy secretary shall:

(1) solely manage the Division of Student Support Services, which shall govern special education, early education, and multitiered systems of support; and

(2) hold at least a master's level degree in early childhood education, special education, child development, or a related field.

Sec. 1c. AGENCY OF EDUCATION; DEPUTY SECRETARY
AUTHORIZATION

The establishment of a second Deputy Secretary position within the Agency of Education pursuant to 16 V.S.A. § 213 is authorized beginning in fiscal year

2025.

* * * Child Care and Child Care Subsidies * * *

Sec. 2. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM;
ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services ~~in order to obtain employment, to retain employment, or to obtain training leading to employment.~~ Families seeking employment ~~shall be entitled to participate in the Program for up to three months and the Commissioner may further extend that period.~~

(2) The subsidy authorized by this subsection shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. Families shall be found eligible using an income eligibility scale based on the current federal poverty level and adjusted for the size of the family. Co-payments shall be assigned to the whole family and shall not increase if more than one eligible child is enrolled in child care. Families with an annual gross income of less than or equal to ~~150~~ 185 percent of the current federal poverty guidelines shall not have a family co-payment. Families with an annual gross income up to and including ~~350~~ 600 percent of current federal poverty guidelines, adjusted for family size, shall be eligible for a subsidy authorized by the subsection. The scale shall be structured so that it encourages employment. If the federal poverty guidelines decrease in a given year, the Division shall maintain the previous year's federal poverty guidelines for the purpose of determining eligibility and benefit amount under this subsection.

(3) Earnings deposited in a qualified child education savings account, such as the Vermont Higher Education Investment Plan, established in 16 V.S.A. § 2877, or any similar plan qualified under 26 U.S.C. § 529, shall be disregarded in determining the amount of a family's income for the purpose of determining continuing eligibility.

(4) ~~After September 30, 2021,~~ a A regulated center-based child care program or family child care home as defined by the Department in rule shall not receive funds pursuant to this subsection that are in excess of the usual and customary rate for services at the center-based child care program or family child care home.

(5) The Department shall ensure that applications for the Child Care Financial Assistance Program use a simple, plain-language format. Applications shall be available in both electronic and paper formats.

* * *

Sec. 3. PROVIDER RATE ADJUSTMENT; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

On January 1, 2024, the Department for Children and Families shall provide a one-time adjustment to the child care provider reimbursement rates in the Child Care Financial Assistance Program for child care services provided to children from birth through four years of age, including children five years of age who are not yet enrolled for kindergarten. The adjusted reimbursement rate shall account for the age of the children served and be 38.5 percent higher than the fiscal year 2023 five-STAR reimbursement rate in the Vermont STARS system. All providers in the same child care setting category shall receive an identical reimbursement rate payment dependent upon whether the provider operates a regulated child care center and preschool program or regulated family child care home.

Sec. 4. 33 V.S.A. § 3514 is amended to read:

§ 3514. PAYMENT TO PROVIDERS FOR SCHOOL AGE CHILDREN

(a) The Commissioner shall establish a payment schedule for purposes of reimbursing providers for full- or part-time child care services to children over four years of age, excluding children five years of age who are not yet enrolled for kindergarten, rendered to families who participate in the programs established under section 3512 or 3513 of this title. Payments established under this section shall reflect the following considerations: whether the provider operates a licensed child care facility or a registered family child care home, type of service provided, cost of providing the service, and the prevailing market rate for comparable service. Payments shall be based on enrollment status ~~or any other basis agreed to by the provider and the Division.~~

* * *

Sec. 4a. 33 V.S.A. § 3515 is added to read:

§ 3515. PAYMENT TO PROVIDERS FOR CHILDREN BIRTH THROUGH FOUR YEARS OF AGE; HIGH QUALITY INCENTIVE PROGRAM

(a) The Commissioner shall establish a payment schedule that accounts for the age of the children served for the purpose of reimbursing providers for full- or part-time child care services to children from birth through four years of age, including children five years of age who are not yet enrolled for kindergarten, rendered to families who participate in the programs established under section 3512 or 3513 of this title. All providers in the same child care setting category shall receive an identical reimbursement rate payment

dependent upon whether the provider operates a regulated child care center and preschool program or regulated family child care home. The rate used to reimburse providers shall be increased over the previous year's rate annually on July 1 in alignment with the most recent annual average wage growth for NAICS code 611, Educational Services, not to fall below zero percent. Child care services to infants and toddlers shall receive an enhanced reimbursement rate set by the Commissioner. Payments shall be based on enrollment.

(b) The Commissioner may establish a separate payment schedule for child care providers who have received specialized training, approved by the Commissioner, relating to protective or family support services.

(c)(1) Annually, the Department shall provide a flat incentive payment to all providers earning five STARS in the Vermont STARS system from the High-Quality Early Care and Education Special Fund pursuant to section 3516 of this chapter.

(2) Upon notice from a provider that the provider has achieved an increased STAR level in the Vermont STARS system, the Department shall award the provider a flat incentive payment equivalent to that received by providers earning five STARS pursuant to subdivision (1) of this subsection. Incentive payments shall be funded through the High-Quality Early Care and Education Special Fund pursuant to section 3516 of this chapter. A provider may earn an incentive payment under this subdivision for each additional STAR level achieved in the STARS system.

Sec. 4b. 33 V.S.A. § 3516 is added to read:

§ 3516. HIGH-QUALITY EARLY CARE AND EDUCATION SPECIAL FUND

(a) There is created a High-Quality Early Care and Education Special Fund administered by the Department for Children and Families, which shall be a special fund established and managed pursuant to 32 V.S.A. chapter 7, subchapter 5.

(b) The High-Quality Early Care and Education Special Fund shall consist of any appropriation from the General Fund and any gifts, devises, or grants received for the purpose of this section.

(c) The High-Quality Early Care and Education Special Fund shall be used for the implementation and ongoing provision of incentive payments to providers pursuant to subsection 3515(c) of this chapter.

Sec. 5. 33 V.S.A. § 3517 is added to read:

§ 3517. CHILD CARE WAITLIST AND APPLICATION FEES

A child care provider shall not charge an application or waitlist fee for child care services where the applying child qualifies for the Child Care Financial Assistance Program pursuant to section 3512 or 3513 of this title. A child care provider shall reimburse an individual who is charged an application or waitlist fee for child care services if it is later determined that the applying child qualified for the Child Care Financial Assistance Program at the time the fee or fees were paid.

Sec. 6. PROVIDER COMPENSATION AND TOTAL COST OF CARE;
RECOMMENDATIONS

(a) On or before November 1, 2023, the Department for Children and Families, in consultation with the Department of Labor, the Agency of Education, Building Bright Futures, and the Vermont Association for the Education of Young Children, shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare addressing the following:

(1) whether and how to integrate a tiered professional pay scale for professionals who provide child care services as part of the Child Care Financial Assistance Program;

(2) the structure of tiered professional pay scales for professionals who provide child care services that have been implemented in other jurisdictions, including in New Mexico and the District of Columbia.

(3) the appropriate legal mechanism to implement any approved tiered professional pay scale for professionals who provide child care services, including consideration of statute, rule, departmental guidance, or some other appropriate mechanism.

(b) On or before November 1, 2024, the Department for Children and Families, in consultation with the Department of Labor, the Agency of Education, Building Bright Futures, and the Vermont Association for the Education of Young Children, shall submit to the House Committee on Human Services and to the Senate Committee on Health and Welfare:

(1) A tiered professional pay scale for professionals who provide child care services as defined in 33 V.S.A. § 3511 that is designed to provide professionals who provide child care services with compensation comparable to that received by early childhood educators in Vermont's public school system who serve children from prekindergarten through grade three. The tiered professional pay scale shall account for professionals' credentialing and professional child care experience and shall include the addition of an appropriate fringe benefit rate. In developing the tiered professional pay scale, the Department for Children and Families shall refer to the child care and early

childhood education financing study required pursuant to 2021 Acts and Resolves No. 45, Sec. 14; and

(2) A formula to calculate the total cost of care to serve children in a regulated child care facility as defined in 33 V.S.A. § 3511.

Sec. 7. 33 V.S.A. chapter 35, subchapter 6 is added to read:

Subchapter 6. Child Care Assistance for Additional Populations

§ 3551. NONCITIZEN CHILD CARE ASSISTANCE PROGRAM;
LEGISLATIVE INTENT

In establishing the Noncitizen Child Care Assistance Program to provide child care subsidies for children who are not eligible for the Child Care Financial Assistance Program because of their citizenship status, it is the intent of the General Assembly that the benefits and eligibility criteria set forth in section 3552 of this chapter should align to the greatest extent practicable with the benefits and eligibility criteria in CCFAP as set forth in section 3512 of this chapter and corresponding rule.

§ 3552. NONCITIZEN CHILD CARE ASSISTANCE PROGRAM
SUBSIDIES FOR CERTAIN VERMONT RESIDENTS

(a) For purposes of this section, the phrase “Vermont residents who have a citizenship status for which Child Care Financial Assistance Program (CCFAP) participation is not available” includes children of migrant workers who are employed in seasonal occupations in this State.

(b) The Department for Children and Families shall provide State-funded child care subsidies equivalent to those offered in the Child Care Financial Assistance Program (CCFAP) to Vermont residents who have a citizenship status for which CCFAP participation is not available and meet the service need and income eligibility standards established by the Department in rule.

(c)(1) The Department shall not inquire about or record the citizenship and immigration status of the applicant or any member of the applicant’s family.

(2) All applications submitted and records created pursuant to this section shall be exempt from public inspection and copying under the Public Records Act and shall be kept confidential. Absent a request for information by a U.S. agency pursuant to federal law, the Department shall not disclose any personally identifiable information regarding applicants or enrollees to the U.S. government.

(d) The Department for Children and Families may adopt rules in accordance with 3 V.S.A. chapter 25 to carry out the purposes of this section.

Sec. 8. DEPARTMENT FOR CHILDREN AND FAMILIES; NONCITIZEN

CHILD CARE ASSISTANCE PROGRAM SUBSIDIES; FISCAL
YEAR 2025 ESTIMATE

The Department for Children and Families shall provide information on the estimated fiscal year 2025 costs of providing coverage to Vermont residents who have a citizenship status for which Child Care Financial Assistance Program participation is not available pursuant to 33 V.S.A. § 3552 beginning on July 1, 2024 as part of the Department's fiscal year 2025 budget presentation to the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare.

* * * Special Accommodations Grant * * *

Sec. 9. REPORT; SPECIAL ACCOMMODATIONS GRANT

On or before January 15, 2024, the Department for Children and Families' Child Development Division shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare providing a proposal to streamline the application process for special accommodation grants, including:

(1) the suitability of moving to a 12-month grant cycle and for which populations;

(2) improving support and training for providing inclusive care for children with special needs;

(3) determining how to better meet the early learning needs of children with disabilities within a child care setting; and

(4) any other proposals the Department deems essential to the goal of streamlining the application process for special accommodation grants.

* * * Child Care Workforce Retention Grants * * *

Sec. 10. FY 2024 APPROPRIATION; CHILD CARE WORKER
RETENTION GRANT PROGRAM

In fiscal year 2024, the sum of \$7,300,000.00 is appropriated from the General Fund to the Department for Children and Families for the early childhood staff and home-based provider retention grant program established in 2021 Acts and Resolves No. 74, Sec. G.300(a)(30), as added by 2022 Acts and Resolves No. 83, Sec. 68.

* * * Scholarship for Prospective Early Childhood Providers * * *

Sec. 11. 2021 Acts and Resolves No. 45, Sec. 8 is amended to read:

Sec. 8. REPEALS

(a) 33 V.S.A. § 3541(d) (reference to student loan repayment assistance program) is repealed on July 1, 2026.

~~(b) 33 V.S.A. § 3542 (scholarships for prospective early childhood providers) is repealed on July 1, 2026. [Repealed.]~~

(c) 33 V.S.A. § 3543 (student loan repayment assistance program) is repealed on July 1, 2026.

Sec. 12. APPROPRIATION; SCHOLARSHIPS FOR CURRENT EARLY CHILDHOOD PROVIDERS

In fiscal year 2024, \$500,000.00 is appropriated in addition to the base funding to the Department for Children and Families for the purpose of funding scholarships for current early childhood providers pursuant to 33 V.S.A. § 3541.

* * * Transitional Assistance * * *

Sec. 13. BUILDING BRIGHT FUTURES; TECHNICAL ASSISTANCE

(a) Building Bright Futures shall consult with and provide technical assistance to the Department for Children and Families for the purpose of implementing the provisions of this act, including reorganization of the Department for Children and Families, implementation of the changes to the Child Care Financial Assistance Program, and establishment the Noncitizen Child Care Assistance Program pursuant to 33 V.S.A. chapter 35. Specifically, Building Bright Futures shall assist the Department to:

(1) develop a concrete transition plan in relation to both the reorganization of the Department and changes to the Child Care Financial Assistance Program that ensures accountability using various metrics and addresses workforce and programmatic costs; and

(2) define and measure success in process and outcomes using a continuous quality improvement framework.

(b) Building Bright Futures shall monitor the transitions referenced in subsection (a) of this section and annually on January 15 between 2025–2028, submit a report to the House Committee on Human Services and the Senate Committee on Health and Welfare with its observations and recommendations.

* * * Property Tax Exemption; Property Used by a Child Care Provider * * *

Sec. 14. 32 V.S.A. § 3802(22) is added to read:

(22) Up to \$10,000.00 of value of real and personal property:

(A) owned by a home-based child care provider as defined by 33 V.S.A. § 3511(3) and used to provide child care services as defined by

33 V.S.A. § 3511(4); or

(B) rented at not less than 25 percent below fair market value as determined by the prevailing area market prices for comparable space or property to a center-based child care provider as defined by 33 V.S.A. § 3511(3) and used to provide child care services as defined by 33 V.S.A. § 3511(4).

Sec. 15. 32 V.S.A. § 3800(q) is added to read:

(q) The statutory purpose of the exemption for property owned by or rented to a child care provider in subdivision 3802(22) of this title is to lower the cost of providing child care services in Vermont.

Sec. 16. 32 V.S.A. § 5401(7) is amended to read:

(7) “Homestead”:

(A) “Homestead” means the principal dwelling and parcel of land surrounding the dwelling, owned and occupied by a resident individual as the individual’s domicile or owned and fully leased on April 1, provided the property is not leased for more than 182 days out of the calendar year or, for purposes of the renter credit under subsection 6066(b) of this title, is rented and occupied by a resident individual as the individual’s domicile.

* * *

(F) A homestead also includes any other improvement or structure on the homestead parcel that is not used for business purposes. A homestead does not include that portion of a principal dwelling used for business purposes if the portion used for business purposes includes more than 25 percent of the floor space of the building.

* * *

(H)(i) A homestead does not include any portion of a dwelling that is rented, and a dwelling is not a homestead for any portion of the year in which it is rented.

(ii) Notwithstanding subdivision (i) of this subdivision (7)(H), a homestead shall include a dwelling, or a portion of a dwelling, that otherwise qualifies as a homestead and that is rented at not less than 25 percent below fair market value as determined by the prevailing area market prices for comparable space or property to a center-based child care provider as defined by 33 V.S.A. § 3511(3) and is used to provide child care services as defined by 33 V.S.A. § 3511(4).

* * * Department for Children and Families Restructure and Creation of
Department of Economic Empowerment * * *

Sec. 17. 3 V.S.A. § 212 is amended to read:

§ 212. DEPARTMENTS CREATED

The following administrative departments are hereby created, through the instrumentality of which the Governor, under the Constitution, shall exercise such functions as are by law assigned to each department respectively:

* * *

(24) The Department of Vermont Health Access-

(25) The Department of Economic Empowerment.

Sec. 18. 3 V.S.A. § 241 is amended to read:

§ 241. BACKGROUND INVESTIGATIONS

(a) “Federal tax information” or “FTI” means returns and return information as defined in 26 U.S.C. § 6103(b) that are received directly from the Internal Revenue Service or obtained through an IRS-authorized secondary source, that are in the Recipient’s possession or control, and that are subject to the confidentiality protections and safeguarding requirements of the Internal Revenue Code and corresponding federal regulations and guidance.

(b) As used in this chapter, “Recipient” means the following authorities of the Executive Branch of State government that receive FTI:

(1) Agency of Human Services, including:

(A) Department for Children and Families;

(B) Department of Economic Empowerment;

(C) Department of Health;

~~(D)~~ Department of Mental Health; and

~~(E)~~ Department of Vermont Health Access.

(2) Department of Labor.

(3) Department of Motor Vehicles.

(4) Department of Taxes.

(5) Agency of Digital Services.

(6) Department of Buildings and General Services.

* * *

Sec. 19. 3 V.S.A. § 816 is amended to read:

§ 816. EXEMPTIONS

(a) Sections 809–813 of this title shall not apply to:

(1) Acts, decisions, findings, or determinations by the Human Services Board or the ~~Commissioner~~ Commissioners of Economic Empowerment or for Children and Families or a duly authorized agent, and to procedures or hearings before and by the Board or Commissioner or agent.

* * *

Sec. 20. 3 V.S.A. § 3002 is amended to read:

§ 3002. CREATION OF AGENCY

(a) An Agency of Human Services is created consisting of the following:

- (1) The Department of Corrections.
- (2) The Department for Children and Families.
- (3) The Department of Health.
- (4) The Department of Disabilities, Aging, and Independent Living.
- (5) The Human Services Board.
- (6) The Department of Vermont Health Access.
- (7) The Department of Mental Health.
- (8) The Department of Economic Empowerment.

* * *

Sec. 21. 3 V.S.A. § 3051 is amended to read:

§ 3051. COMMISSIONERS; DEPUTY COMMISSIONERS;
APPOINTMENT; TERM

* * *

(c) For the Department for Children and Families, the Secretary, with the approval of the Governor, shall appoint deputy commissioners for the following divisions of the Department:

- (1) ~~Economic Services~~;
- (2) Child Development; and
- (3)(2) Family Services.

