House Calendar

Thursday, May 11, 2023

128th DAY OF THE BIENNIAL SESSION

House Convenes at 10:00 A.M.

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ACTION CALENDAR

Action Postponed Until May 11, 2023

Senate Proposal of Amendment

H. 493

An act relating to capital construction and State bonding

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

* * * Legislative Intent * * *

Sec. 1. LEGISLATIVE INTENT

- (a) It is the intent of the General Assembly that of the \$122,767,376.00 authorized in this act, not more than \$56,445,325.00 shall be appropriated in the first year of the biennium, and the remainder shall be appropriated in the second year.
- (b) It is the intent of the General Assembly that in the second year of the biennium, any amendments to the appropriations or authorities granted in this act shall take the form of the Capital Construction and State Bonding Adjustment Bill. It is the intent of the General Assembly that unless otherwise indicated, all appropriations in this act are subject to capital budget adjustment.

Sec. 2. STATE BUILDINGS

- (a) The following sums are appropriated to the Department of Buildings and General Services, and the Commissioner is authorized to direct funds appropriated in this section to the projects contained in this section; however, no project shall be canceled unless the Chairs of the Senate Committee on Institutions and the House Committee on Corrections and Institutions are notified before that action is taken.
 - (b) The following sums are appropriated in FY 2024:

(1) Statewide, major maintenance:	\$8,001,244.00
(2) Statewide, physical security enhancements:	\$250,000.00
(3) Statewide, planning, reuse, and contingency:	\$425,000.00
(4) Bennington, Battle Monument, construction	of safety fencing: \$500,000.00
(5) Brattleboro, courthouse, roof replacement:	\$2,750,000.00

(6) Middlesex, Middlesex Therapeutic Community R	
plan, design, and decommissioning:	<u>\$350,000.00</u>
(7) Montpelier, State House, replacement of historic fin	
	\$50,000.00
(8) Montpelier, State House, HVAC renovations:	\$3,725,000.00
(9) Montpelier, 133 State Street, Office of Legisla	
Technology, renovations:	<u>\$200,000.00</u>
(10) St. Albans, Northwest State Correctional replacement:	1 Facility, roof \$1,300,000.00
(11) St. Johnsbury, Northeast State Correctional Fa	<u>st,000,000.00</u>
(12) White River Junction, courthouse, renovations:	\$2,000,000.00
(13) Statewide, three-acre parcel, stormwater, plann construction:	<u>sing, design, and</u> <u>\$1,500,000.00</u>
(14) Statewide, R22 refrigerant phase out:	\$250,000.00
(15) Statewide, Art in State Buildings Program:	\$75,000.00
(c) The following sums are appropriated in FY 2025:	
(1) Statewide, major maintenance:	<u>\$8,500,000.00</u>
(2) Statewide, physical security enhancements:	<u>\$250,000.00</u>
(3) Statewide, planning, reuse, and contingency:	\$425,000.00
(4) Middlesex, Middlesex Therapeutic Community R plan, design, and decommissioning:	Residence, master \$400,000.00
(5) Montpelier, State House, replacement of historic fin	
	<u>\$50,000.00</u>
(6) Montpelier, State House, HVAC renovations:	\$3,900,000.00
(7) Newport, Northern State Correctional Facility construction for the boiler replacement:	y, planning and \$3,500,000.00
(8) St. Johnsbury, Northeast State Correctional Fa	<u>scility, Caledonia</u> <u>\$1,750,000.00</u>
(9) White River Junction, courthouse, renovations:	\$4,000,000.00
(10) Statewide, three-acre parcel, stormwater, plann construction:	sing, design, and \$1,500,000.00

(11) Statewide, R22 refrigerant phase out:

\$1,000,000.00

(d) For the project described in subdivisions (b)(10) and (c)(6) of this section, the Department of Buildings and General Services is authorized to expend funds for a water-to-water heat pump system to dehumidify the State House in the summer months.