* * *

(e) For the Department of Economic Empowerment, the Secretary, with the approval of the Governor, shall appoint deputy commissioners for the following divisions of the Department:

(1) Disability Determination Services; and

(2) Economic Services Division.

(f) Deputy commissioners shall be exempt from the classified service. Their appointments shall be in writing and shall be filed in the Office of the Secretary of State.

Sec. 22. 3 V.S.A. § 3084 is amended to read:

§ 3084. DEPARTMENT FOR CHILDREN AND FAMILIES

(a) The Department for Children and Families is created within the Agency of Human Services as the successor to and the continuation of the Department of Social and Rehabilitation Services, the Department of Prevention, Assistance, Transition, and Health Access, excluding the Department of Vermont Health Access, the Office of Economic Opportunity, and the Office of Child Support. The Department shall also include a Division of Child Development Programs to promote the healthy development of children and youth, oversee and support a system of high-quality child care programs in home- and community-based settings, and provide assistance and support to parents and families. It shall include the Divisions of Child Development and of Family.

(b) An investigations unit is created within the Department for Children and Families as the successor to and continuation of the investigation functions of the Social Services Division of the Department of Social and Rehabilitation Services under 33 V.S.A. chapter 49.

Sec. 23. 3 V.S.A. § 3091 is amended to read:

§ 3091. HEARINGS

(a) An applicant for or a recipient of assistance, benefits, or social services from the Department for Children and Families, of Economic Empowerment, of Vermont Health Access, of Disabilities, Aging, and Independent Living, or of Mental Health, ~~or~~; an applicant for a license from one of those departments; ~~;~~ or a licensee may file a request for a fair hearing with the Human Services Board. An opportunity for a fair hearing ~~will~~ shall be granted to any individual requesting a hearing because ~~his or her~~ the individual's claim for assistance, benefits, or services is denied; or is not acted upon with reasonable promptness; or because the individual is aggrieved by any other Agency action affecting ~~his or her~~ the individual's receipt of assistance, benefits, or services, or license or license application; or because the individual is aggrieved by Agency policy as it affects ~~his or her~~ the individual's situation.

* * *

Sec. 24. 3 V.S.A. § 3094 is amended to read:

§ 3094. OFFICE OF CHILD SUPPORT

(a) The Office of Child Support is created within the Department for ~~Children and Families of Economic Empowerment~~ and shall be designated the IV-D agency for purposes of Title IV-D of the federal Social Security Act.

(b) The Office shall be headed by a Director who shall be appointed by the Secretary of Human Services subject to section 3054 of this title.

Sec. 25. 3 V.S.A. § 3098 is added to read:

§ 3098. DEPARTMENT OF ECONOMIC EMPOWERMENT

The Department of Economic Empowerment is created within the Agency of Human Services to empower families and individuals through the provision of financial support, case management, and other assistance aimed at building skills and independence. It shall include the Office of Child Support, the Office of Economic Opportunity, the Disability Determination Services Division, and the Economic Services Division.

Sec. 26. 4 V.S.A. § 953 is amended to read:

§ 953. SOURCES OF NAMES

(a) The clerk, in order to ascertain names of persons eligible as jurors, may consult the latest census enumeration, the latest published city, town, or village telephone or other directory, the listers' records, the elections records, and any other general source of names.

(b) Notwithstanding any law to the contrary, the Court Administrator may obtain the names, addresses, and dates of birth of persons ~~which~~ that are contained in the records of the Department of Motor Vehicles, the Department of Labor, the Department of Taxes, the Department of Health, the Department of Economic Empowerment, and the Department for Children and Families. The Court Administrator may also obtain the names of voters from the Secretary of State. After the names have been obtained, the Court Administrator shall compile them and provide the names, addresses, and dates of birth to the clerk in a form that will not reveal the source of the names. The clerk shall include the names provided by the Court Administrator in the list of potential jurors.

* * *

Sec. 27. 8 V.S.A. § 10204 is amended to read:

§ 10204. EXCEPTIONS

This subchapter does not prohibit any of the activities listed in this section.

This section shall not be construed to require any financial institution to make any disclosure not otherwise required by law. This section shall not be construed to require or encourage any financial institution to alter any procedures or practices not inconsistent with this subchapter. This section shall not be construed to expand or create any authority in any person or entity other than a financial institution.

* * *

(4) Disclosure of information sought by the Department for Children and Families pursuant to its authority and obligations under 33 V.S.A. § 112.

* * *

(27) Disclosure of information sought by the Department of Economic Empowerment pursuant to its authority and obligations under 33 V.S.A. § 212.

Sec. 28. 9 V.S.A. § 2480h is amended to read:

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

* * *

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

* * *

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

* * *

Sec. 29. 9 V.S.A. § 2483a is amended to read:

§ 2483a. SECURITY FREEZE FOR PROTECTED CONSUMER; TIME IN EFFECT

* * *

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

* * *

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

* * *

Sec. 30. 9 V.S.A. § 4472 is amended to read:

§ 4472. RIGHT TO TERMINATE RENTAL AGREEMENT

* * *

(b) Not less than 30 days before the date of termination, the protected tenant shall provide to the landlord:

(1) a written notice of termination; and

(2) documentation from one or more of the following sources supporting ~~his or her~~ the tenant's reasonable belief that it is necessary to vacate the dwelling unit:

(A) a court, law enforcement, or other government agency;

(B) an abuse, sexual assault, or stalking assistance program;

(C) a legal, clerical, medical, or other professional from whom the tenant, or the minor or dependent of the tenant, received counseling or other assistance concerning abuse, sexual assault, or stalking; or

(D) a self-certification of a protected tenant's status as a victim of abuse, sexual assault, or stalking, signed under penalty of perjury, on a standard form adopted for that purpose by:

(i) a federal or State government entity, including the federal Department of Housing and Urban Development, the Vermont Department of Economic Empowerment, or the Vermont Department for Children and Families; or

(ii) a nonprofit organization that provides support services to protected tenants.

* * *

Sec. 31. 10 App. V.S.A. § 16 is amended to read:

§ 16. SUSPENSION OF LICENSES: ENFORCEMENT OF CHILD SUPPORT ORDERS, 15 V.S.A. § 798

* * *

16.3 All notices of compliance with a child support order shall be upon a standard compliance form, as devised and approved by the court, the Vermont Agency of Human Services, Department of ~~Children and Families~~ Economic Empowerment, and this Department.

16.4 If the motion for the court order was brought by the Vermont Agency

of Human Services, Department of ~~Children and Families~~ Economic Empowerment, then notice of compliance shall only be accepted from the Vermont Agency of Human Services, Department of ~~Children and Families~~ Economic Empowerment or the court.

* * *

16.8 Department personnel shall direct all inquiries from persons seeking reinstatement to the court or the Vermont Agency of Human Services, Department of ~~Children and Families~~ Economic Empowerment, if the Vermont Agency of Human Services, Department of ~~Children and Families~~ Economic Empowerment was the entity ~~which~~ that brought the motion for suspension before this court.

Sec. 32. 12 V.S.A. § 3169 is amended to read:

§ 3169. HEARING ON MOTION; FINDINGS; ORDER

(a) At the hearing on the motion the court shall determine on the basis of the motion and any affidavit of the judgment creditor, the record in the civil action and any testimony offered by either party, and by the trustee whether the judgment debtor has neglected or refused to pay or make reasonable arrangements to pay the money judgment in question. If the court so finds, it shall also determine:

(1) the amount of the judgment unpaid;

(2) the amount of the judgment debtor's weekly disposable earnings;

(3) whether the judgment debtor has been a recipient of assistance from the Vermont ~~Department~~ Departments for Children and Families, of Economic Empowerment, or the ~~Department~~ of Vermont Health Access within the two months preceding the date of the hearing; and

* * *

Sec. 33. 12 V.S.A. § 3170 is amended to read:

§ 3170. EXEMPTIONS; ISSUANCE OF ORDER

(a) No order approving the issuance of trustee process against earnings shall be entered against a judgment debtor who was, within the two-month period preceding the hearing provided in section 3169 of this title, a recipient of assistance from the Vermont Department ~~for Children and Families~~ of Economic Empowerment or the Department of Vermont Health Access. The judgment debtor must establish this exemption at the time of hearing.

* * *

Sec. 34. 13 V.S.A. § 1028 is amended to read:

§ 1028. ASSAULT OF PROTECTED PROFESSIONAL; ASSAULT WITH
BODILY FLUIDS

* * *

(d) As used in this section:

(1) “Protected professional” ~~shall mean~~ means a law enforcement officer; a firefighter; a health care worker; an employee, contractor, or grantee of the Department for Children and Families or Department of Economic Empowerment; or any emergency medical personnel as defined in 24 V.S.A. § 2651(6).

* * *

Sec. 35. 15 V.S.A. § 294 is amended to read:

§ 294. ~~MAN~~ UNRELATED ADULT IN THE HOUSE

(a) When the ~~mother parent~~ of minor children is residing within the same household as a ~~man~~ an adult unrelated to ~~her~~ the parent and not otherwise liable for the support of the ~~mother and her parent and the parent’s~~ children, on the complaint of the ~~mother parent~~ or, if ~~she~~ the parent is receiving public assistance, the ~~Department~~ Departments of Economic Empowerment or for Children and Families, the Superior Court shall make such decree concerning the support of the ~~mother parent~~ and the care, custody, maintenance, and education of the children as in cases where the ~~husband~~ nonresidential parent refuses without just cause to support ~~his wife~~ the parent living with the children and the children. The decree shall by its terms continue in force for so long as the defendant resides within the household or until further order of the court.

(b) This section shall not apply to persons living in boarding houses.

Sec. 36. 15 V.S.A. § 606 is amended to read:

§ 606. ACTION TO RECOVER MAINTENANCE, CHILD SUPPORT, AND
SUIT MONEY; SANCTION FOR NONCOMPLIANCE

(a) When a judgment or order for the payment of either temporary or permanent maintenance, child support, or suit money has been made by the Family Division of the Superior Court, and personal jurisdiction of the person liable for the payment of money under the judgment or order has been obtained, the party entitled by the terms of the judgment or order to payment thereunder, or the Office of Child Support in all cases in which the party or dependent children of the parties are the recipients of financial assistance from the ~~Department~~ Departments of Economic Empowerment or for Children and Families, may file a motion in the Family Division of the Superior Court

asking for a determination of the amount due. Upon notice to the other party and hearing thereon, the Family Division of the Superior Court shall render judgment for the amount due under the judgment or order; the court may order restitution to the ~~Department~~ Departments, order that payments be made to the Office of Child Support for distribution, or make such other orders or conditions as it deems proper. The judgment shall be as binding and as enforceable in all respects as though rendered in any other civil action. Notice shall be given in such manner as the Supreme Court shall by rule provide. An additional motion may be brought at any time for further unpaid balances. The Family Division of the Superior Court in which the cause was pending at the time the original judgment or order was made shall have jurisdiction of motions under the provisions of this section, irrespective of the amount in controversy or the residence of the parties. The motions may be brought and judgment obtained on judgments, decrees, and orders previously rendered and still in force.

* * *

Sec. 37. 15 V.S.A. § 658 is amended to read:

§ 658. SUPPORT

(a) In an action under this chapter or under chapter 21 of this title, the court shall order either or both parents owing a duty of support to a child to pay an amount for the support of the child in accordance with the support guidelines as set forth in this subchapter, unless otherwise determined under section 659 of this title.

(b) A request for support may be made by either parent, a guardian, or the ~~Department for Children and Families,~~ Department of Economic Empowerment, or the Department of Vermont Health Access, if a party in interest. A court may also raise the issue of support on its own motion.

* * *

Sec. 38. 16 V.S.A. § 1592 is amended to read:

§ 1592. POWERS AND RESPONSIBILITIES OF BOARD OF TRUSTEES

With respect to the provision of postsecondary career technical education programs, in addition to those powers and responsibilities set forth in chapter 72 of this title, the Vermont State Colleges Board of Trustees shall:

* * *

(3) coordinate such programs with other employment and training programs such as those offered by the Department of Employment and Training, the Department of Labor, the ~~Department for Children and Families~~

of Economic Empowerment, the Agency of Commerce and Community Development, independent colleges, and the Vermont Student Assistance Corporation; and

(4) possess all other necessary and implied powers to carry out such responsibilities.

Sec. 39. 18 V.S.A. § 5227 is amended to read:

§ 5227. RIGHT TO DISPOSITION

* * *

(d)(1) If the disposition of the remains of a decedent is determined under subdivision (a)(10) of this section, the Office of the Chief Medical Examiner may contract with a funeral director or disposition facility to cremate the remains of the decedent.

(2)(A) If the cremation of the decedent is arranged and paid for under 33 V.S.A. § 2301, the Department ~~for Children and Families~~ of Economic Empowerment shall pay the cremation expenses to the funeral home, up to the maximum payment permitted by rule by the Department ~~for Children and Families~~ of Economic Empowerment.

(B) If the cremation of the decedent is not arranged and paid for under 33 V.S.A. § 2301, the Department of Health shall pay the cremation expenses to the funeral home, up to the maximum payment permitted by rule by the Department ~~for Children and Families~~ of Economic Empowerment.

* * *

Sec. 40. 18 V.S.A. § 8101 is amended to read:

§ 8101. LIABILITY

* * *

(e) In ~~his or her~~ the Commissioner's investigation, keeping of accounts, and collection of charges, the Commissioner shall have the support and cooperation of the Department ~~for Children and Families~~ of Economic Empowerment insofar as the records of that Department relate to the ability to pay.

* * *

Sec. 41. 28 V.S.A. § 755 is amended to read:

§ 755. DISPOSITION OF EARNINGS

An inmate participating in a work release program shall cause to be given to the Commissioner the inmate's total earnings less payroll deductions

authorized by law, including income taxes. Upon receipt of the earnings the Commissioner, to the extent reasonable, may:

(1) Deduct an amount determined to be equivalent to the cost of providing for the living expenses of the inmate.

(2) Cause to be paid, as are needed, any of the following:

(A) Any costs or fine imposed by the sentencing court.

(B) Any restitution included as part of the sentence of the inmate by the court.

(C) Any sum as is needed for the support of the dependents of the inmate, in which case the Commissioner shall notify the ~~Commissioner~~ Commissioners of Economic Empowerment and for Children and Families of the support payments.

* * *

Sec. 42. 30 V.S.A. § 218 is amended to read:

§ 218. JURISDICTION OVER CHARGES AND RATES

* * *

(c)(1) The Public Utility Commission shall take any action necessary to enable the State of Vermont and telecommunications companies offering service in Vermont to participate in the federal Lifeline program administered by the Federal Communications Commission (FCC) or its agent and also the Vermont Lifeline program described in subdivision (2) of this subsection.

* * *

(4) Notwithstanding any provisions of this subsection to the contrary, a subscriber who is enrolled in the Lifeline program and has obtained a final relief from abuse order in accordance with the provisions of 15 V.S.A. chapter 21 or 33 V.S.A. chapter 69 shall qualify for a Lifeline benefit credit for the amount of the incremental charges imposed by the local telecommunications company for treating the number of the subscriber as nonpublished and any charges required to change from a published to a nonpublished number. As used in this section, “nonpublished” means that the customer’s telephone number is not listed in any published directories, is not listed on directory assistance records of the company, and is not made available on request by a member of the general public, notwithstanding any claim of emergency a requesting party may present. The Department for ~~Children and Families of~~ Economic Empowerment shall develop an application form and certification process for obtaining this Lifeline benefit credit.

* * *

Sec. 43. 32 V.S.A. § 308b is amended to read:

§ 308b. HUMAN SERVICES CASELOAD RESERVE

(a) There is created within the General Fund a the Human Services Caseload Reserve. Expenditures from the Reserve shall be subject to an appropriation by the General Assembly or approval by the Emergency Board. Expenditures from the Reserve shall be limited to Agency of Human Services caseload-related needs primarily in the Departments for Children and Families, of Economic Empowerment, of Health, of Mental Health, of Disabilities, Aging, and Independent Living, of Vermont Health Access, and settlement costs associated with managing the Global Commitment waiver.

* * *

Sec. 44. 32 V.S.A. § 1003 is amended to read:

§ 1003. STATE OFFICERS

* * *

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

(1) Heads of the following Departments and Agencies:

	Base Salary as of January 5, 2020	Base Salary as of July 4, 2021
(A) Administration	\$121,634	\$126,378

(B)	Agriculture, Food and Markets	121,634	126,378
(C)	Financial Regulation	113,710	118,145
(D)	Buildings and General Services	113,710	118,145
(E)	Children and Families	113,710	118,145
(F)	Commerce and Community Development	121,634	126,378
(G)	Corrections	113,710	118,145
(H)	Defender General	113,710	118,145
(I)	Disabilities, Aging, and Independent Living	113,710	118,145
(J)	Economic Development	103,149	107,172
(K)	Education	121,634	126,378
(L)	Environmental Conservation	113,710	118,145
(M)	Finance and Management	113,710	118,145
(N)	Fish and Wildlife	103,149	107,172
(O)	Forests, Parks and Recreation	103,149	107,172
(P)	Health	113,710	118,145
(Q)	Housing and Community Development	103,149	107,172
(R)	Human Resources	113,710	118,145
(S)	Human Services	121,634	126,378
(T)	Digital Services	121,634	126,378
(U)	Labor	113,710	118,145
(V)	Libraries	103,149	107,172
(W)	Liquor and Lottery	103,149	107,172
(X)	[Repealed.]		
(Y)	Mental Health	113,710	118,145
(Z)	Military	113,710	118,145
(AA)	Motor Vehicles	103,149	107,172
(BB)	Natural Resources	121,634	126,378

(CC) Natural Resources Board Chair	103,149	107,172
(DD) Public Safety	113,710	118,145
(EE) Public Service	113,710	118,145
(FF) Taxes	113,710	118,145
(GG) Tourism and Marketing	103,149	107,172
(HH) Transportation	121,634	126,378
(II) Vermont Health Access	113,710	118,145
(JJ) Veterans' Home	113,710	118,145
<u>(KK) Economic Empowerment</u>	<u>113,710</u>	<u>118,145</u>

* * *

Sec. 45. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

* * *

(f) Notwithstanding the provisions of this section, information obtained from the Commissioner for Children and Families under 33 V.S.A. § 112(c), from the Commissioner of Economic Empowerment under 33 V.S.A. § 212(c), from the Vermont Student Assistance Corporation under 16 V.S.A. § 2843, or from the Dental Health Program under 33 V.S.A. § 4507 shall be confidential, and it shall be unlawful for anyone to divulge such information except in accordance with a judicial order or as provided under another provision of law.

* * *

Sec. 46. 32 V.S.A. § 5932 is amended to read:

§ 5932. DEFINITIONS

As used in this chapter:

* * *

(2) "Debtor" means any individual owing a debt to a claimant agency or owing any support debt that may be collected by the ~~Department~~ Departments for Children and Families and of Economic Empowerment.

* * *

Sec. 47. 33 V.S.A. chapter 1 is amended to read:

CHAPTER 1. DEPARTMENT FOR CHILDREN AND FAMILIES

Subchapter 1. Policy, Organization, Powers, and Duties

§ 101. POLICY

It is the policy of the State of Vermont that:

(1) Its social and child welfare programs shall provide assistance, support, and benefits to persons of the State in proven need thereof ~~and eligible for such assistance and benefits~~ of and eligible for assistance, support, and benefits under the provisions of this title.

(2) It is the purpose of its social and child welfare laws to establish and support programs that contribute to the prevention of dependency and social maladjustment and contribute to the rehabilitation and protection of persons of the State.

(3) Assistance and benefits shall be administered promptly, with due regard for the welfare of children and youth and the preservation of family life, and without restriction of individual rights or discrimination on account of gender, sexual orientation, gender identity, race, religion, political affiliation, or place of residence within the State.

(4) Assistance and benefits shall be ~~so~~ administered as to maintain and encourage dignity, self-respect, and self-reliance. It is the legislative intent that assistance granted shall be adequate to maintain a reasonable standard of health and decency based on current cost of living indices. ~~Notwithstanding this subdivision, the Department will amend rules that establish new maximum Reach Up grant amounts only when the General Assembly has taken affirmative action to increase or decrease the Reach Up financial assistance appropriation.~~

(5) The programs of the Department for Children and Families shall be designed to strengthen family life for the care and protection of children; promote healthy child development and support a high-quality child care system throughout the State; to assist and encourage the use by any family of all available personal and reasonable community resources to this end; and to provide substitute care of children only when the family, with the use of available resources, is unable to provide the necessary care and protection to ensure the right of any child to sound health and to normal physical, mental, spiritual, and moral development.

(6) The child care system shall provide affordable, high-quality care in a manner that fosters child brain development, nurtures socio-emotional skills, and supports young families. The Department shall provide leadership and expertise to early educators and child care programs to ensure that children receive age-appropriate care tailored to their unique needs.

* * *

§ 104. FUNCTION AND POWERS OF DEPARTMENT

(a) The Department shall administer all laws specifically assigned to it for administration.

(b) In addition to other powers vested in it by law, the Department may do all of the following:

(1) ~~Provide for the administration of the following programs and services:~~

~~(A) aid to the aged, blind, and disabled;~~

~~(B) Reach Up financial assistance and support services;~~

~~(C) [Repealed.]~~

~~(D) federal Supplemental Nutrition Assistance Program benefits;~~

~~(E) General Assistance;~~

~~(F) medical assistance; and~~

~~(G) public assistance programs funded with State general funds or the Temporary Assistance to Needy Families (TANF) block grant. [Repealed.]~~

(2) Cooperate with the appropriate federal agencies in receiving, to the extent available, federal funds in support of programs that the Department administers.

(3) Submit plans and reports, adopt rules, and in other respects comply with the provisions of the Social Security Act that pertain to programs administered by the Department.

(4) Receive and disburse funds that are assigned, donated, or bequeathed to it for charitable purposes or for the benefit of recipients of assistance, benefits, or social services. This subdivision shall not be construed to require the Department to accept funds or trusts when the Commissioner, with the approval of the Governor, considers it in the best interests of the State to refuse them.

(5) Receive in trust and expend, in accordance with the provisions of the trust, funds and property assigned, donated, devised, or bequeathed to it for charitable purposes or for the benefit of recipients of assistance, benefits, or social services. Trust funds accepted by the Department shall be safely invested by the State Treasurer. Real property received in trust may, at the discretion of the Commissioner, be administered by the Department of Buildings and General Services of the Agency of Administration. This subdivision shall not be construed to require the Department to accept funds or trusts when the Commissioner, with the approval of the Governor, considers it

in the best interests of the State to refuse them.

(6) Aid and assist in charitable work as in the judgment of the Commissioner will best promote the general welfare of the State.

(7) Visit all institutions, homes, places, and establishments soliciting public support and located in the State that are devoted to or used for the care of ~~needy persons~~ children.

(8) Visit all institutions, homes, places, and establishments providing room, board, or care to ~~persons~~ children receiving social services or benefits from the Department.

(9) Supervise and control children under its care and custody and provide for their care, maintenance, and education.

(c) The Department for Children and Families, in cooperation with the Department of Corrections, shall have the responsibility to administer a comprehensive program for youthful offenders and children who commit delinquent acts, including utilization of probation services; of a range of community-based and other treatment, training, and rehabilitation programs; and of secure detention and treatment programs when necessary in the interests of public safety, designed with the objective of preparing those children to live in their communities as productive and mature adults.

§ 105. COMMISSIONER; APPOINTMENT, TERM, DUTIES, AND POWERS

(a) The Commissioner may exercise the powers and perform duties required for effective administration of the Department, and ~~he or she~~ shall determine the policies of the Department.

(b) In addition to other duties imposed by law, the Commissioner shall:

(1) administer the laws assigned to the Department;

(2) fix standards and adopt rules necessary to administer those laws and for the custody and preservation of records of the Department;

(3) appoint all necessary assistants, prescribe their duties, and adopt rules necessary to ensure that the assistants shall hold merit system status while in the employ of the Department, unless otherwise specifically provided by law.

(c) ~~The Commissioner or the Governor, whenever the federal law so provides, may cooperate with the federal government in providing relief and work relief and community work and training programs in the State~~ shall hold at least a master's level degree in child development, early childhood education, or related field.

(d) The Commissioner, with the approval of the Attorney General, may enter into reciprocal agreements with social and child welfare agencies in other states in matters relating to social welfare, children, and families.

(e) The Commissioner shall ensure the provision of services to children and adolescents with a severe emotional disturbance in coordination with the Secretary of Education and the Commissioners of Mental Health and of Disabilities, Aging, and Independent Living in accordance with the provisions of chapter 43 of this title.

(f) Notwithstanding any other provision of law, the Commissioner may delegate to any appropriate employee of the Department any of the administrative duties and powers imposed on ~~him or her~~ the Commissioner by law, with the exception of the duties and powers enumerated in this section. The delegation of authority and responsibility shall not relieve the Commissioner of accountability for the proper administration of the Department.

(g) The Commissioner may publicly disclose findings or information about any case of child abuse or neglect that has resulted in the fatality or near fatality of a child, including information obtained under chapter 49 of this title, unless the State's Attorney or Attorney General who is investigating or prosecuting any matter related to the fatality requests the Commissioner to withhold disclosure, in which case the Commissioner shall not disclose any information until completion of any criminal proceedings related to the fatality or until the State's Attorney or Attorney General consents to disclosure, whichever occurs earlier.

* * *

§ 112a. FINANCIAL INSTITUTIONS TO FURNISH INFORMATION;
ASSET VERIFICATION

(a)(1) A financial institution, when requested by Department, shall furnish to the Commissioner or the Commissioner's designee information in the possession of the financial institution about the assets of any applicant who is applying for or is receiving assistance or benefits from the Department or the applicant's spouse. The Department shall issue instructions to the financial institution detailing the nature of the request and the information necessary to satisfy the request.

(2) A financial institution or employee of a financial institution shall not be subject to criminal or civil liability for actions taken in accordance with this subsection.

(b)(1) Each application for assistance or benefits submitted to the Department shall contain a form of authorization, executed by the applicant,

granting authority for the Department and its authorized agents to obtain financial information about the applicant's assets from financial institutions in order to verify the applicant's eligibility for the applicable program. The Department or its authorized agent shall obtain the applicant's authorization prior to requesting the applicant's financial information from any financial institution.

(2) The Department shall ensure the applicant receives notice written in plain language explaining the Department's electronic asset verification system.

(c) In the event that the financial information of an applicant's spouse is required to determine an applicant's eligibility for a program, the Department shall provide written notice regarding the asset verification process to the spouse and shall obtain the spouse's written authorization for the Department and its agents to obtain the spouse's financial information from financial institutions prior to requesting the spouse's financial information from any financial institution. The Department may determine an applicant to be ineligible if the applicant's spouse refuses to provide or revokes consent.

(d) As used in this section:

(1) "Bank" has the same meaning as in 8 V.S.A. § 11101.

(2) "Broker-dealer" has the same meaning as in 9 V.S.A. § 5102.

(3) "Credit union" has the same meaning as in 8 V.S.A. § 30101.

(4) "Financial institution" means any Vermont financial institution, state financial institution, and national financial institution, including a bank, credit union, broker-dealer, investment advisor, mutual fund, or investment company.

(5) "Investment advisor" has the same meaning as in 9 V.S.A. § 5102.

(6) "Mutual fund" has the same meaning as in 8 V.S.A. § 3461.

* * *

Subchapter 3. Provisions of General Applicability

§ 121. CANCELLATION OF ASSISTANCE OR BENEFITS

If at any time the Commissioner for Children and Families ~~or the Commissioner of Vermont Health Access~~ has reason to believe that assistance or benefits have been improperly obtained, ~~he or she~~ the Commissioner shall cause an investigation to be made and may suspend assistance or benefits pending the investigation. If, on investigation, the Commissioner for Children and Families ~~or the Commissioner of Vermont Health Access~~ is satisfied that the assistance or benefits were illegally obtained, ~~he or she~~ the Commissioner

shall immediately cancel them. A person having illegally obtained assistance or benefits shall not be eligible for reinstatement until ~~his or her~~ the person's need has been reestablished.

§ 122. RECOVERY OF PAYMENTS

(a) The amount of assistance or benefits may be changed or cancelled at any time if the Commissioner for Children and Families ~~or the Commissioner of Vermont Health Access~~ finds that the recipient's circumstances have changed. Upon granting assistance or benefits, the Department for Children and Families ~~or the Department of Vermont Health Access~~ shall inform the recipient that changes in ~~his or her~~ the recipient's circumstances must be promptly reported to the Department.

(b) When on the death of a person receiving assistance it is found that the recipient possessed income or property in excess of that reported to the Department for Children and Families ~~or the Department of Vermont Health Access~~, up to double the total amount of assistance in excess of that to which the recipient was lawfully entitled may be recovered by the Commissioner for Children and Families ~~or the Commissioner of Vermont Health Access~~ as a preferred claim from the estate of the recipient. The Commissioner for Children and Families ~~or the Commissioner of Vermont Health Access~~ shall calculate the amount of the recovery by applying the legal interest rate to the amount of excess recovery paid, except that the recovery shall be capped at double the excess assistance paid.

(c) When the Commissioner for Children and Families ~~or the Commissioner of Vermont Health Access~~ finds that a recipient of benefits received assistance in excess of that to which the recipient was lawfully entitled, because the recipient possessed income or property in excess of Department standards, the Commissioner for Children and Families ~~or the Commissioner of Vermont Health Access~~ may take actions to recover the overpayment.

(d) In the event of recovery, an amount may be retained by the Commissioner for Children and Families ~~or the Commissioner of Vermont Health Access~~ in a special fund for use in offsetting program expenses and an amount equivalent to the pro rata share to which the United States of America is equitably entitled shall be paid promptly to the appropriate federal agency.

§ 123. GUARDIAN OR LEGAL REPRESENTATIVE

~~(a) If the Commissioner finds that an applicant for or recipient of assistance is incapable of taking care of himself or herself or his or her business affairs, the Commissioner may direct the payment of the assistance to a guardian appointed by the Probate Division of the Superior Court.~~

~~(b) If the Commissioner finds that an applicant for or recipient of assistance is incapable of prudently attending to his or her business affairs, the Commissioner may direct the payment of the assistance to the legal representative of the person appointed by the Probate Division of the Superior Court. [Repealed.]~~

* * *

Subchapter 5. Prohibited Practices; Penalties

§ 141. FRAUD

(a) A person who knowingly fails, by false statement, misrepresentation, impersonation, or other fraudulent means, to disclose a material fact used to determine whether that person is qualified to receive aid or benefits under a State or federally funded assistance program; or who knowingly fails to disclose a change in circumstances in order to obtain or continue to receive aid or benefits to which ~~he or she~~ the person is not entitled or in an amount larger than that to which ~~he or she~~ the person is entitled; or who knowingly aids and abets another person in the commission of any such act shall be punished as provided in section 143 of this title.

~~(b) A person who knowingly uses, transfers, acquires, traffics, alters, forges, or possesses; or who knowingly attempts to use, transfer, acquire, traffic, alter, forge, or possess; or who knowingly aids and abets another person in the use, transfer, acquisition, traffic, alteration, forgery, or possession of a Supplemental Nutrition Assistance Program benefit card, authorization for the purchase of Supplemental Nutrition Assistance Program benefits, certificate of eligibility for medical services, or State health care program identification card in a manner not authorized by law shall be punished as provided in section 143 of this title. [Repealed.]~~

~~(c) A person who administers a State or federally funded assistance program who fraudulently misappropriates, attempts to misappropriate, or aids and abets in the misappropriation of a Supplemental Nutrition Assistance Program benefit, authorization for Supplemental Nutrition Assistance Program benefits, a Supplemental Nutrition Assistance Program benefit identification card, certificate of eligibility for prescribed medicine, State health care program identification card, or assistance from any other State or federally funded program with which he or she has been entrusted or of which he or she has gained possession by virtue of his or her position; or who knowingly misappropriates, attempts to misappropriate, or aids or abets in the misappropriation of funds given in exchange for Supplemental Nutrition Assistance Program benefits shall be punished as provided in section 143 of this title. [Repealed.]~~

(d) A person who knowingly files, attempts to file, or aids and abets in the filing of a claim for services to a recipient of benefits under a State or federally funded assistance program for services that were not rendered; or who knowingly files a false claim or a claim for unauthorized items or services under such a program; or who knowingly bills the recipient of benefits under such a program or ~~him or her~~ the person's family for an amount in excess of that provided for by law or regulation; or who knowingly fails to credit the State or its agent for payments received from Social Security, insurance, or other sources; or who in any way knowingly receives, attempts to receive, or aids and abets in the receipt of unauthorized payment as provided herein shall be punished as provided in section 143 of this title.

(e) A person providing service for which compensation is paid under a State or federally funded assistance program who requests, and receives, either actually or constructively, any payment or contribution through a payment, assessment, gift, devise, bequest, or other means, whether directly or indirectly, from either a recipient of assistance from the assistance program or from the family of the recipient shall notify the Commissioner for Children and Families ~~or the Commissioner of Vermont Health Access~~, on a form provided by ~~him or her~~ the Commissioner, of the amount of the payment or contribution and of such other information as specified by the Commissioner for Children and Families ~~or the Commissioner of Vermont Health Access~~ within 10 days after the receipt of the payment or contribution or, if the payment or contribution is to become effective at some time in the future, within 10 days ~~of~~ following the consummation of the agreement to make the payment or contribution. Failure to notify the Commissioner for Children and Families ~~or the Commissioner of Vermont Health Access~~ within the time prescribed is punishable as provided in section 143 of this title.

(f) Repayment of assistance or services wrongfully obtained shall not constitute a defense to or ground for dismissal of criminal charges brought under this section.

§ 142. BRINGING ~~NEEDY~~ PERSON IN NEED INTO THE STATE

(a) Any person who knowingly brings or causes to be brought a ~~needy~~ person in need from out of the state into this State for the purpose of securing assistance for the ~~needy~~ person in need or making ~~him or her~~ the person in need a public charge, shall be obligated to support the ~~needy~~ person in need at ~~his or her~~ the person's own expense for as long as the ~~needy~~ person in need or persons dependent on the ~~needy~~ person in need remain in the State.

(b) The Commissioner may bring a civil action on this statute to enforce support of the ~~needy~~ person in need and ~~his or her~~ the person's dependents. In the action, the court may make an order, which shall be subject to change by

the court from time to time as the circumstances require, directing the defendant to pay a certain sum periodically to the Department for the benefit of the needy person in need and ~~his or her~~ the person's dependents residing in the State. The court may punish for violation of the order as for contempt.

§ 143. GENERAL PENALTY

(a) A person who knowingly violates a provision of this title for which no penalty is specifically provided shall:

(1) if the assistance or benefits obtained pursuant to a single fraudulent scheme or a course of conduct are in violation of subsection 141(a) ~~or (b)~~ of this title involving \$1,000.00 or less, be fined not more than the amount of assistance or benefits wrongfully obtained or be imprisoned not more than one year, or both;

(2) if the assistance or benefits obtained pursuant to a single fraudulent scheme or course of conduct are in violation of subsection (a) ~~or (b)~~ of section 141 of this title and involve more than \$1,000.00, be fined not more than an amount equal to the assistance or benefits wrongfully obtained or be imprisoned not more than three years, or both; or

(3) if the violation is under subsection ~~(e), (d),~~ 141(d) or ~~(e)~~ of section ~~141~~ of this title, be fined up to \$1,000.00 or up to an amount equal to twice the amount of assistance, benefits, or payments wrongfully obtained, or be imprisoned for not more than 10 years, or both.