 Appropriation – FY 2024
 \$22,376,244.00

 Appropriation – FY 2025
 \$25,275,000.00

 Total Appropriation – Section 2
 \$47,651,244.00

Sec. 3. HUMAN SERVICES

- (a) The sum of \$300,000.00 is appropriated in FY 2024 to the Department of Buildings and General Services for the Department of Corrections for planning, design, and construction for HVAC system upgrades and replacements at statewide correctional facilities.
- (b) The following sums are appropriated in FY 2025 to the Department of Buildings and General Services for the Agency of Human Services for the following projects described in this subsection:
- (1) Northwest State Correctional Facility, booking expansion, planning, design, and construction: \$2,500,000.00
- (2) Women's correctional facility and reentry facility, replacement, planning and design: \$13,000,000.00
- (3) Statewide, correctional facilities, HVAC systems, planning, design, and construction for upgrades and replacements: \$700,000.00
- (c) For the amount appropriated in subsection (a) and subdivision (b)(3) of this section, the Department of Buildings and General Services shall evaluate and develop a design for upgrades and replacement of HVAC systems in all State correctional facilities. To the extent the Department identifies HVAC systems in common areas, break rooms, day rooms, and cafeterias that can be replaced to immediately alleviate heat-related stress for staff and residents at the facility, the Department is authorized to use the funds appropriated in subsection (a) and subdivision (b)(3) of this section for installation of HVAC systems in those areas.

 Appropriation – FY 2024
 \$300,000.00

 Appropriation – FY 2025
 \$16,200,000.00

 Total Appropriation – Section 3
 \$16,500,000.00

Sec. 4. COMMERCE AND COMMUNITY DEVELOPMENT

- (a) The following sums are appropriated in FY 2024 to the Agency of Commerce and Community Development for the following projects described in this subsection:
 - (1) Major maintenance at statewide historic sites: \$500,000.00
 - (2) Underwater preserves: \$46,000.00

(3) Placement and replacement of roadside historic markers:

\$25,000.00

(4) Unmarked Burial Sites Special Fund:

\$25,000.00

- (b) The following sums are appropriated in FY 2025 to the Agency of Commerce and Community Development for the following projects described in this subsection:
 - (1) Major maintenance at statewide historic sites: \$500,000.00
 - (2) Underwater preserves: \$46,000.00
 - (3) Placement and replacement of roadside historic markers:

\$25,000.00

(4) Unmarked Burial Sites Special Fund: \$25,000.00

Appropriation – FY 2024 \$596,000.00

Appropriation – FY 2025 \$596,000.00

Total Appropriation – Section 4 \$1,192,000.00

Sec. 5. GRANT PROGRAMS

- (a) The following sums are appropriated in FY 2024 for the Building Communities Grants established in 24 V.S.A. chapter 137:
- (1) To the Agency of Commerce and Community Development,

 <u>Division for Historic Preservation, for the Historic Preservation Grant</u>

 Program: \$300,000.00
- (2) To the Agency of Commerce and Community Development,
 Division for Historic Preservation, for the Historic Barns Preservation Grant
 Program:

 \$325,000.00
- (3) To the Vermont Council on the Arts for the Cultural Facilities Grant Program, the sum of which may be used to match funds that may be made available from the National Endowment for the Arts, provided that all capital funds are made available to the Cultural Facilities Grant Program:

\$300,000.00

(4) To the Department of Buildings and General Services for the

- (5) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Human Services): \$150,000.00
- (6) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Education): \$150,000.00
- (7) To the Department of Buildings and General Services for the Regional Economic Development Grant Program: \$300,000.00
- (8) To the Agency of Agriculture, Food and Markets for the Agricultural Fairs and Field Days Capital Projects Competitive Grant Program: \$350,000.00
- (b) The following sums are appropriated in FY 2025 for the Building Communities Grants established in 24 V.S.A. chapter 137:
- (1) To the Agency of Commerce and Community Development,

 Division for Historic Preservation, for the Historic Preservation Grant

 Program: \$300,000.00
- (2) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Barns Preservation Grant Program: \$325,000.00
- (3) To the Vermont Council on the Arts for the Cultural Facilities Grant Program, the sum of which may be used to match funds that may be made available from the National Endowment for the Arts, provided that all capital funds are made available to the Cultural Facilities Grant Program:

\$300,000.00

- (4) To the Department of Buildings and General Services for the Recreational Facilities Grant Program: \$300,000.00
- (5) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Human Services): \$150,000.00
- (6) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Education): \$150,000.00
- (7) To the Department of Buildings and General Services for the Regional Economic Development Grant Program: \$300,000.00
 - (8) To the Agency of Agriculture, Food and Markets for the

Agricultural	Fairs	and	Field	Days	Capital	Projects	Competitive	Grant
Program:				_	_	-	\$350,00	00.00
Appropriation	n – FY	2024					\$2,175,00	00.00
Appropriation	n – FY	2025					\$2,175,00	00.00
Total Approp	riation	– Sec	ction 5				\$4,350,00	00.00

Sec. 6. EDUCATION

- (a) The sum of \$50,000.00 is appropriated in FY 2024 to the Agency of Education for funding emergency projects.
- (b) The sum of \$50,000.00 is appropriated in FY 2025 to the Agency of Education for the projects described in subsection (a) of this section.

Appropriation – FY 2024	\$50,000.00
Appropriation – FY 2025	\$50,000.00
<u>Total Appropriation – Section 6</u>	<u>\$100,000.00</u>

Sec. 7. UNIVERSITY OF VERMONT

- (a) The sum of \$1,600,000.00 is appropriated in FY 2024 to the University of Vermont for construction, renovation, and major maintenance at any facility owned or operated in the State by the University of Vermont.
- (b) The sum of \$1,500,000.00 is appropriated in FY 2025 to the University of Vermont for the projects described in subsection (a) of this section.

Appropriation – FY 2024	\$1,600,000.00
Appropriation – FY 2025	<u>\$1,500,000.00</u>
<u>Total Appropriation – Section 7</u>	\$3,100,000.00

Sec. 8. VERMONT STATE COLLEGES

- (a) The sum of \$1,500,000.00 is appropriated in FY 2024 to the Vermont State Colleges for construction, renovation, and major maintenance at any facility owned or operated in the State by the Vermont State Colleges.
- (b) The sum of \$1,500,000.00 is appropriated in FY 2025 to the Vermont State Colleges for the projects described in subsection (a) of this section.

Appropriation – FY 2024	\$1,500,000.00
Appropriation – FY 2025	\$1,500,000.00
<u>Total Appropriation – Section 8</u>	\$3,000,000.00

Sec. 9. NATURAL RESOURCES

- (a) The following sums are appropriated in FY 2024 to the Agency of Natural Resources for the Department of Environmental Conservation for the projects described in this subsection:
- (1) State match, drinking water supply, Drinking Water State Revolving Fund: \$174,586.00
 - (2) Dam safety and hydrology projects: \$1,000,000.00
- (b) The following sums are appropriated in FY 2024 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for the following projects:
- (1) Infrastructure rehabilitation, including statewide small-scale rehabilitation, wastewater repairs, preventive improvements and upgrades of restrooms and bathhouses, statewide small-scale road rehabilitation projects, and three-acre stormwater rule compliance: \$3,750,000.00
- (2) Open access recreational infrastructure and State forests and recreational access points: \$768,863.00
- (c) The following amounts are appropriated in FY 2024 to the Agency of Natural Resources for the Department of Fish and Wildlife for the projects described in this subsection:
- (1) General infrastructure projects, including small-scale maintenance and rehabilitation of infrastructure: \$1,878,632.00
- (2) Lake Champlain Walleye Association, Inc., to upgrade and repair the Walleye rearing, restoration, and stocking infrastructure: \$25,000.00
- (d) The sum of \$2,207,901.00 is appropriated in FY 2025 to the Agency of Natural Resources for the Department of Environmental Conservation for the State's match to the Drinking Water State Revolving Fund for the drinking water supply.
- (e) The following sums are appropriated in FY 2025 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for the following projects:
- (1) Infrastructure rehabilitation, including statewide small-scale rehabilitation, wastewater repairs, preventive improvements and upgrades of restrooms and bathhouses, statewide small-scale road rehabilitation projects, and three-acre stormwater rule compliance: \$3,250,000.00
 - (2) Open access recreational infrastructure and forest park access roads: \$670,000.00
 - (f) The following amounts are appropriated in FY 2025 to the Agency of

Natural Resources for the Department of Fish and Wildlife for the projects described in this subsection:

(1) General infrastructure projects, including small-scale maintenance and rehabilitation of infrastructure: \$1,344,150.00

(2) Lake Champlain Walleye Association, Inc., to upgrade and repair the Walleye rearing, restoration, and stocking infrastructure: \$25,000.00