(b) If the person convicted is receiving assistance, benefits, or payments, the Commissioner for Children and Families or the Commissioner of Vermont Health Access may recoup the amount of assistance or benefits wrongfully obtained by reducing the assistance, benefits, or payments periodically paid to the recipient, as limited by federal law, until the amount is fully recovered.

~~(c) If a provider of services is convicted of a violation of subsection 141(d) or (e) of this title, the Commissioner of Vermont Health Access shall, within 90 days of the conviction, suspend the provider from further participation in the medical assistance program administered under Title XIX of the Social Security Act for a period of four years. The suspension required by this subsection may be waived by the Secretary of Human Services only upon a finding that the recipients served by the convicted provider would suffer substantial hardship through a denial of medical services that could not reasonably be obtained through another provider. [Repealed.]~~

§ 143a. CIVIL REMEDIES

(a) A person who violates subsection 141~~(e)~~, (d), or (e) of this title with actual knowledge may be subject to a civil suit by the Attorney General for:

(1) restitution of the amount of assistance, benefits, or payments wrongfully obtained;

(2) interest; and

(3) a civil penalty of up to three times the amount of the wrongfully obtained assistance, benefits, or payments; or \$500.00 per false claim; or \$500.00 for each false document submitted in support of a false claim, whichever is greatest.

(b) The remedies provided in this section shall be in addition to any other remedies provided by law.

(c) The right to a jury trial shall attach to actions under this section.

§ 143b. ~~EDUCATION AND INFORMATION~~

~~By January 1, 2005, the Department of Vermont Health Access shall issue rules establishing a procedure for health care providers enrolled in State and federally funded medical assistance programs to obtain advisory opinions regarding coverage and reimbursement under those programs. Each advisory opinion issued by the Department of Vermont Health Access shall be binding on that Department and the party or parties requesting the opinion only with regard to the specific questions posed in the opinion, the facts and information set forth in it, and the statutes and rules specifically noted in the opinion. [Repealed.]~~

§ 144. ~~STATUTORY CONSTRUCTION~~

~~(a) Section 143 of this title shall not preclude prosecution under 13 V.S.A. § 1801, 1802, or 2002 when the alleged violation involves forging an economic assistance check or where duplicate economic assistance checks have been wrongfully negotiated during any one welfare period. [Repealed.]~~

~~(b) Section 143 of this title shall not preclude prosecution under any other title or sections of this title when the alleged violation is under subsection 141(e) or (d) of this title.~~

* * *

Sec. 48. 33 V.S.A. chapter 2 is added to read:

CHAPTER 2. DEPARTMENT OF ECONOMIC EMPOWERMENT

Subchapter 1. Policy, Organization, Powers, and Duties

§ 201. POLICY

It is the policy of the State of Vermont that:

(1) Its social and child welfare programs shall provide assistance and

benefits to persons of the State in proven need thereof and eligible for such assistance and benefits under the provisions of this title.

(2) It is the purpose of its social and child welfare laws to establish and support programs that contribute to the prevention of dependency and social maladjustment and contribute to the rehabilitation and protection of persons of the State.

(3) Assistance and benefits shall be administered promptly, with due regard for the preservation of family life, and without restriction of individual rights or discrimination on account of gender, race, age, religion, ethnicity, sexual orientation, gender identity, political affiliation, disability status, primary language, or place of residence within the State.

(4) Assistance and benefits shall be so administered as to maintain and encourage dignity, self-respect, and self-reliance. It is the legislative intent that assistance granted shall be adequate to maintain a reasonable standard of health and decency based on current cost of living indices. Notwithstanding this subdivision, the Department shall amend rules that establish new maximum Reach Up grant amounts only when the General Assembly has taken affirmative action to increase or decrease the Reach Up financial assistance appropriation.

(5) The programs of the Department of Economic Empowerment shall be designed to strengthen family life for the care and protection of children and to assist and encourage the use by any family of all available personal and reasonable community resources to this end.

§ 202. DEFINITIONS AND CONSTRUCTION

(a) As used in this chapter:

(1) “Aid” means financial assistance.

(2) “Assistance,” when not modified by an adjective, means general assistance or public assistance, or both.

(3) “Benefits” means aid or commodities furnished under chapter 17 of this title.

(4) “Commissioner” means the Commissioner of Economic Empowerment.

(5) “Department” means the Department of Economic Empowerment.

(6) “Federal department” or “federal agency” means a department or agency of the United States of America.

(7) “Guardian” means a legal guardian appointed by a Probate Division

of the Superior Court or by a court in a divorce or other proceeding or action.

(8) "Public assistance" means aid provided by the Department under Title IV, XVI, or XIX of the Social Security Act.

(9) "Regulation" means a rule or regulation.

(10) "Social Security Act" means the federal Social Security Act and regulations promulgated under the Act, as amended at any time.

(b) The laws relating to the Department of Economic Empowerment and its programs shall be construed liberally to carry out the policies stated in this chapter.

§ 203. COMPOSITION OF DEPARTMENT

The Department of Economic Empowerment, created pursuant to 3 V.S.A. §§ 212 and 3098, shall consist of the Commissioner of Economic Empowerment and all divisions, councils, boards, committees, and offices within the Department.

§ 204. FUNCTION AND POWERS OF DEPARTMENT

(a) The Department shall administer all laws specifically assigned to it for administration.

(b) In addition to other powers vested in it by law, the Department may do all of the following:

(1) Provide for the administration of the following programs and services:

(A) aid to the aged, blind, and disabled;

(B) Reach Up financial assistance and support services;

(C) federal Supplemental Nutrition Assistance Program benefits;

(D) General Assistance;

(E) medical assistance; and

(F) public assistance programs funded with State general funds or the Temporary Assistance to Needy Families (TANF) block grant.

(2) Cooperate with the appropriate federal agencies in receiving, to the extent available, federal funds in support of programs that the Department administers.

(3) Submit plans and reports, adopt rules, and in other respects comply with the provisions of the Social Security Act that pertain to programs administered by the Department.

(4) Receive and disburse funds that are assigned, donated, or bequeathed to it for charitable purposes or for the benefit of recipients of assistance, benefits, or social services. This subdivision shall not be construed to require the Department to accept funds or trusts when the Commissioner, with the approval of the Governor, considers it in the best interests of the State to refuse them.

(5) Receive in trust and expend, in accordance with the provisions of the trust, funds, and property assigned, donated, devised, or bequeathed to it for charitable purposes or for the benefit of recipients of assistance, benefits, or social services. Trust funds accepted by the Department shall be safely invested by the State Treasurer. Real property received in trust may, at the discretion of the Commissioner, be administered by the Department of Buildings and General Services of the Agency of Administration. This subdivision shall not be construed to require the Department to accept funds or trusts when the Commissioner, with the approval of the Governor, considers it in the best interests of the State to refuse them.

(6) Aid and assist in charitable work as in the judgment of the Commissioner will best promote the general welfare of the State.

(7) Visit all institutions, homes, places, and establishments soliciting public support and located in the State that are devoted to or used for the care of persons in need.

(8) Visit all institutions, homes, places, and establishments providing room, board, or care to persons receiving social services or benefits from the Department.

§ 205. COMMISSIONER; APPOINTMENT, TERM, DUTIES, AND POWERS

(a) The Commissioner may exercise the powers and perform duties required for effective administration of the Department and shall determine the policies of the Department.

(b) In addition to other duties imposed by law, the Commissioner shall:

(1) administer the laws assigned to the Department;

(2) fix standards and adopt rules necessary to administer those laws and for the custody and preservation of records of the Department; and

(3) appoint all necessary assistants, prescribe their duties, and adopt rules necessary to ensure that the assistants shall hold merit system status while in the employ of the Department unless otherwise specifically provided by law.

(c) The Commissioner or the Governor, whenever the federal law so

provides, may cooperate with the federal government in providing relief and work relief and community work and training programs in the State.

(d) Notwithstanding any other provision of law, the Commissioner may delegate to any appropriate employee of the Department any of the administrative duties and powers imposed on the Commissioner by law, with the exception of the duties and powers enumerated in this section. The delegation of authority and responsibility shall not relieve the Commissioner of accountability for the proper administration of the Department.

Subchapter 2. General Administrative Provisions

§ 211. RECORDS; RESTRICTIONS; PENALTIES

(a) The names of or information pertaining to applicants for or recipients of assistance or benefits, including information obtained under section 212 of this title, shall not be disclosed to anyone, except for the purposes directly connected with the administration of the Department or when required by law.

(b) A person shall not publish, use, disclose, or divulge any of those records for purposes not directly connected with the administration of programs of the Department or contrary to rules adopted by the Commissioner.

§ 212. BANKS AND AGENCIES TO FURNISH INFORMATION

(a) An officer of a financial institution, as described in 8 V.S.A. § 11101(32); a credit union; or an independent trust company in this State, when requested by the Commissioner, shall furnish the Commissioner information in the possession of the bank or company with reference to any person or the person's spouse who is applying for or is receiving assistance or benefits from the Department.

(b) Any governmental official or agency in the State, when requested by the Commissioner, shall furnish to the Commissioner information in the official's or agency's possession with reference to aid given or money paid or to be paid to any person or person's spouse who is applying for or is receiving assistance or benefits from the Department.

(c) The Commissioner of Taxes, when requested by the Commissioner of Economic Empowerment, and unless otherwise prohibited by federal law, shall compare the information furnished by an applicant or recipient of assistance with the State income tax returns filed by such person and shall report the Commissioner of Taxes' findings to the Commissioner of Economic Empowerment. Each application for assistance shall contain a form of consent, executed by the applicant, granting permission to the Commissioner of Taxes to disclose such information to the Commissioner for Economic Empowerment.

§ 212a. FINANCIAL INSTITUTIONS TO FURNISH INFORMATION;
ASSET VERIFICATION

(a)(1) A financial institution, when requested by Department, shall furnish to the Commissioner or the Commissioner's designee information in the possession of the financial institution about the assets of any applicant who is applying for or is receiving assistance or benefits from the Department or the applicant's spouse. The Department shall issue instructions to the financial institution detailing the nature of the request and the information necessary to satisfy the request.

(2) A financial institution or employee of a financial institution shall not be subject to criminal or civil liability for actions taken in accordance with this subsection.

(b)(1) Each application for assistance or benefits submitted to the Department shall contain a form of authorization, executed by the applicant, granting authority for the Department and its authorized agents to obtain financial information about the applicant's assets from financial institutions in order to verify the applicant's eligibility for the applicable program. The Department or its authorized agent shall obtain the applicant's authorization prior to requesting the applicant's financial information from any financial institution.

(2) The Department shall ensure the applicant receives notice written in plain language explaining the Department's electronic asset verification system.

(c) In the event that the financial information of an applicant's spouse is required to determine an applicant's eligibility for a program, the Department shall provide written notice regarding the asset verification process to the spouse and shall obtain the spouse's written authorization for the Department and its agents to obtain the spouse's financial information from financial institutions prior to requesting the spouse's financial information from any financial institution. The Department may determine an applicant to be ineligible if the applicant's spouse refuses to provide or revokes consent.

(d) As used in this section:

(1) "Bank" has the same meaning as in 8 V.S.A. § 11101.

(2) "Broker-dealer" has the same meaning as in 9 V.S.A. § 5102.

(3) "Credit union" has the same meaning as in 8 V.S.A. § 30101.

(4) "Financial institution" means any Vermont financial institution, state financial institution, and national financial institution, including a bank, credit union, broker-dealer, investment advisor, mutual fund, or investment company.

(5) “Investment advisor” has the same meaning as in 9 V.S.A. § 5102.

(6) “Mutual fund” has the same meaning as in 8 V.S.A. § 3461.

§ 214. ALLOCATION OF PAYMENTS WHEN APPROPRIATION
INSUFFICIENT

Should the funds available for assistance be insufficient to provide assistance to all those eligible, the amounts of assistance granted in any program or portion thereof shall be reduced equitably, in the discretion of the Commissioner of Economic Empowerment or the Commissioner of Vermont Health Access by rule.

Subchapter 3. Provisions of General Applicability

§ 221. CANCELLATION OF ASSISTANCE OR BENEFITS

If at any time the Commissioner of Economic Empowerment or the Commissioner of Vermont Health Access has reason to believe that assistance or benefits have been improperly obtained, the Commissioner shall cause an investigation to be made and may suspend assistance or benefits pending the investigation. If on investigation the Commissioner of Economic Empowerment or the Commissioner of Vermont Health Access is satisfied that the assistance or benefits were illegally obtained, the Commissioner shall immediately cancel them. A person having illegally obtained assistance or benefits shall not be eligible for reinstatement until the person’s need has been reestablished.

§ 222. RECOVERY OF PAYMENTS

(a) The amount of assistance or benefits may be changed or cancelled at any time if the Commissioner of Economic Empowerment or the Commissioner of Vermont Health Access finds that the recipient’s circumstances have changed. Upon granting assistance or benefits, the Department of Economic Empowerment or the Department of Vermont Health Access shall inform the recipient that changes in the recipient’s circumstances must be promptly reported to the Department.

(b) When on the death of a person receiving assistance it is found that the recipient possessed income or property in excess of that reported to the Department of Economic Empowerment or the Department of Vermont Health Access, up to double the total amount of assistance in excess of that to which the recipient was lawfully entitled may be recovered by the Commissioner of Economic Empowerment or the Commissioner of Vermont Health Access as a preferred claim from the estate of the recipient. The Commissioner of Economic Empowerment or the Commissioner of Vermont Health Access shall calculate the amount of the recovery by applying the legal interest rate to the

amount of excess recovery paid, except that the recovery shall be capped at double the excess assistance paid.

(c) When the Commissioner of Economic Empowerment or the Commissioner of Vermont Health Access finds that a recipient of benefits received assistance in excess of that to which the recipient was lawfully entitled because the recipient possessed income or property in excess of Department standards, the Commissioner of Economic Empowerment or the Commissioner of Vermont Health Access may take actions to recover the overpayment.

(d) In the event of recovery, an amount may be retained by the Commissioner of Economic Empowerment or the Commissioner of Vermont Health Access in a special fund for use in offsetting program expenses, and an amount equivalent to the pro rata share to which the United States of America is equitably entitled shall be paid promptly to the appropriate federal agency.

§ 224. INALIENABILITY OF ASSISTANCE PAYMENTS

All rights to and all monies or orders granted to persons as assistance shall be inalienable by assignment, transfer, attachment, trustee process, execution, or otherwise. In case of bankruptcy, the assistance shall not pass to or through a trustee or other person acting on behalf of creditors.

Subchapter 4. Prohibited Practices; Penalties

§ 241. FRAUD

(a) A person who knowingly fails, by false statement, misrepresentation, impersonation, or other fraudulent means, to disclose a material fact used to determine whether that person is qualified to receive aid or benefits under a State or federally funded assistance program; or who knowingly fails to disclose a change in circumstances in order to obtain or continue to receive aid or benefits to which the person is not entitled or in an amount larger than that to which the person is entitled; or who knowingly aids and abets another person in the commission of any such act shall be punished as provided in section 143 of this title.

(b) A person who knowingly uses, transfers, acquires, traffics, alters, forges, or possesses; or who knowingly attempts to use, transfer, acquire, traffic, alter, forge, or possess; or who knowingly aids and abets another person in the use, transfer, acquisition, traffic, alteration, forgery, or possession of a Supplemental Nutrition Assistance Program benefit card, authorization for the purchase of Supplemental Nutrition Assistance Program benefits, certificate of eligibility for medical services, or State health care program identification card in a manner not authorized by law shall be punished as provided in section 143 of this title.

(c) A person who administers a State or federally funded assistance program who fraudulently misappropriates, attempts to misappropriate, or aids and abets in the misappropriation of a Supplemental Nutrition Assistance Program benefit, authorization for Supplemental Nutrition Assistance Program benefits, a Supplemental Nutrition Assistance Program benefit identification card, certificate of eligibility for prescribed medicine, State health care program identification card, or assistance from any other State or federally funded program with which the person has been entrusted or of which the person has gained possession by virtue of the person's position; or who knowingly misappropriates, attempts to misappropriate, or aids or abets in the misappropriation of funds given in exchange for Supplemental Nutrition Assistance Program benefits shall be punished as provided in section 143 of this title.

(d) A person who knowingly files, attempts to file, or aids and abets in the filing of a claim for services to a recipient of benefits under a State or federally funded assistance program for services that were not rendered; or who knowingly files a false claim or a claim for unauthorized items or services under such a program; or who knowingly bills the recipient of benefits under such a program or the recipient's family for an amount in excess of that provided for by law or regulation; or who knowingly fails to credit the State or its agent for payments received from Social Security, insurance, or other sources; or who in any way knowingly receives, attempts to receive, or aids and abets in the receipt of unauthorized payment as provided herein shall be punished as provided in section 143 of this title.

(e) A person providing service for which compensation is paid under a State or federally funded assistance program who requests, and receives, either actually or constructively, any payment or contribution through a payment, assessment, gift, devise, bequest, or other means, whether directly or indirectly, from either a recipient of assistance from the assistance program or from the family of the recipient shall notify the Commissioner of Economic Empowerment or the Commissioner of Vermont Health Access, on a form provided by the Commissioner, of the amount of the payment or contribution and of such other information as specified by the Commissioner of Economic Empowerment or the Commissioner of Vermont Health Access within 10 days after the receipt of the payment or contribution or, if the payment or contribution is to become effective at some time in the future, within 10 days after the consummation of the agreement to make the payment or contribution. Failure to notify the Commissioner of Economic Empowerment or the Commissioner of Vermont Health Access within the time prescribed is punishable as provided in section 143 of this title.