Appropriation – FY 2024 \$7,597,081.00

Appropriation – FY 2025 \$7,497,051.00

Total Appropriation – Section 9 \$15,094,132.00

Sec. 10. CLEAN WATER INITIATIVES

- (a) The sum of \$2,202,019.00 is appropriated in FY 2024 to the Agency of Agriculture, Food and Markets for water quality grants and contracts.
- (b) The following sums are appropriated in FY 2024 to the Agency of Natural Resources for the following projects:
- (1) the Clean Water State/EPA Revolving Loan Fund (CWSRF) match for the Water Pollution Control Fund: \$332,981.00
 - (2) municipal pollution control grants:

\$4,000,000.00

- (c) The sum of \$550,000.00 is appropriated in FY 2024 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for forestry access roads, recreation access roads, and water quality improvements.
- (d)(1) The following sums are appropriated in FY 2024 to the Vermont Housing and Conservation Board for the following projects:
 - (A) Agricultural water quality projects: \$800,000.00
 - (B) Land conservation and water quality projects: \$2,000,000.00
 - (2) A grant issued under subdivision (1)(A) of this subsection:
- (A) shall not be considered a State grant under 6 V.S.A. chapter 215, subchapter 3 for purposes of calculating the maximum amount of a State water quality assistance award under 6 V.S.A. § 4824 or 4826; and
- (B) may be used to satisfy a grant recipient's cost-share requirements.
- (e) The sum of \$6,000,000.00 is appropriated in FY 2025 to the Agency of Natural Resources for the Department of Environmental Conservation for clean water implementation projects.

(f) On or before December 1, 2023:

- (1) The Clean Water Board shall review and recommend Clean Water Act implementation programs funded from subsection (e) of this section.
- (2) The Board shall submit a report with the list of programs recommended for FY 2025 to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and to the Governor for the FY 2024 capital budget adjustment report. The report shall include a recommendation on whether funds appropriated to the Clean Water Fund, established in 10 V.S.A. § 1388, may be used for municipal pollution control grants in FY 2025.
- (g) In FY 2024 and FY 2025, any agency that receives funding from this section shall consult with the State Treasurer to ensure that the projects are capital eligible.

Appropriation – FY 2024	\$9,885,000.00
Appropriation – FY 2025	\$6,000,000.00
Total Appropriation – Section 10	\$15,885,000.00

Sec. 11. MILITARY

- (a) The sum of \$1,251,000.00 is appropriated in FY 2024 to the Department of Military for maintenance, renovations, and ADA compliance at State armories.
- (b) The sum of \$1,064,000.00 is appropriated in FY 2025 to the Department of Military for the projects described in subsection (a) of this section.

 Appropriation – FY 2024
 \$1,251,000.00

 Appropriation – FY 2025
 \$1,064,000.00

 Total Appropriation – Section 11
 \$2,315,000.00

Sec. 12. AGRICULTURE, FOOD AND MARKETS

- (a) The sum of \$1,200,000.00 is appropriated in FY 2024 to the Department of Buildings and General Services for the Agency of Agriculture, Food and Markets for major maintenance at the Vermont building of the Eastern States Exposition.
- (b) The following sums are appropriated in FY 2025 to the Department of Buildings and General Services for the Agency of Agriculture, Food and Markets for the following projects:
 - (1) Vermont Agriculture and Environmental Laboratory Heat Plant, - 3529 -

<u>construction:</u> \$1,040,000.00

Sec. 13. VERMONT RURAL FIRE PROTECTION

- (a) The sum of \$125,000.00 is appropriated in FY 2024 to the Department of Public Safety for the Vermont Rural Fire Protection Task Force for the dry hydrant program.
- (b) The sum of \$125,000.00 is appropriated in FY 2025 to the Department of Public Safety for the Vermont Rural Fire Protection Task Force for the project described in subsection (a) of this section.

 Appropriation – FY 2024
 \$125,000.00

 Appropriation – FY 2025
 \$125,000.00

 Total Appropriation – Section 13
 \$250,000.00

Sec. 14. VERMONT HOUSING AND CONSERVATION BOARD

- (a) The sum of \$1,800,000.00 is appropriated in FY 2024 to the Vermont Housing and Conservation Board for housing and conservation projects.
- (b) The sum of \$1,800,000.00 is appropriated in FY 2025 to the Vermont Housing and Conservation Board for the project described in subsection (a) of this section.