(f) Repayment of assistance or services wrongfully obtained shall not

constitute a defense to or ground for dismissal of criminal charges brought under this section.

§ 242. BRINGING PERSON IN NEED INTO THE STATE

(a) Any person who knowingly brings or causes to be brought a person in need from out of the state into this State for the purpose of securing assistance for the person in need or making the person in need a public charge shall be obligated to support the person in need at the person's own expense for as long as the person in need or persons dependent on the person in need remain in the State.

(b) The Commissioner may bring a civil action on this statute to enforce support of the person in need and the person's dependents. In the action, the court may make an order, which shall be subject to change by the court from time to time as the circumstances require, directing the defendant to pay a certain sum periodically to the Department for the benefit of the person in need and the person's dependents residing in the State. The court may punish for violation of the order as for contempt.

§ 243. GENERAL PENALTY

(a) A person who knowingly violates a provision of this title for which no penalty is specifically provided shall:

(1) if the assistance or benefits obtained pursuant to a single fraudulent scheme or a course of conduct are in violation of subsection 241(a) or (b) of this title involving \$1,000.00 or less, be fined not more than the amount of assistance or benefits wrongfully obtained or be imprisoned not more than one year, or both;

(2) if the assistance or benefits obtained pursuant to a single fraudulent scheme or course of conduct are in violation of subsection 241(a) or (b) of this title and involve more than \$1,000.00, be fined not more than an amount equal to the assistance or benefits wrongfully obtained or be imprisoned not more than three years, or both; or

(3) if the violation is under subsection 241(c), (d), or (e) of this title, be fined up to \$1,000.00 or up to an amount equal to twice the amount of assistance, benefits, or payments wrongfully obtained or be imprisoned for not more than 10 years, or both.

(b) If the person convicted is receiving assistance, benefits, or payments, the Commissioner of Economic Empowerment or the Commissioner of Vermont Health Access may recoup the amount of assistance or benefits wrongfully obtained by reducing the assistance, benefits, or payments periodically paid to the recipient, as limited by federal law, until the amount is

fully recovered.

(c) If a provider of services is convicted of a violation of subsection 241(d) or (e) of this title, the Commissioner of Vermont Health Access shall, within 90 days following the conviction, suspend the provider from further participation in the medical assistance program administered under Title XIX of the Social Security Act for a period of four years. The suspension required by this subsection may be waived by the Secretary of Human Services only upon a finding that the recipients served by the convicted provider would suffer substantial hardship through a denial of medical services that could not reasonably be obtained through another provider.

§ 243a. CIVIL REMEDIES

(a) A person who violates subsection 241(c), (d), or (e) of this title with actual knowledge may be subject to a civil suit by the Attorney General for:

(1) restitution of the amount of assistance, benefits, or payments wrongfully obtained;

(2) interest; and

(3) a civil penalty of up to three times the amount of the wrongfully obtained assistance, benefits, or payments; \$500.00 per false claim; or \$500.00 for each false document submitted in support of a false claim, whichever is greatest.

(b) The remedies provided in this section shall be in addition to any other remedies provided by law.

(c) The right to a jury trial shall attach to actions under this section.

§ 243b. EDUCATION AND INFORMATION

The Department of Vermont Health Access shall issue rules establishing a procedure for health care providers enrolled in State and federally funded medical assistance programs to obtain advisory opinions regarding coverage and reimbursement under those programs. Each advisory opinion issued by the Department of Vermont Health Access shall be binding on that Department and the party or parties requesting the opinion only with regard to the specific questions posed in the opinion, the facts and information set forth in it, and the statutes and rules specifically noted in the opinion.

§ 244. STATUTORY CONSTRUCTION

(a) Section 243 of this title shall not preclude prosecution under 13 V.S.A. § 1801, 1802, or 2002 when the alleged violation involves forging an economic assistance check or where duplicate economic assistance checks have been wrongfully negotiated during any one welfare period.

(b) Section 243 of this title shall not preclude prosecution under any other title or sections of this title when the alleged violation is under subsection 241(c) or (d) of this title.

Sec. 49. 33 V.S.A. § 1001 is amended to read:

§ 1001. DEFINITIONS

As used in this chapter:

* * *

(8) “Commissioner” means the Commissioner ~~for Children and Families or his or her~~ of Economic Empowerment or designee.

(9) “Department” means the Department ~~for Children and Families of~~ Economic Empowerment.

* * *

Sec. 50. 33 V.S.A. § 1101 is amended to read:

§ 1101. DEFINITIONS

As used in this chapter:

* * *

(8) “Commissioner” means the Commissioner ~~for Children and Families or his or her~~ of Economic Empowerment or designee.

(9) “Department” means the Department ~~for Children and Families of~~ Economic Empowerment.

* * *

Sec. 51. 33 V.S.A. § 1107 is amended to read:

§ 1107. CASE MANAGEMENT; FAMILY DEVELOPMENT PLANS;
COORDINATED SERVICES

* * *

(d) The Secretary of Education, with the assistance and support of the Commissioner ~~for Children and Families of Economic Empowerment~~, the Commissioner of Disabilities, Aging, and Independent Living, and the Commissioner of Labor, shall develop and implement comparable and reciprocally recognized literacy assessment protocols that will be used for all clients seeking adult education and literacy services; related services of the Agency of Education; or the services of the Department of Disabilities, Aging, and Independent Living, the Department of Labor, or the Department ~~for Children and Families of Economic Empowerment~~, when such services are

being sought for the purpose of developing or strengthening competencies or skills related to the clients' current or future employment. Such protocols shall, to the extent practicable, utilize the same terminology and apply comparable criteria, consistent with individual program purposes and authorization, in determining when testing, other standardized measurement tools, or referrals to relevant professionals for evaluation or diagnosis are appropriate.

* * *

Sec. 52. 33 V.S.A. § 1201 is amended to read:

§ 1201. DEFINITIONS

As used in this chapter:

* * *

(4) "Commissioner" means the Commissioner ~~for Children and Families or his or her~~ of Economic Empowerment or designee.

(5) "Department" means the Department ~~for Children and Families of~~ Economic Empowerment.

* * *

Sec. 53. 33 V.S.A. § 1301 is amended to read:

§ 1301. ELIGIBILITY REQUIREMENTS—; GENERAL

To be eligible for State aid to the aged, blind, or disabled, in addition to the requirements in sections 1301–1303 of this chapter governing eligibility for a specific program, an individual shall:

* * *

(4) Not have sufficient income or other resources to provide a reasonable subsistence compatible with decency and health, and not be receiving or able to secure support from persons legally responsible for the individual's support. In determining whether the income of an applicant for or a recipient of aid is sufficient, the Department ~~for Children and Families of~~ Economic Empowerment may disregard, within the limits of available funds, income used to further the purposes of rehabilitation and self-support.

Sec. 54. 33 V.S.A. § 1306 is amended to read:

§ 1306. APPLICATION AND INVESTIGATION

Applications for State aid to the aged, blind, or disabled may be made at any office of the Department ~~for Children and Families of~~ Economic Empowerment. Upon receipt of an application, the Commissioner ~~for~~

~~Children and Families of Economic Empowerment~~ shall investigate and prescribe the amount of the grant to be given, if any. No individual shall receive more than one type of grant or aid under this chapter.

Sec. 55. 33 V.S.A. § 1307 is amended to read:

§ 1307. AMOUNT OF STATE AID

The amount of State aid to which an eligible individual is entitled shall be determined with due regard to the income, resources, and maintenance available to the individual and, when an eligible individual lives with the individual's ineligible spouse or a needy an essential person in need, or both, as defined by the Commissioner, with due regard to the needs of the ineligible spouse and with due regard to the needs, income, and resources of the needy essential person in need. To the extent funds are available, aid shall provide a reasonable subsistence compatible with decency and health. The Commissioner ~~for Children and Families of Economic Empowerment~~ may by rule fix maximum amounts of aid and take measures to ensure that the expenditures for the programs shall not exceed the funds provided for them.

Sec. 56. 33 V.S.A. § 1308 is amended to read:

§ 1308. RULES

In fixing standards and adopting rules under this chapter, the Commissioner ~~for Children and Families of Economic Empowerment~~ shall be guided by the statutory standards set forth in this chapter, which standards shall not be deemed necessarily to incorporate by reference decisional or statutory law applicable to the aid to the aged, blind, and disabled program in effect prior to January 1, 1974.

Sec. 57. 33 V.S.A. § 1701 is amended to read:

§ 1701. SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

* * *

(d) As used in this chapter, "Commissioner" means the Commissioner ~~for Children and Families of Economic Empowerment~~ and "Department" means the Department ~~for Children and Families of Economic Empowerment~~.

Sec. 58. 33 V.S.A. § 1702 is amended to read:

§ 1702. PAYMENT ERROR RATE REPORT

On or before January 1 of the year following any federal fiscal year in which the State of Vermont receives a federal sanction for a payment error rate greater than the federal threshold in the Supplemental Nutrition Assistance Program (SNAP), the Department ~~for Children and Families of Economic~~

Empowerment shall report to the Senate Committee on Appropriations regarding:

(1) the number of households that received SNAP benefits and were discovered to have an overpayment or underpayment in the sanction year due to agency error, including the average amount of the overpayments and underpayments and the total amount of each; and

(2) the Department's specific plans for sanction reinvestment to improve its error rate for the next federal fiscal year and prevent sanction in the future.

Sec. 59. 33 V.S.A. § 1901b is amended to read:

§ 1901b. PHARMACY PROGRAM ENROLLMENT

(a) The Department of Vermont Health Access and the Department ~~for Children and Families~~ of Economic Empowerment shall monitor actual caseloads, revenue, and expenditures; anticipated caseloads, revenue, and expenditures; and actual and anticipated savings from implementation of the preferred drug list, supplemental rebates, and other cost containment activities in each State pharmaceutical assistance program, including VPharm. When applicable, the Departments shall allocate supplemental rebate savings to each program proportionate to expenditures in each program.

* * *

Sec. 60. 33 V.S.A. § 2101 is amended to read:

§ 2101. DEFINITIONS

As used in this chapter:

(1) "Commissioner" means the Commissioner ~~for Children and Families~~ of Economic Empowerment.

* * *

Sec. 61. 33 V.S.A. § 2103 is amended to read:

§ 2103. ELIGIBILITY

(a) Consistent with available appropriations, the Department ~~for Children and Families~~ of Economic Empowerment shall furnish General Assistance under this chapter, except as provided in this section, to any otherwise eligible individual unable to provide the necessities of life for the individual and for those whom the individual is legally obligated to support. Except for those in catastrophic situations as defined in rules, no General Assistance shall be provided in the following situations:

(1) to any individual whose income from any source, including the

Department for ~~Children and Families~~ of Economic Empowerment, during the 30 days immediately preceding the date on which assistance is sought is equal to the General Assistance eligibility standard; and

(2) to any able-bodied individual without minor dependents included in ~~his or her~~ the individual's application.

* * *

(e) As used in this section, “able-bodied individual” does not include a person subject to such conditions as are determined, by rule of the Commissioner for ~~Children and Families~~ of Economic Empowerment, to constitute barriers to employment.

(f) [Repealed.]

Sec. 62. 33 V.S.A. § 2114 is amended to read:

§ 2114. RENTAL OR MORTGAGE ARREARAGE PROGRAM

(a) The Department for ~~Children and Families~~ of Economic Empowerment shall provide up to three months of rental or mortgage arrearage assistance to eligible families. Assistance under this section is not an entitlement and shall be limited to the funds appropriated.

* * *

Sec. 63. 33 V.S.A. § 2115 is amended to read:

§ 2115. GENERAL ASSISTANCE PROGRAM REPORT

On or before September 1 of each year, the Commissioner for ~~Children and Families~~ of Economic Empowerment shall submit a written report to the Joint Fiscal Committee; the House Committees on Appropriations, on General, and Housing, ~~and Military Affairs~~, and on Human Services; and the Senate Committees on Appropriations and on Health and Welfare. The report shall contain the following:

* * *

Sec. 64. 33 V.S.A. § 2301 is amended to read:

§ 2301. BURIAL RESPONSIBILITY

* * *

(d) As used in this chapter:

(1) “Burial” means the final disposition of human remains, including interring or cremating a decedent and the ceremonies directly related to that cremation or interment at the gravesite.

(2) “Department” means the Department ~~for Children and Families~~ of Economic Empowerment.

(3) “Funeral” means the ceremonies prior to burial by interment, cremation, or other method.

Sec. 65. 33 V.S.A. § 2607 is amended to read:

§ 2607. PAYMENTS TO FUEL SUPPLIERS

* * *

(g)(1) The Public Utility Commission shall require natural gas suppliers subject to regulation under 30 V.S.A. § 203 to provide a discount program to customers with incomes ~~no~~ not greater than 200 percent of the federal poverty level or who meet the Department ~~for Children and Families~~’ of Economic Empowerment’s means test of eligibility for LIHEAP crisis fuel assistance. Eligibility for the discount shall be verified by the Department ~~for Children and Families~~ of Economic Empowerment.

* * *

Sec. 66. 33 V.S.A. § 3901 is amended to read:

§ 3901. DEFINITIONS

As used in this chapter:

(1) “Order of support” means any judgment or order for the support of dependent children issued by any court of the State of Vermont or another state or an order under an administrative proceeding of another state, including an order in a final decree of divorce.

(2) “Custodial parent” means any person with whom a dependent child actually resides, whether or not the parent is receiving public assistance benefits under chapter 11 of this title, or the Commissioner for Children and Families if the dependent child is under the care and control of ~~that~~ the Department for Children and Families.

(3) “Department” means the Vermont Department ~~for Children and Families~~ of Economic Empowerment.

* * *

Sec. 67. 33 V.S.A. § 3902 is amended to read:

§ 3902. ASSIGNMENT OF SUPPORT RIGHTS BY PUBLIC ASSISTANCE RECIPIENTS; PROCEEDINGS TO ESTABLISH SUPPORT OBLIGATION

(a) As a condition of eligibility for public assistance, each applicant or

recipient shall assign to the Department any right to support from a responsible parent that has accrued at the time of the assignment and that the applicant may have in the applicant's own behalf or on behalf of any other family member for whom the applicant is applying or receiving assistance.

(b) An assignment in effect under this section shall be subject to the provisions of section 4106 of this title.

(c) Whenever a support obligation is in effect against a responsible parent for the benefit of a dependent child or a custodial parent, payments required under the support obligation shall be sent to the Office of Child Support upon notice to the responsible parent, without further order of the court. When an assignment is in effect pursuant to subsection (a) of this section, any amounts accrued under the support obligation as of the date of assignment, and any amount accruing while the assignment is in effect, shall be owing to and payable to the Department ~~for Children and Families~~ without further order of the court.

* * *

(e) If a support order has been entered and the legal custodian and obligee relinquishes physical responsibility of the child to a caretaker without modifying the physical rights and responsibilities order, the Office of Child Support may change the payee of support upon the caretaker's receipt of Reach Up family assistance from the Department ~~for Children and Families~~. The obligor's obligation under the support order to pay child support and medical support continues but shall be payable to the Office of Child Support upon the caretaker's receipt of Reach Up family assistance and shall continue ~~so~~ for as long as the assignment is in effect. The Office of Child Support shall notify the obligor and obligee under the support order, by first-class mail at last known address, of the change of payee.

Sec. 68. 33 V.S.A. § 3903 is amended to read:

§ 3903. CHILD SUPPORT DEBT

(a) Except as otherwise provided in this section, any payment of Reach Up financial assistance made to or for the benefit of a dependent child creates a debt due and owing to the Department ~~for Children and Families~~ by any responsible parent in an amount equal to the amount of Reach Up financial assistance paid.

(b) Collection of child support debts shall be made as provided by this section and section 3902 of this title and by 15 V.S.A. chapter 11, subchapter 7. Regardless of the amount of Reach Up financial assistance paid, the court may limit the child support debt, taking into consideration the criteria of 15 V.S.A. § 659. The Department ~~for Children and Families~~ and the

responsible parent may limit the child support debt by stipulation, which shall be enforceable on its terms unless it is modified.

Sec. 69. TRANSFER OF RULEMAKING AUTHORITY; TRANSFER OF RULES TO THE DEPARTMENT OF ECONOMIC EMPOWERMENT

(a) The statutory authority to adopt the following rules by the Department for Children and Families adopted under 3 V.S.A. chapter 25 is transferred from the Department for Children and Families to the Department of Economic Empowerment:

- (1) Child Support Guidelines (CVR 13-161-001);
- (2) OCS Administrative Review (CVR 13-161-002);
- (3) Reach First Program (CVR 13-170-210);
- (4) Reach Up (CVR 13-170-220);
- (5) Reach Up Services (CVR 13-170-230);
- (6) Postsecondary Education (CVR 13-170-240);
- (7) Reach Ahead (CVR 13-170-250);
- (8) General Assistance (CVR 130-170-260);
- (9) Assistance to the Aged, Blind, or Disabled (CVR 130-170-270);
- (10) Emergency Assistance (CVR 130-170-280);
- (11) Fuel (CVR 130-170-290); and
- (12) Refugee Cash Assistance (CVR 130-170-300).

(b) All rules listed in subsection (a) of this section adopted by the Department for Children and Families under 3 V.S.A. chapter 25 prior to July 1, 2024 shall be deemed the rules of the Department of Economic Empowerment and remain in effect until amended or repealed by the Department of Economic Empowerment pursuant to 3 V.S.A. chapter 25.

(c) The Department of Economic Empowerment shall provide notice of the transfer to the Secretary of State and the Legislative Committee on Administrative Rules in accordance with 3 V.S.A. § 848(d)(2).

* * * Parental Leave Benefit Program * * *

Sec. 70. 21 V.S.A. § 472 is amended to read:

§ 472. LEAVE

* * *

(b) During the leave, at the employee's option, the employee may use accrued sick leave or, vacation leave, or any other accrued paid leave, not to exceed six weeks. In lieu of using sick leave, vacation leave, or other accrued paid leave, an employee may use parental leave benefits provided pursuant to 33 V.S.A. § 2001 not to exceed 12 weeks. Accrued paid leave and parental leave benefits provided pursuant to 33 V.S.A. § 2001 may be used sequentially but not concurrently. Utilization of accrued paid leave or parental leave benefits provided pursuant to 33 V.S.A. § 2001, or both, shall not extend the leave provided herein by this section.

* * *

Sec. 71. 33 V.S.A. chapter 20 is added to read:

CHAPTER 20. PARENTAL LEAVE BENEFIT PROGRAM

§ 2001. PARENTAL LEAVE BENEFIT PROGRAM

(a)(1) An eligible parent who is employed prior to the birth or adoption of a child and who intends to return to employment either with the same employer or a new employer after a parental leave may apply to the Department of Children and Families to receive a parental leave benefit for up to 12 weeks during which the eligible parent is caring for the child and unable to work. Only one eligible parent in a two-parent household shall apply for and receive the parental leave benefit established in this section. The benefits provided pursuant to this section shall be available for leaves that begin on or after January 1, 2024.

(2)(A) The weekly benefit provided to an eligible parent shall be \$600.00 or the average weekly wage of the eligible parent during the six month period preceding the commencement of the leave, whichever is less.

(B) The benefit amount shall be calculated in increments of one full day, which shall be one-fifth of the eligible parent's weekly benefit amount.

(3) The benefit shall be paid by the Department to the eligible parent within 14 days after the Department approves the parent's application or within 14 days after the parental leave begins, whichever is last occurring, and subsequent payments shall be made biweekly.

(4) The parental leave for which the eligible parent may receive benefits shall be a single, continuous period ending within one year after the date on which the child was born or placed with the eligible parent for adoption.

(b)(1) The Department shall develop an application for the parental leave benefit using a simple, plain-language format, which shall be available in both electronic and paper formats.

(2) The Department shall develop and make available on the Department's website information and materials to educate the public regarding the availability of the parental leave benefit and the requirements to obtain the benefit.

(c)(1) To receive the parental leave benefit, an eligible parent shall submit:

(A) an application;

(B) a signed certification from the eligible parent's employer that the eligible parent is currently employed by the employer or was employed by the employer within 30 days prior to the beginning of the parental leave; and

(C) a statement of intent to return to employment or seek new employment following the parental leave.

(2) An eligible parent may submit an application with the signed certification and statement of intent to the Department in anticipation of a birth or the initial placement of a child for adoption or during the eligible parent's parental leave. The Department shall provide retroactive payments to an eligible parent provided the completed application, signed certification, and statement of intent are received not more than eight weeks after the leave began.

(d)(1) Benefits paid pursuant to this section may be used as wage replacement for a leave taken pursuant to 21 V.S.A. § 472 or the federal Family and Medical Leave Act, 29 U.S.C. §§ 2611–2654.

(2) The receipt of benefits paid pursuant to this section shall not extend the leave provided pursuant to 21 V.S.A. § 472 or the federal Family and Medical Leave Act.

(3) Nothing in this section shall be construed to alter the job protection and employment-related rights provided pursuant to 21 V.S.A. § 472 or the federal Family and Medical Leave Act or to provide job protection or employment-related rights that are in addition to the rights provided pursuant to those laws.

(e) As used in this section:

(1) "Eligible parent" means an individual whose annual gross family income is not more than 600 percent of the current federal poverty level and who is either:

(A) the parent of a child born within the preceding 12 months; or

(B) an individual with whom the initial placement of a child 10 years of age or younger for purposes of adoption has occurred within the preceding 12 months.

(2) “Parent” means an individual who:

(A) is a parent to a child, regardless of whether the relationship is a biological, adoptive, or step relationship; or

(B) has day-to-day responsibilities to care for and financially support a child.

(3) “Parental leave” means a leave of absence from employment by an eligible parent following:

(A) the birth of the eligible parent’s child; or

(B) the initial placement of a child 10 years of age or younger with the eligible parent for purposes of adoption.

Sec. 72. 33 V.S.A. § 2002 is amended to read:

§ 2001. PARENTAL LEAVE BENEFIT PROGRAM

(a)(1) An eligible parent who is employed prior to the birth or adoption of a child and who intends to return to employment either with the same employer or a new employer after a parental leave may apply to the Department of ~~Children and Families~~ Economic Empowerment to receive a parental leave benefit for up to 12 weeks during which the eligible parent is caring for the child and unable to work. Only one eligible parent in a two-parent household shall apply for and receive the parental leave benefit established in this section. ~~The benefits provided pursuant to this section shall be available for leaves that begin on or after January 1, 2024.~~

* * *

* * * Appropriations * * *

Sec. 73. APPROPRIATIONS

(a) In fiscal year 2024, \$90,000,000.00 is appropriated from the General Fund to the Department for Children and Families for the purpose of funding the Child Care Financial Assistance Program pursuant to Secs. 2–4b of this act and the parental leave benefit pursuant to Secs. 70–71 of this act.

(b) In fiscal year 2024, \$150,000.00 is appropriated to Building Bright Futures for consultation and transition assistance services required pursuant to Secs. 6 and 13 of this act.

* * * Effective Dates * * *

Sec. 74. EFFECTIVE DATES

(a) Except as provided in subsection (b) of this section, this act shall take effect on July 1, 2023, with the Department for Children and Families making

child care subsidies available to Vermont residents who have an immigration status for which Child Care Financial Assistance Program participation is not available pursuant to 33 V.S.A. § 3552 beginning on July 1, 2024, subject to fiscal year 2025 appropriations for this purpose.

(b)(1) Secs. 1b and 1c (relating to an additional Deputy Secretary within the Agency of Education) shall take effect on July 1, 2024.

(2) Sec. 2 (Child Care Financial Assistance Program; eligibility), Sec. 3 (provider rate adjustment; Child Care Financial Assistance Program); Sec. 4 (payment to providers for school age children); Sec. 4a (payment to providers for children birth through four years of age; high quality incentive program), and Sec. 4b (High-Quality Early Care and Education Special Fund) shall take effect on January 1, 2024, except that the Commissioner for Children and Families shall adopt any rules necessary prior to that date in order to perform the Commissioner's duties under this act.

(3) Secs. 14–16 (property tax exemption; property used by child care providers) shall take effect on July 1, 2024.

(4) Secs. 17–69 (relating to the reorganization of the Department for Children and Families and creation of the Department of Economic Empowerment) shall take effect on July 1, 2024.

(5) Secs. 70–71 (relating to the parental leave benefit program) shall take effect on January 1, 2024.

(6) Sec. 72 (parent leave benefit program) shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Health and Welfare with the following amendments thereto:

First: By striking out Sec. 2, 33 V.S.A. § 3512, in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM;
ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall be entitled to participate in the Program for up to three

months and the Commissioner may further extend that period.

(2) The subsidy authorized by this subsection shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. Families shall be found eligible using an income eligibility scale based on the current federal poverty level and adjusted for the size of the family. Co-payments shall be assigned to the whole family and shall not increase if more than one eligible child is enrolled in child care. Families with an annual gross income of less than or equal to ~~150~~ 185 percent of the current federal poverty guidelines shall not have a family co-payment. Families with an annual gross income up to and including ~~350~~ 600 percent of current federal poverty guidelines, adjusted for family size, shall be eligible for a subsidy authorized by the subsection. The scale shall be structured so that it encourages employment. If the federal poverty guidelines decrease in a given year, the Division shall maintain the previous year's federal poverty guidelines for the purpose of determining eligibility and benefit amount under this subsection.

(3) Earnings deposited in a qualified child education savings account, such as the Vermont Higher Education Investment Plan, established in 16 V.S.A. § 2877, or any similar plan qualified under 26 U.S.C. § 529, shall be disregarded in determining the amount of a family's income for the purpose of determining continuing eligibility.

(4) ~~After September 30, 2021,~~ a A regulated center-based child care program or family child care home as defined by the Department in rule shall not receive funds pursuant to this subsection that are in excess of the usual and customary rate for services at the center-based child care program or family child care home.

(5) The Department shall ensure that applications for the Child Care Financial Assistance Program use a simple, plain-language format. Applications shall be available in both electronic and paper formats.

Second: By striking out Secs. 14–16, 32 V.S.A. §§ 3802(22), 3800(q), and 5401(7), and their reader assistance heading in their entireties and inserting in lieu thereof the following:

* * * Repeals; Child Tax Credit * * *

Sec. 14. REPEALS; CHILD TAX CREDIT

The following are repealed:

- (1) 32 V.S.A. § 5830f (Vermont child tax credit); and
- (2) 32 V.S.A. § 5813(y) (statutory purpose; Vermont child tax credit).

* * * Child Care and Parental Leave Contribution * * *

Sec. 15. 32 V.S.A. chapter 246 is added to read:

CHAPTER 246. CHILD CARE AND PARENTAL LEAVE
CONTRIBUTION

§ 10551. PURPOSE

The Child Care and Parental Leave Contribution is established to provide funding for State support of child care and the Parental Leave Benefit Program established pursuant to 33 V.S.A. § 2201.

§ 10552. DEFINITIONS

As used in this chapter:

(1) “Covered wages” means wages paid to an employee by an employer up to the amount of the Social Security Contribution and Benefit Base.

(2) “Employee” means an individual who receives payments with respect to services performed for an employer from which the employer is required to withhold Vermont income tax pursuant to chapter 151, subchapter 4 of this title.

(3) “Employer” means a person who employs one or more employees who is required to withhold income tax from wages paid to the employees pursuant to chapter 151, subchapter 4 of this title.

(4) “Self-employed individual” means a sole proprietor or partner owner of an unincorporated business, the sole member of an LLC, or the sole shareholder of a corporation.

(5) “Self-employment income” has the same meaning as in 26 U.S.C. § 1402.

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

§ 10553. CONTRIBUTION; RATE; COLLECTION

(a)(1) Each employer shall pay the Child Care and Parental Leave Contribution on all covered wages paid to each of the employer’s employees and shall remit those amounts to the Department of Taxes pursuant to the provisions of this section. An employer may deduct and withhold from an employee’s covered wages an amount equal to not more than one quarter of the contribution required pursuant to subsection (b) of this section. An employer shall pay the contributions required pursuant to this section as if the contributions were Vermont income tax subject to the withholding requirements of chapter 151, subchapter 4 of this title, including the

requirements relating to the time and manner of payment.

(2) Each self-employed individual shall pay the Child Care and Parental Leave Contribution on the individual's self-employment income and shall remit those amounts to the Department of Taxes pursuant to the provisions of this section. A self-employed individual shall make installment payments of estimated contributions pursuant to this subdivision from the enrolled self-employed individual's self-employment income as if the contributions were Vermont income tax subject to the estimated payment requirements of 32 V.S.A. chapter 151, subchapter 5, including the time and manner of payment.

(b) The contribution rate shall be 0.42 percent of each employee's covered wages and each self-employed individual's self-employment income.

(c)(1) The Department shall collect the contributions required pursuant to this section. The administrative and enforcement provisions of chapter 151 of this title shall apply to the contribution requirements under this section as if the contributions required pursuant to this section were Vermont income tax, except penalty and interest shall apply according to chapter 103 of this title.

(2) Employers shall be responsible for the full amount of any unpaid contributions due pursuant to subdivision (a)(1) of this section. Self-employed individuals shall be responsible for the full amount of any unpaid contributions due pursuant to subdivision (a)(2) of this section.

§ 10554. CHILD CARE AND PARENTAL LEAVE CONTRIBUTION SPECIAL FUND

(a) The Child Care and Parental Leave Contribution Special Fund is created pursuant to chapter 7, subchapter 5 of this title and shall be administered by the Department for Children and Families and the Department of Taxes. Monies in the Fund may be expended by the Department of Taxes for the administration of the Child Care and Parental Leave Contribution created under this chapter, by the Department for Children and Families for benefits provided by State supported child care and under the Parental Leave Benefit Program established pursuant to 33 V.S.A. § 2201, and by the Departments for necessary costs incurred in administering the Fund. All interest earned on Fund balances shall be credited to the Fund.

(b) The Fund shall consist of:

(1) contributions collected or recovered pursuant to section 10553 of this title;

(2) any amounts transferred or appropriated to the Fund by the General Assembly; and

(3) any interest earned by the Fund.

(c) The Departments may seek and accept grants from any source, public or private, to be dedicated for deposit into the Fund.

Sec. 16. DEPARTMENT OF TAXES; POSITIONS

The establishment of the following 15 new permanent classified positions is authorized in the Department of Taxes in fiscal year 2024:

(1) eight full-time, classified tax examiners within the Taxpayer Services Division;

(2) two full-time, classified tax examiners within the Compliance Division;

(3) three full-time, classified tax compliance officers within the Compliance Division;

(4) one full-time, classified financial specialist III within the Revenue Accounting and Returns Processing Division; and

(5) one business analyst–tax within the VTax Division.

Third: By striking out Secs. 70, 71, and 72, Parental Leave Benefit Program, in their entirety and inserting in lieu thereof new Secs. 70, 71, and 72 to read as follows:

Sec. 70. 21 V.S.A. § 472 is amended to read:

§ 472. LEAVE

* * *

(b) During the leave, at the employee’s option, the employee may use accrued sick leave or, vacation leave, or any other accrued paid leave, not to exceed six weeks. In lieu of using sick leave, vacation leave, or other accrued paid leave, an employee may use parental leave benefits provided pursuant to 33 V.S.A. § 2201 not to exceed 12 weeks. Accrued paid leave and parental leave benefits provided pursuant to 33 V.S.A. § 2201 may be used sequentially but not concurrently. Utilization of accrued paid leave or parental leave benefits provided pursuant to 33 V.S.A. § 2201, or both, shall not extend the leave provided herein by this section.

* * *

Sec. 71. 33 V.S.A. chapter 22 is added to read:

CHAPTER 22. PARENTAL LEAVE BENEFIT PROGRAM

§ 2201. PARENTAL LEAVE BENEFIT PROGRAM

(a)(1)(A) An eligible parent may apply to the Department for Children and Families to receive a parental leave benefit for up to 12 weeks during which

the eligible parent is caring for the child and unable to work if the eligible parent is:

(i) either employed or self-employed prior to the birth or adoption of a child; and

(ii) intends to either:

(I) return to employment or self-employment after the parental leave; or

(II) seek new employment or self-employment after the parental leave.

(B) Only one eligible parent in a two-parent household shall apply for and receive the parental leave benefit established in this section.

(C) The benefits provided pursuant to this section shall be available for leaves that begin on or after January 1, 2024.

(2)(A) The weekly benefit provided to an eligible parent shall be \$600.00 or the average weekly wage or self-employment income of the eligible parent during the six month period preceding the commencement of the leave, whichever is less.

(B) The benefit amount shall be calculated in increments of one full day, which shall be one-fifth of the eligible parent's weekly benefit amount.

(3) The benefit shall be paid by the Department to the eligible parent within 14 days after the Department approves the parent's application or within 14 days after the parental leave begins, whichever is last occurring, and subsequent payments shall be made biweekly.

(4) The parental leave for which the eligible parent may receive benefits shall be a single, continuous period ending within one year after the date on which the child was born or placed with the eligible parent for adoption.

(b)(1) The Department shall develop an application for the parental leave benefit using a simple, plain-language format, which shall be available in both electronic and paper formats.

(2) The Department shall develop and make available on the Department's website information and materials to educate the public regarding the availability of the parental leave benefit and the requirements to obtain the benefit.

(c)(1) To receive the parental leave benefit, an eligible parent shall submit:

(A) an application;

(B) either:

(i) a signed certification from the eligible parent's employer that the eligible parent is currently employed by the employer or was employed by the employer within 30 days prior to the beginning of the parental leave; or

(ii) proof of self-employment income earned in Vermont during the prior calendar year or, if the individual did not earn self-employment income in Vermont during the prior calendar year, proof of self-employment income earned in Vermont during the current calendar year; and

(C) a statement of intent to return to employment or self-employment or to seek new employment or self-employment following the parental leave.

(2) An eligible parent may submit an application and other required materials to the Department in anticipation of a birth or the initial placement of a child for adoption or during the eligible parent's parental leave. The Department shall provide retroactive payments to an eligible parent, provided the completed application and other required materials are received not more than eight weeks after the leave began.

(d)(1) Benefits paid pursuant to this section may be used as wage replacement for a leave taken pursuant to 21 V.S.A. § 472 or the federal Family and Medical Leave Act, 29 U.S.C. §§ 2611–2654.

(2) The receipt of benefits paid pursuant to this section shall not extend the leave provided pursuant to 21 V.S.A. § 472 or the federal Family and Medical Leave Act.

(3) Nothing in this section shall be construed to alter the job protection and employment-related rights provided pursuant to 21 V.S.A. § 472 or the federal Family and Medical Leave Act or to provide job protection or employment-related rights that are in addition to the rights provided pursuant to those laws.

(e) As used in this section:

(1) "Eligible parent" means an individual whose annual gross family income is not more than 600 percent of the current federal poverty level and who is either:

(A) the parent of a child born within the preceding 12 months; or

(B) an individual with whom the initial placement of a child 10 years of age or younger for purposes of adoption has occurred within the preceding 12 months.

(2) "Parent" means an individual who:

(A) is a parent to a child, regardless of whether the relationship is a biological, adoptive, or step relationship; or

(B) has day-to-day responsibilities to care for and financially support a child.

(3) "Parental leave" means a leave of absence from employment or self-employment by an eligible parent following:

(A) the birth of the eligible parent's child; or

(B) the initial placement of a child 10 years of age or younger with the eligible parent for purposes of adoption.