 Appropriation – FY 2024
 \$1,800,000.00

 Appropriation – FY 2025
 \$1,800,000.00

 Total Appropriation – Section 14
 \$3,600,000.00

Sec. 15. VETERANS HOME

- (a) The sum of \$260,000.00 is appropriated in FY 2024 to the Department of Buildings and General Services for the Vermont Veterans' Home for maintenance at the Veterans' Home.
- (b) The following sums are appropriated in FY 2024 to the Vermont Veterans' Home for the following projects:
 - (1) an emergency generator and boiler plant replacement:

\$4,500,000.00

(2) elevator upgrade:

\$1,000,000.00

(3) resident care furnishings and security systems:

\$230,000.00

(c) For the amounts appropriated in subsection (a) and subdivision (b)(3) of this section, on or before January 15, 2024, the Veterans' Home shall submit a report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions on the status of expended funds and an anticipated timeline of when any remaining funds will be expended.

Appropriation – FY 2024

\$5,990,000.00

Total Appropriation – Section 15

\$5,990,000.00

* * * Funding * * *

Sec. 16. REALLOCATION OF FUNDS; TRANSFER OF FUNDS

- (a) The following sums are reallocated to the Department of Buildings and General Services from prior capital appropriations to defray expenditures authorized in Sec. 2 of this act:
- (1) of the amount appropriated in 2012 Acts and Resolves No. 40, Sec. 19(a) (Veterans' Home, replace nurse call system): \$14,668.72
- (2) of the amount appropriated 2012 Acts and Resolves No. 40, Sec. 19(b) (Veterans' Home kitchen upgrade): \$13,522.98
- (3) of the amount appropriated in 2014 Acts and Resolves No. 51, Sec. 2(b) (various projects): \$365.00
- (4) of the amount appropriated in 2014 Acts and Resolves No. 51, Sec. 17 (Veterans' Home kitchen renovation and mold remediation): \$21,493.59
- (5) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2(b) (various projects): \$65,463.17
- (6) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2(b)(9) (108 Cherry Street, parking garage): \$134,937.34
- (7) of the amount appropriated in 2016 Acts and Resolves No. 160, Sec. 1(c)(5) (major maintenance): \$93,549.00
- (8) of the amount appropriated in 2016 Acts and Resolves No. 160, Sec. 9(g) (Roxbury Fish Hatchery): \$6,175.00
- (9) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 2(b)(13) (108 Cherry Street, parking garage): \$1,736,256.55
- (10) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 2(c) (various projects): \$24,363.06

- (11) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 6(a)(4) (Recreational Facilities Grant Program): \$14,833.00
- (12) Of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 16(b) (Veterans' Home kitchen renovation and mold remediation): \$209, 533.90
- (13) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 2(b)(3) (major maintenance): \$32,780.00
- (14) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 2(c)(5) (108 Cherry Street, parking garage): \$6,944,999.00
- (15) of the amount appropriated in 2021 Acts and Resolves No. 50, Sec. 2(b)(5)(108 Cherry Street, parking garage): \$3,100,000.00
- (16) of the amount appropriated in 2022 Acts and Resolves No. 180, Sec. 2(c)(18) (108 Cherry Street, parking garage): \$1,940,000.00
- (b) Of the amount appropriated to the Department of Buildings and General Services for the Agency of Human Services in 2020 Acts and Resolves No. 139, Sec. 2(c)(5) (relocation of greenhouse), the sum of \$26,131.60 is reallocated to defray expenditures authorized in this act.
- (c) Of the amount appropriated to the Agency of Education in 2019 Acts and Resolves No. 42, Sec. 7(a) (emergency projects), the sum of \$34,760.56 is reallocated to defray expenditures authorized in this act.
- (d) Of the amount appropriated to the Department of Environmental Conservation in 2017 Acts and Resolves No. 84, Sec. 10(a)(3) (municipal pollution control grants), the sum of \$64,628.10 is reallocated to defray expenditures authorized in this act.
- (e) The following sums appropriated to the Department of Forest, Parks and Recreation are reallocated to defray expenditures authorized in this act:
- (1) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 10(b) (infrastructure rehabilitation): \$219.08
- (2) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 10(f) (infrastructure rehabilitation): \$1,865.52
- (3) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 10(b) (infrastructure rehabilitation): \$33,638.68
- (4) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 10(g) (infrastructure rehabilitation): \$16,043.11
 - (5) of the amount appropriated in 2019 Acts and Resolves No. 42,