Sec. 72. 33 V.S.A. § 2201 is amended to read:

§ 2201. PARENTAL LEAVE BENEFIT PROGRAM

(a)(1)(A) An eligible parent may apply to the Department for Children and Families of Economic Empowerment to receive a parental leave benefit for up to 12 weeks during which the eligible parent is caring for the child and unable to work if the eligible parent is:

* * *

(C) The benefits provided pursuant to this section shall be available for leaves that begin on or after January 1, 2024. [Repealed.]

* * *

Fourth: In Sec. 73, appropriations, by adding a new subsection (c) to read as follows:

(c) In fiscal year 2024, the amount of \$6,504,916.00 is appropriated from the General Fund to the Department of Taxes to be used for the implementation of the Child Care and Parental Leave Contribution pursuant to 32 V.S.A. chapter 246 created by this act.

Fifth: In Sec. 74, effective dates, by striking out subdivision (b)(3) (property tax exemption; property used by child care providers) in its entirety and inserting in lieu thereof new subdivisions (b)(3) and (b)(4) to read as follows:

(3) Notwithstanding 1 V.S.A. § 214, Sec. 14 (repeals; child tax credit) shall take effect retroactively on January 1, 2023 and shall apply to taxable years beginning on and after January 1, 2023.

(4) Sec. 15, 32 V.S.A. chapter 246, (child care and parental leave contribution) shall take effect on July 1, 2024.

And by renumbering the remaining subdivisions to be numerically correct.

And that when so amended the bill ought to pass.

Senator Kitchel, for the Committee on Appropriations, to which was referred Senate bill entitled:

An act relating to child care and early childhood education.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following::

* * * Legislative Intent * * *

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly that investments in and policy changes to Vermont's child care system shall:

(1) increase access to and the quality of child care services throughout the State;

(2) provide financial stability to child care programs;

(3) stabilize Vermont's talented child care workforce;

(4) address the workforce needs of the State's employers; and

(5) provide policy recommendations for expanding access and capacity in Vermont's prekindergarten system.

* * * Prekindergarten * * *

Sec. 2. PREKINDERGARTEN EDUCATION STUDY COMMITTEE;
REPORT

(a) Creation. There is created the Prekindergarten Education Study Committee to make recommendations on how to improve and expand accessible, affordable, and high-quality prekindergarten education.

(b) Membership. The Committee shall be composed of the following members:

(1) the Secretary of Education or designee, who shall serve as chair;

(2) the Secretary of Human Services or designee;

(3) the Executive Director of the Vermont Principals' Association or designee;

(4) the Executive Director of the Vermont Superintendents Association or designee;

(5) the Executive Director of the Vermont School Board Association or designee;

(6) the Executive Director of the Vermont National Education

Association or designee;

(7) the Chair of the Vermont Council of Special Education Administrators or designee;

(8) the Executive Director of the Vermont Curriculum Leaders Association or designee;

(9) the Executive Director of Building Bright Futures or designee;

(10) a representative of a prequalified private provider as defined in 16 V.S.A. § 829, operating a licensed center-based child care and preschool program, appointed by the Speaker of the House;

(11) a representative of a prequalified private provider as defined in 16 V.S.A. § 829, operating a regulated family child care home, appointed by the Committee on Committees;

(12) the Head Start Collaboration Office Director or designee;

(13) the Executive Officer of Let's Grow Kids or designee; and

(14) a family representative with a prekindergarten-age child, appointed by the Building Bright Futures Council.

(c) Powers and duties. The Committee shall examine the delivery of prekindergarten education in Vermont and make recommendations for expanding equitable access for all children three and four years of age in a manner that achieves the best outcomes for children, whether through the current mixed-delivery system, the public school system, the private prekindergarten system, or a system that allows school districts to contract with private providers. The Committee shall also examine and make recommendations on the changes necessary to provide prekindergarten education to all children three and four years of age through the public school system, including a timeline and transition plan for such changes. In conducting its analysis, the Committee shall address the following topics and questions, which may yield distinct recommendations for children three and four years of age:

(1) Outcomes and quality.

(A) What are the benchmarks for "high quality" in prekindergarten education?

(B) How should best practices be implemented and measured across various prekindergarten education settings?

(2) Capacity and demand.

(A) How many children, by age, does the current mixed-delivery

system have the capacity to serve? In studying this issue, the Committee shall consider the number of children on waitlists and the number of vacancies in programs.

(B) What are the workforce requirements to expand prekindergarten education? In studying this question, the Committee may consider:

(i) whether there is a gap between the total number of licensed teachers currently working and the number needed for expansion;

(ii) whether there is a gap between the total prekindergarten education workforce, including paraeducators, and the number needed for expansion; and

(iii) the educational and training costs associated with training and retaining the workforce necessary for expansion?

(C) If prekindergarten education in the public school system is provided solely to children four years of age, what is the impact on the capacity and workforce of private prekindergarten providers?

(D) If prekindergarten education for children who are four years of age is provided exclusively through the public school system, how will infant capacity in private child care providers be impacted?

(E) Are there areas of the State where prekindergarten education can be more effectively and conveniently furnished in an adjacent state due to geographic considerations?

(3) Special education.

(A) How many children three and four years of age are currently on individual education programs receiving services in public and private settings?

(B) Are children three and four years of age on individual education plans receiving the full range of services that they are entitled to?

(C) Does the availability or cost of special education services vary between private and public prequalified providers?

(4) Public school expansion.

(A) What infrastructure changes are necessary to expand prekindergarten education?

(B) How would the current prekindergarten education mixed-delivery system transition to a program within the public school system?

(C) What capacity needs to be built for developmentally appropriate afterschool and out-of-school-time care?

(D) Are changes needed to existing health and safety standards for public schools to accommodate children three and four years of age?

(5) Funding and costs.

(A) What are fiscally strategic options to sustain and expand universal prekindergarten education?

(B) What is the financial and business impact on regulated private child care providers if the prekindergarten system transitions to public schools or is expanded beyond the current 10-hour program?

(C) What, if any, changes need to be made to pupil weights for prekindergarten students?

(D) What, if any, changes need to be made to tuition rates for private prekindergarten programs?

(6) Oversight.

(A) What additional Agency of Education personnel or resources would be needed to oversee an expansion of the current prekindergarten education system under either a mixed-delivery model, a public school system model, or a system that allows school districts to contract with private providers?

(B) What additional Agency of Human Services personnel or resources would be needed to oversee an expansion of the current mixed-delivery model or a private prekindergarten system?

(C) Whether additional leadership capacity is needed at the Agency of Education to address early childhood education, and if so, how should the leadership capacity be expanded?

(d) Assistance. The Committee shall have the administrative, technical, fiscal, and legal assistance of the Agencies of Education and of Human Services. If the Agencies are unable to provide the Committee with adequate support to assist with its technical, fiscal, or legal needs, then the Agency of Education shall retain a contractor with the necessary expertise to assist the Committee.

(e) Report. On or before December 1, 2023, the Committee shall submit a written report to the House Committees on Education and on Human Services and the Senate Committees on Education and on Health and Welfare with its findings and recommendations based on the analysis conducted pursuant to subsection (c) of this section. The report shall include draft legislative language to support the Committee's recommendations.

(f) Meetings.

(1) The Secretary of Education or designee shall call the first meeting of the Committee to occur on or before July 15, 2023.

(2) A majority of the membership shall constitute a quorum.

(3) The Committee shall cease to exist on February 1, 2024.

(g) Compensation and reimbursement. Members of the Committee who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than 10 meetings per year. These payments shall be made from monies appropriated to the Agency of Education.

(h) Appropriations.

(1) The sum of \$5,000.00 is appropriated to the Agency of Education from the General Fund in fiscal year 2024 for per diem compensation and reimbursement of expenses for members of the Committee.

(2) The sum of \$100,000.000 is appropriated to the Agency of Education from the General Fund in fiscal year 2024 for the cost of retaining a contractor as provided under subsection (d) of this section.

(3) Any unused portion of these appropriations shall, as of July 1, 2024, revert to the General Fund.

* * * Child Care and Child Care Subsidies * * *

Sec. 3. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM;
ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall be entitled to participate in the Program for up to three months and the Commissioner may further extend that period.

(2) The subsidy authorized by this subsection shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. Families shall be found eligible using an income eligibility scale based on the current federal poverty level and adjusted for the size of the family. Co-payments shall be assigned to the whole family and shall not increase if more than one eligible child is enrolled in child care. Families with an annual gross income of less than or equal to ~~150~~ 185 percent of the current federal poverty guidelines shall not have a family co-payment. Families with

an annual gross income up to and including ~~350~~ 600 percent of current federal poverty guidelines, adjusted for family size, shall be eligible for a subsidy authorized by the subsection. The scale shall be structured so that it encourages employment. If the federal poverty guidelines decrease in a given year, the Division shall maintain the previous year's federal poverty guidelines for the purpose of determining eligibility and benefit amount under this subsection.

(3) Earnings deposited in a qualified child education savings account, such as the Vermont Higher Education Investment Plan, established in 16 V.S.A. § 2877, or any similar plan qualified under 26 U.S.C. § 529, shall be disregarded in determining the amount of a family's income for the purpose of determining continuing eligibility.

(4) ~~After September 30, 2021,~~ a A regulated center-based child care program or family child care home as defined by the Department in rule shall not receive funds pursuant to this subsection that are in excess of the usual and customary rate for services at the center-based child care program or family child care home.

(5) The Department shall ensure that applications for the Child Care Financial Assistance Program use a simple, plain-language format. Applications shall be available in both electronic and paper formats.

* * *

Sec. 4. PROVIDER RATE ADJUSTMENT; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

On January 1, 2024, the Department for Children and Families shall provide a one-time adjustment to the child care provider reimbursement rates in the Child Care Financial Assistance Program for child care services provided to children from birth through four years of age, including children five years of age who are not yet enrolled in kindergarten. The adjusted reimbursement rate shall account for the age of the children served and be 38.5 percent higher than the fiscal year 2023 five-STAR reimbursement rate in the Vermont STARS system. All providers in the same child care setting category shall receive an identical reimbursement rate payment, which shall be dependent upon whether the provider operates a regulated child care center and preschool program or regulated family child care home.

Sec. 5. APPROPRIATION; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a) In addition to fiscal year 2024 funds appropriated for the Child Care Financial Assistance Program in other acts, in fiscal year 2024, \$45,300,000.00 is appropriated from the General Fund to the Department for

Children and Families' Child Development Division for the program eligibility expansion in Sec. 3 of this act and for the fiscal year 2024 provider rate adjustment in Sec. 4 of this act.

(b) In addition to fiscal year 2024 funds appropriated for the administration of the Department for Children and Families' Child Development Division in other acts, in fiscal year 2024, \$6,000,000.00 is appropriated from the General Fund to the Division to administer the Child Care Financial Assistance Program eligibility expansion in Sec. 3 of this act and for the fiscal year 2024 provider rate adjustment in Sec. 4 of this act.

Sec. 6. **READINESS PAYMENTS AND GRANTS; CHILD CARE FINANCIAL ASSISTANCE PROGRAM**

(a)(1) In fiscal year 2024, \$25,000,000.00 is appropriated from the General Fund to the Department for Children and Families' Child Development Division for the purpose of providing payments and grants to child care providers, as defined in 33 V.S.A. § 3511, delivering child care services to children birth through four years of age, including children five years of age who are not yet enrolled in kindergarten, in preparation of the Child Care Financial Assistance Program eligibility expansion in Sec. 3 of this act and for the fiscal year 2024 provider rate adjustment in Sec. 4 of this act. Readiness payments and grants may be used for workforce recruitment or retention bonuses, or both; child care facility improvement; and any other uses approved by the Commissioner.

(2) Of the funds appropriated in subdivision (1) of this subsection, up to five percent may be used to contract with a third party to provide technical assistance to child care providers to build or maintain capacity and to provide information on the opportunities and requirements of this act.

(b) In administering the readiness grant program established by this section, the Division may either use the same distribution framework used to distribute Child Care Development Block Grant funds in accordance with the American Rescue Plan Act of 2021 or it may utilize an alternative distribution framework.

(c) The Commissioner shall provide a status report on the distribution of readiness grants to the to the Joint Fiscal Committee at its November 2023 meeting.

Sec. 7. 33 V.S.A. § 3514 is amended to read:

§ 3514. **PAYMENT TO PROVIDERS FOR SCHOOL AGE CHILDREN**

(a) The Commissioner shall establish a payment schedule for purposes of reimbursing providers for full- or part-time child care services to children over

four years of age, excluding children five years of age who are not yet enrolled in kindergarten, rendered to families who participate in the programs established under section 3512 or 3513 of this title. Payments established under this section shall reflect the following considerations: whether the provider operates a licensed child care facility or a registered family child care home, type of service provided, cost of providing the service, and the prevailing market rate for comparable service. Payments shall be based on enrollment status or any other basis agreed to by the provider and the Division.

* * *

Sec. 8. 33 V.S.A. § 3515 is added to read:

§ 3515. PAYMENT TO PROVIDERS FOR CHILDREN BIRTH THROUGH FOUR YEARS OF AGE

(a) The Commissioner shall establish a payment schedule that accounts for the age of the children served for the purpose of reimbursing providers for full- or part-time child care services to children from birth through four years of age, including children five years of age who are not yet enrolled in kindergarten, rendered to families who participate in the programs established under section 3512 or 3513 of this title. All providers in the same child care setting category shall receive an identical reimbursement rate payment, which shall be dependent upon whether the provider operates a regulated child care center and preschool program or regulated family child care home. The rate used to reimburse providers shall be increased over the previous year's rate annually on July 1 in alignment with the most recent annual average wage growth for NAICS code 611, Educational Services, not to fall below zero percent. Payments shall be based on enrollment.

(b) The Commissioner may establish a separate payment schedule for child care providers who have received training, approved by the Commissioner, relating to protective or family support services.

Sec. 9. 33 V.S.A. § 3516 is added to read:

§ 3516. CHILD CARE QUALITY AND CAPACITY INCENTIVE PROGRAM

(a) The Commissioner shall establish a child care quality and capacity incentive program for child care providers participating in the Child Care Financial Assistance Program pursuant to 33 V.S.A. §§ 3512 and 3513 and delivering child care services to children birth through four years of age, including children who are five years old and not yet enrolled in kindergarten. Annually, consistent with funds appropriated for this purpose, the Commissioner shall provide each child care provider with a base incentive payment dependent upon the child care provider's child care setting category.

A child care provider's base incentive payment shall be supplemented for each of the following achievements:

- (1) completing a Commissioner-approved training on protective or family support services;
- (2) maintaining five STARS in the Vermont STARS system;
- (3) achieving an increased STAR level in the Vermont STARS system;
- (4) maintaining existing infant and toddler capacity;
- (5) increasing infant and toddler capacity;
- (6) establishing capacity in regions of the State that are identified by the Commissioner as underserved; and
- (7) any other quality- or capacity-specific criteria identified by the Commissioner.

(b) The Commissioner shall maintain a current incentive payment schedule on the Department's website.

Sec. 10. 33 V.S.A. § 3517 is added to read:

§ 3517. CHILD CARE WAITLIST AND APPLICATION FEES

A child care provider shall not charge an application or waitlist fee for child care services where the applying child qualifies for the Child Care Financial Assistance Program pursuant to section 3512 or 3513 of this title. A child care provider shall reimburse an individual who is charged an application or waitlist fee for child care services if it is later determined that the applying child qualified for the Child Care Financial Assistance Program at the time the fee or fees were paid.

Sec. 11. PROVIDER COMPENSATION AND TOTAL COST OF CARE;
RECOMMENDATIONS

(a) On or before November 1, 2023, the Department for Children and Families, in consultation with the Department of Labor, the Agency of Education, Building Bright Futures, and the Vermont Association for the Education of Young Children, shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare addressing the following:

- (1) whether and how to integrate a tiered professional pay scale for professionals who provide child care services as part of the Child Care Financial Assistance Program;
- (2) the structure of tiered professional pay scales for professionals who provide child care services that have been implemented in other jurisdictions,

including in New Mexico and the District of Columbia; and

(3) the appropriate legal mechanism to implement any approved tiered professional pay scale for professionals who provide child care services, including consideration of statute, rule, departmental guidance, or some other appropriate mechanism.

(b) On or before November 1, 2024, the Department for Children and Families, in consultation with the Department of Labor, the Agency of Education, Building Bright Futures, and the Vermont Association for the Education of Young Children, shall submit to the House Committee on Human Services and to the Senate Committee on Health and Welfare:

(1) A tiered professional pay scale for professionals who provide child care services as defined in 33 V.S.A. § 3511 that is designed to provide professionals who provide child care services with compensation comparable to that received by early childhood educators in Vermont’s public school system who serve children from prekindergarten through grade three. The tiered professional pay scale shall account for professionals’ credentialing and professional child care experience and shall include the addition of an appropriate fringe benefit rate. In developing the tiered professional pay scale, the Department for Children and Families shall refer to the child care and early childhood education financing study required pursuant to 2021 Acts and Resolves No. 45, Sec. 14.

(2) A formula to calculate the total cost of care to serve children in a regulated child care facility as defined in 33 V.S.A. § 3511.

Sec. 12. 33 V.S.A. chapter 35, subchapter 6 is added to read:

Subchapter 6. Child Care Assistance for Additional Populations

§ 3551. NONCITIZEN CHILD CARE ASSISTANCE PROGRAM;
LEGISLATIVE INTENT

In establishing the Noncitizen Child Care Assistance Program to provide child care subsidies for children who are not eligible for the Child Care Financial Assistance Program because of their citizenship status, it is the intent of the General Assembly that the benefits and eligibility criteria set forth in section 3552 of this chapter should align to the greatest extent practicable with the benefits and eligibility criteria in CCFAP as set forth in section 3512 of this chapter and corresponding rule.