\$3,600.00

- (f) Of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 17(a)(2) (committee room chairs), the sum of \$2,006.46 is reallocated to defray expenditures authorized in this act.
- (g) The following sums appropriated to the Vermont Veterans' Home are reallocated to defray expenditures authorized in this act:
- (1) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 16(a) (resident care furnishings): \$88,835.00
- (2) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 16(c)(resident care furnishings): \$49,914.00
- (3) of the amount appropriated in 2018 Acts and Resolves No. 190, Sec. 11 (security access system): \$92,794.00

Total Reallocations and Transfers – Section 16

\$14,767,376.32

Sec. 17. GENERAL OBLIGATION BONDS AND APPROPRIATIONS

The State Treasurer is authorized to issue general obligation bonds in the amount of \$108,000,000.00 for the purpose of funding the appropriations of this act. The State Treasurer, with the approval of the Governor, shall determine the appropriate form and maturity of the bonds authorized by this section consistent with the underlying nature of the appropriation to be funded. The State Treasurer shall allocate the estimated cost of bond issuance or issuances to the entities to which funds are appropriated pursuant to this section and for which bonding is required as the source of funds, pursuant to 32 V.S.A. § 954.

Total Revenues – Section 17

\$108,000,000.00

Sec. 18. FY 2024 AND 2025; CAPITAL PROJECTS; FY 2024 APPROPRIATIONS ACT; INTENT; AUTHORIZATIONS

- (a) Findings. The General Assembly finds that in addition to the issuance of general obligation bonds, eligible capital projects may be funded from the Fund established in 32 V.S.A. § 1001b.
- (b) Intent. It is the intent of the General Assembly to authorize certain capital projects eligible for funding by 32 V.S.A. § 1001b in this act but appropriate the funds for these projects in the FY 2024 Appropriations Act. It is also the intent of the General Assembly that the FY 2024 Appropriations Act appropriate funds to the Fund established in 32 V.S.A. § 1001b for projects in FY 2025, which shall be allocated pursuant to the process set forth in subsection (e) of this section.

- (c) Authorizations. In FY 2024, spending authority for the following capital projects are authorized as follows:
- (1) the Department of Buildings and General Services is authorized to spend \$400,000.00 for planning, reuse, and contingency;
- (2) Barre, McFarland State Office Building, roof replacement and brick façade repairs: \$1,700,000.00
- (3) the Department of Buildings and General Services is authorized to spend \$135,000.00 for parking garage repairs at 32 Cherry Street in Burlington;
 - (4) Middlesex, Central Services complex, roof replacement:

\$1,000,000.00

(5) Montpelier, State House expansion, design documents:

\$150,000.00

- (6) the Department of Buildings and General Services is authorized to spend \$1,000,000.00 for the renovation of the interior HVAC steam lines at 120 State Street in Montpelier;
- (7) the Department of Buildings and General Services is authorized to spend \$600,000.00 for planning for the boiler replacement at the Northern State Correctional Facility in Newport;
- (8) the Department of Buildings and General Services is authorized to spend \$750,000.00 for planning for renovations to the administration building, West Cottage, at the Criminal Justice Training Council in Pittsford;
- (9) the Department of Buildings and General Services is authorized to spend \$600,000.00 for the Agency of Human Services for the planning and design of the booking expansion at the Northwest State Correctional Facility;
- (10) the Department of Buildings and General Services is authorized to spend \$1,500,000.00 for the Agency of Human Services for the planning and design for the replacement of the women's correctional facility and reentry facility;
- (11) the Department of Buildings and General Services is authorized to spend \$1,000,000.00 for the Agency of Human Services for the planning and design of the Department for Children and Families' short-term stabilization facility;
- (12) the Department of Buildings and General Services is authorized to spend \$750,000.00 for the Judiciary for renovations at the Washington County Superior Courthouse in Barre;