§ 3552. NONCITIZEN CHILD CARE ASSISTANCE PROGRAM
SUBSIDIES FOR CERTAIN VERMONT RESIDENTS

(a) For purposes of this section, the phrase “Vermont residents who have a citizenship status for which Child Care Financial Assistance Program

(CCFAP) participation is not available” includes children of migrant workers who are employed in seasonal occupations in this State.

(b) The Department for Children and Families shall provide State-funded child care subsidies equivalent to those offered in the Child Care Financial Assistance Program (CCFAP) to Vermont residents who have a citizenship status for which CCFAP participation is not available and meet the service need and income eligibility standards established by the Department in rule.

(c)(1) The Department shall not inquire about or record the citizenship and immigration status of the applicant’s family.

(2) The Department shall not record the citizenship and immigration status of the applicant.

(3) All applications submitted and records created pursuant to this section shall be exempt from public inspection and copying under the Public Records Act and shall be kept confidential. Absent a request for information by a U.S. agency pursuant to federal law, the Department shall not disclose any personally identifiable information regarding applicants or enrollees to the U.S. government.

(d) The Department for Children and Families may adopt rules in accordance with 3 V.S.A. chapter 25 to carry out the purposes of this section.

Sec. 13. DEPARTMENT FOR CHILDREN AND FAMILIES; NONCITIZEN CHILD CARE ASSISTANCE PROGRAM SUBSIDIES; FISCAL YEAR 2025 ESTIMATE

The Department for Children and Families shall provide information on the estimated fiscal year 2025 costs of providing coverage to Vermont residents who have a citizenship status for which Child Care Financial Assistance Program participation is not available pursuant to 33 V.S.A. § 3552 beginning on July 1, 2024 as part of the Department’s fiscal year 2025 budget presentation to the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare.

* * * Special Accommodations Grant * * *

Sec. 14. REPORT; SPECIAL ACCOMMODATIONS GRANT

On or before January 15, 2024, the Department for Children and Families’ Child Development Division shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare providing a proposal to streamline the application process for special accommodation grants, including:

(1) the suitability of moving to a 12-month grant cycle and for which populations;

(2) improving support and training for providing inclusive care for children with special needs;

(3) determining how to better meet the early learning needs of children with disabilities within a child care setting; and

(4) any other proposals the Department deems essential to the goal of streamlining the application process for special accommodation grants.

* * * Transitional Assistance and Governance * * *

Sec. 15. BUILDING BRIGHT FUTURES; TECHNICAL ASSISTANCE;
STAKEHOLDER ENGAGEMENT

Of the funds appropriated in Sec. 6 (readiness payments and grants; child care financial assistance program) of this act, up to \$250,000.00 may be used by the Department for Children and Families' Child Development Division to contract for stakeholder engagement and technical assistance services from Building Bright Futures for the purposes of implementing the Division's duties in accordance with Sec. 2 (Prekindergarten Education Study Committee), Sec. 11 (provider compensation and total cost of care; recommendations), Sec. 12 (Noncitizen Child Care Assistance Program), and Sec. 14 (report; special accommodations grant) of this act.

Sec. 16. REPORT; CHILD CARE SYSTEM GOVERNANCE

(a) The Secretary of Human Services shall conduct an assessment on the organizational structure of the Department for Children and Families that takes into consideration the investments in and expansion of early education and child care pursuant to this act. On or before January 15, 2024, the Secretary shall submit a report to the House Committees on Appropriations, on Government Operations, and on Human Services and to the Senate Committees on Appropriations, on Government Operations, and on Health and Welfare containing recommendations regarding the Department's organizational structure that shall:

(1) identify a Departmental structure that provides the appropriate alignment of programs and functions to best meet the needs of Vermonters being served by the Department, including:

(A) options for placing significant Departmental duties in one or more other departments;

(B) the impact of reorganizing the Department on other departments and agencies in State government;

(C) the potential service delivery benefits and operational improvements of reorganizing the Department, including any impacts on staff; and

(D) the fiscal impact of recommended changes to the Department's structure, including all administrative resources needed to ensure successful operation of the new structure; and

(2) identify the transition planning needed to reorganize the Department's structure, including administrative and project management support, risk mitigation and management, and a proposed transition timeline.

(b) The Secretary may utilize funds appropriated for administrative purposes to contract a consultant to assist with the assessment required pursuant to this section.

* * * Repeals; Child Tax Credit * * *

Sec. 17. REPEALS; CHILD TAX CREDIT

The following are repealed:

(1) 32 V.S.A. § 5830f (Vermont child tax credit); and

(2) 32 V.S.A. § 5813(y) (statutory purpose; Vermont child tax credit).

* * * Child Care and Parental Leave Contribution * * *

Sec. 18. 32 V.S.A. chapter 246 is added to read:

CHAPTER 246. CHILD CARE AND PARENTAL LEAVE CONTRIBUTION

§ 10551. PURPOSE

The Child Care and Parental Leave Contribution is established to provide funding for the Child Care Financial Assistance Program established in 33 V.S.A. §§ 3512 and 3513, including the provision of incentive payments pursuant to 33 V.S.A. § 3517, and the Parental Leave Benefit Program established pursuant to 33 V.S.A. § 2201.

§ 10552. DEFINITIONS

As used in this chapter:

(1) "Covered wages" means wages paid to an employee by an employer up to the amount of the Social Security Contribution and Benefit Base.

(2) "Employee" means an individual who receives payments with respect to services performed for an employer from which the employer is required to withhold Vermont income tax pursuant to chapter 151, subchapter 4 of this title.

(3) “Employer” means a person who employs one or more employees who is required to withhold income tax from wages paid to the employees pursuant to chapter 151, subchapter 4 of this title.

(4) “Self-employed individual” means a sole proprietor or partner owner of an unincorporated business, the sole member of a limited liability company, or the sole shareholder of a corporation.

(5) “Self-employment income” has the same meaning as in 26 U.S.C. § 1402.

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

§ 10553. CONTRIBUTION; RATE; COLLECTION

(a)(1) Each employer shall pay the Child Care and Parental Leave Contribution on all covered wages paid to each of the employer’s employees and shall remit those amounts to the Department of Taxes pursuant to the provisions of this section. An employer may deduct and withhold from an employee’s covered wages an amount equal to not more than one quarter of the contribution required pursuant to subsection (b) of this section. An employer shall pay the contributions required pursuant to this section as if the contributions were Vermont income tax subject to the withholding requirements of chapter 151, subchapter 4 of this title, including the requirements relating to the time and manner of payment.

(2) Each self-employed individual shall pay the Child Care and Parental Leave Contribution on the individual’s self-employment income and shall remit those amounts to the Department of Taxes pursuant to the provisions of this section. A self-employed individual shall make installment payments of estimated contributions pursuant to this subdivision from the enrolled self-employed individual’s self-employment income as if the contributions were Vermont income tax subject to the estimated payment requirements of 32 V.S.A. chapter 151, subchapter 5, including the time and manner of payment.

(b) The contribution rate shall be 0.42 percent of each employee’s covered wages and each self-employed individual’s self-employment income.

(c)(1) The Department shall collect the contributions required pursuant to this section. The administrative and enforcement provisions of chapter 151 of this title shall apply to the contribution requirements under this section as if the contributions required pursuant to this section were Vermont income tax, except penalty and interest shall apply according to chapter 103 of this title.

(2) Employers shall be responsible for the full amount of any unpaid contributions due pursuant to subdivision (a)(1) of this section. Self-employed

individuals shall be responsible for the full amount of any unpaid contributions due pursuant to subdivision (a)(2) of this section.

§ 10554. CHILD CARE AND PARENTAL LEAVE CONTRIBUTION
SPECIAL FUND

(a) The Child Care and Parental Leave Contribution Special Fund is created pursuant to chapter 7, subchapter 5 of this title and shall be administered by the Department for Children and Families and the Department of Taxes. Monies in the Fund may be expended by the Department of Taxes for the administration of the Child Care and Parental Leave Contribution created under this chapter, by the Department for Children and Families for benefits provided by the Child Care Financial Assistance Program established in 33 V.S.A. §§ 3512 and 3513, including the provision of incentive payments pursuant to 33 V.S.A. § 3517 and under the Parental Leave Benefit Program established pursuant to 33 V.S.A. § 2201, and by the Departments for necessary costs incurred in administering the Fund. All interest earned on Fund balances shall be credited to the Fund.

(b) The Fund shall consist of:

(1) contributions collected or recovered pursuant to section 10553 of this title;

(2) any amounts transferred or appropriated to the Fund by the General Assembly; and

(3) any interest earned by the Fund.

(c) The Departments may seek and accept grants from any source, public or private, to be dedicated for deposit into the Fund.

Sec. 19. CHILD CARE AND PARENTAL LEAVE CONTRIBUTION
POSITIONS AND APPROPRIATION

(a) The establishment of the following 15 new permanent classified positions is authorized in the Department of Taxes in fiscal year 2024:

(1) eight full-time, classified tax examiners within the Taxpayer Services Division;

(2) two full-time, classified tax examiners within the Compliance Division;

(3) three full-time, classified tax compliance officers within the Compliance Division;

(4) one full-time, classified financial specialist III within the Revenue Accounting and Returns Processing Division; and

(5) one business analyst–tax within the VTax Division.

(b) In fiscal year 2024, the amount of \$4,200,00.00 is appropriated from the General Fund to the Department of Taxes to be used for the implementation of the Child Care and Parental Leave Contribution pursuant to 32 V.S.A. chapter 246 created by this act.

* * * Parental Leave Benefit Program * * *

Sec. 20. 33 V.S.A. chapter 22 is added to read:

CHAPTER 22. PARENTAL LEAVE BENEFIT PROGRAM

§ 2201. PARENTAL LEAVE BENEFIT PROGRAM

(a) An eligible parent may apply to the Department for Children and Families to receive a parental leave benefit for a period during which the eligible parent is unable to work because the parent is caring for one or more children who were born or adopted within the preceding 12 months if the eligible parent is:

(1) either employed or self-employed prior to the birth or adoption of a child; and

(2) intends to either:

(A) return to employment or self-employment after the parental leave; or

(B) seek new employment or self-employment after the parental leave.

(b)(1) The benefits provided pursuant to this section shall be available for leaves for births or adoptions that occur on or after January 1, 2024.

(2)(A) Benefits shall be available for a maximum period of 12 weeks during the year following a birth or adoption.

(B) Benefits may be used either by one parent or shared between two parents, provided that the use of benefits by two parents shall not increase the length of the benefit period provided pursuant to this section.

(C) Benefits may be provided for:

(i) a single continuous leave;

(ii) intermittent leaves; or

(iii) for a portion of a week in which the eligible parent works part-time, provided that benefits shall only be provided for days on which the eligible parent does not work.

(3)(A) The weekly benefit provided to an eligible parent shall be \$600.00 per week or the eligible parent's average weekly wage or self-employment income during the six-month period preceding the commencement of the leave, whichever is less. If the leave benefit is shared between two eligible parents, the benefit amount for each eligible parent's leave shall be determined separately from the other eligible parent's portion of the leave.

(B) The benefit amount shall be calculated in increments of one full day, which shall be one-fifth of the eligible parent's weekly benefit amount. For eligible parents who are working part-time, the eligible parent's weekly benefit amount shall be prorated based on the number of days on which the eligible parent works in that week.

(4) The benefit shall be paid by the Department to the eligible parent within 14 days after the Department approves the parent's application or within 14 days after the parental leave begins, whichever is last occurring, and subsequent payments shall be made biweekly.

(c)(1) The Department shall develop an application for the parental leave benefit using a simple, plain-language format, which shall be available in both electronic and paper formats.

(2) The Department shall develop and make available on the Department's website information and materials to educate the public regarding the availability of the parental leave benefit and the requirements to obtain the benefit.

(d)(1) To receive the parental leave benefit, an eligible parent shall submit:

(A) an application;

(B) either:

(i) a signed certification from the eligible parent's employer that the eligible parent is currently employed by the employer or was employed by the employer within 30 days prior to the beginning of the parental leave; or

(ii) proof of self-employment income earned in Vermont during the prior calendar year or, if the individual did not earn self-employment income in Vermont during the prior calendar year, proof of self-employment income earned in Vermont during the current calendar year; and

(C) a statement of intent to return to employment or self-employment or to seek new employment or self-employment following the parental leave.

(2) An eligible parent may submit an application and other required materials to the Department in anticipation of a birth or the initial placement of

a child for adoption or during the eligible parent's parental leave. The Department shall provide retroactive payments to an eligible parent, provided the completed application and other required materials are received not more than eight weeks after the leave began.

(e)(1) Benefits paid pursuant to this section may be used as wage replacement for a leave taken pursuant to 21 V.S.A. § 472 or the federal Family and Medical Leave Act, 29 U.S.C. §§ 2611–2654.

(2) The receipt of benefits paid pursuant to this section shall not extend the leave provided pursuant to 21 V.S.A. § 472 or the federal Family and Medical Leave Act.

(3) Nothing in this section shall be construed to alter the job protection and employment-related rights provided pursuant to 21 V.S.A. § 472 or the federal Family and Medical Leave Act or to provide job protection or employment-related rights that are in addition to the rights provided pursuant to those laws.

(f) As used in this section:

(1) "Eligible parent" means an individual who is domiciled in Vermont whose annual gross family income is not more than 600 percent of the current federal poverty level and who is either:

(A) the parent of a child born within the preceding 12 months; or

(B) an individual with whom the initial placement of a child 10 years of age or younger for purposes of adoption has occurred within the preceding 12 months.

(2) "Parent" means an individual who:

(A) is a parent to a child, regardless of whether the relationship is a biological, adoptive, or step relationship; or

(B) has day-to-day responsibilities to care for and financially support a child.

(3) "Parental leave" means a leave of absence from employment or self-employment by an eligible parent following:

(A) the birth of the eligible parent's child; or

(B) the initial placement of a child 10 years of age or younger with the eligible parent for purposes of adoption.

Sec. 21. APPROPRIATIONS; PARENTAL LEAVE BENEFIT PROGRAM

(a) In fiscal year 2024, \$2,000,000.00 is appropriated from the General Fund to the Department for Children and Families' Child Development

Division for the implementation and administration of the Parental Leave Benefit Program in accordance with of 33 V.S.A. chapter 22. The Division may contract with a third party to administer the Parental Leave Benefit Program.

(b) In fiscal year 2024, \$5,600,000.00 is appropriated from the General Fund to the Department for Children and Families' Child Development Division for the benefit costs associated with the Parental Leave Benefit Program pursuant 33 V.S.A. chapter 22.

* * * Effective Dates * * *

Sec. 22. EFFECTIVE DATES

(a) Except as provided in subsection (b) of this section, this act shall take effect on July 1, 2023, with the Department for Children and Families making child care subsidies available to Vermont residents who have an immigration status for which Child Care Financial Assistance Program participation is not available pursuant to 33 V.S.A. § 3552 beginning on July 1, 2024, subject to fiscal year 2025 appropriations for this purpose.

(b)(1) Sec. 3 (Child Care Financial Assistance Program; eligibility), Sec. 4 (provider rate adjustment; Child Care Financial Assistance Program), Sec. 7 (payment to providers for school age children), Sec. 8 (payment to providers for children birth through four years of age), and Sec. 9 (child care quality and capacity incentive program) shall take effect on January 1, 2024, except that the Commissioner for Children and Families shall adopt any rules necessary prior to that date in order to perform the Commissioner's duties under this act.

(2) Notwithstanding 1 V.S.A. § 214, Sec. 17 (repeals; child tax credit) shall take effect retroactively on January 1, 2023 and shall apply to taxable years beginning on and after January 1, 2023.

(3) Sec. 18 (32 V.S.A. chapter 246, child care and parental leave contribution) shall take effect on July 1, 2024.

(4) Sec. 20 (relating to the Parental Leave Benefit Program) shall take effect on January 1, 2024.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only, pursuant to Rule 43, and the recommendation of amendment of the Committee on Health and Welfare was amended as recommended by the Committee on Finance.

Thereupon, the pending question, Shall the recommendation of amendment of the Committee on Health and Welfare be amended as recommended by the Committee on Appropriations, was decided in the affirmative.

Thereupon the bill was amended as recommended by the Committee on Health and Welfare, as amended.

Thereupon, third reading was ordered on a roll call, Yeas 24, Nays 6.

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

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, Mazza, McCormack, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Westman, White, Wrenner.

Those Senators who voted in the negative were: Brock, Collamore, Ingalls, Norris, Weeks, Williams.

Bill Passed

Senate bill of the following title was read the third time and passed:

S. 32. An act relating to ranked-choice voting for presidential primary elections.

Bill Amended; Bill Passed

S. 42.

Senate bill entitled:

An act relating to divestment of State pension funds of investments in the fossil fuel industry.

Was taken up.

Thereupon, pending third reading of the bill, Senators Clarkson and Hardy moved to amend the bill by as follows:

In Sec. 1, public pension funds; fossil fuels; Vermont Pension Investment Commission; plan and report, in subdivision (d)(1), by striking out the words “exempt from” and inserting in lieu thereof exceptions to; and in subdivision (d)(2), by striking out the word “Exemptions” and inserting in lieu thereof Exceptions, and by striking out the words “exempt from” and inserting in thereof the words exceptions to

Which was agreed to.

Thereupon, the bill was read the third time and passed on a roll call, Yeas 22, Nays 8.

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

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, Mazza, McCormack, Perchlik, Ram Hinsdale, Sears, Vyhovsky, Watson, White, Wrenner.

Those Senators who voted in the negative were: *Brock, Collamore, Ingalls, Norris, Starr, Weeks, Westman, Williams.

*Senator Brock explained his vote as follows:

“Fiduciary investment decisions affecting the financial future of retired State Employees and teachers should not be left in the hands of politicians.”

Bills Passed

Senate bills of the following titles were severally read the third time and passed:

S. 89. An act relating to establishing a forensic facility.

S. 91. An act relating to competency to stand trial and insanity as a defense.

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock and thirty minutes in the morning.