- (13) the Department of Buildings and General Services is authorized to spend \$250,000.00 for the Department of Public Safety for the planning and design of the Special Teams Facility and Storage;
- (14) the Department of Buildings and General Services is authorized to spend \$250,000.00 for the Department of Public Safety for the planning and design of the Rutland Field Station;
- (15) the Department of Buildings and General Services is authorized to spend \$300,000.00 for the Agency of Agriculture, Food and Markets for the planning and design of the Vermont Agriculture and Environmental Laboratory Heat Plant;
- (16) the Department of Buildings and General Services is authorized to spend \$1,000,000.00 for electric vehicle charging stations at State buildings;
- (17) the Vermont State Colleges is authorized to spend \$6,000,000.00 for construction, renovation, and major maintenance at any facility owned or operated in the State by the Vermont State Colleges; infrastructure transformation planning; and the planning, design, and construction of Green Hall and Vail Hall;
- (18) the Agency of Natural Resources is authorized to spend \$9,800,000.00 for the Department of Environmental Conservation for the State match to the Infrastructure Investment and Jobs Act for the Drinking Water State Revolving Fund and the Clean Water State Revolving Fund;
- (19) the Agency of Natural Resources is authorized to spend \$4,500,000.00 for the Department of Environmental Conservation for the Waterbury Dam rehabilitation;
- (20) the Agency of Natural Resources is authorized to spend \$4,000,000.00 for the Department of Environmental Conservation for the Municipal Pollution Control Grants for pollution control projects and planning advances for feasibility studies;
- (21) the Agency of Natural Resources is authorized to spend \$3,000,000.00 for the Department of Forests, Parks and Recreation for the maintenance facilities at the Gifford Woods State Park and Groton Forest State Park; and
- (22) the Agency of Natural Resources is authorized to spend \$800,000.00 for the Department of Fish and Wildlife for infrastructure maintenance and improvements of the Department's buildings, including conservation camps.
 - (d) FY 2025 capital projects. To the extent general funds are available to

- appropriate to the Fund established in 32 V.S.A. § 1001b in FY 2025, it is the intent of the General Assembly that the following capital projects receive funding from the Fund:
- (1) the sum of \$250,000.00 to the Department of Buildings and General Services for planning, reuse, and contingency;
- (2) the sum of \$2,300,000.00 to the Department of Buildings and General Services for parking garage repairs at 32 Cherry Street in Burlington;
- (3) the sum of \$2,000,000.00 to the Department of Buildings and General Services for the renovation of the interior HVAC steam lines at 120 State Street in Montpelier;
- (4) the sum of \$1,000,000.00 to the Department of Buildings and General Services for the Judiciary for renovations at the Washington County Superior Courthouse in Barre;
- (5) the sum of \$1,000,000.00 to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Special Teams Facility and Storage;
- (6) the sum of \$1,000,000.00 to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Rutland Field Station;
- (7) the sum of \$1,500,000.00 to the Vermont Veterans' Home for design for the renovation of the Brandon and Cardinal units;
- (8) the sum of \$500,000.00 to the Department of Buildings and General Services for the Newport courthouse replacement, planning, and design;
- (9) the sum of \$250,000.00 to the Department of Buildings and General Services for planning for the 133-109 State Street tunnel waterproofing and Aiken Avenue reconstruction; and
- (10) the sum of \$200,000.00 to the Department of Buildings and General Services for the renovation of the stack area, HVAC upgrades, and the elevator replacement at 111 State Street.
 - (e) Recommendation. On or before December 15, 2023:
- (1) the Secretary of Administration shall review and recommend capital projects to be funded from the Fund established in 32 V.S.A. § 1001b; and
- (2) the Secretary of Administration shall submit the list of capital projects recommended for FY 2025 to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and to the Governor for the FY 2025 capital budget adjustment report.

* * * Policy * * *

* * * Agriculture, Food and Markets * * *

Sec. 19. 26 V.S.A. § 4811 is amended to read:

§ 4811. SAFETY STANDARDS

Minimum safety standards for the conduct of any race covered by this chapter are established as follows:

(1) Each race track shall have a substantial fence of steel wire or plank construction or other barrier not less than three feet high between the track and area designated for spectators. No grandstand shall be constructed or spectators allowed on a curved side of a track unless the barrier, including all walls, fencing, and overhangs, meets the same standards for the straightaway of the track with spectators. For motorcycle, ATV, or snowmobile racing, each track shall have a snow fence or other suitable barrier not less than four feet high between the track and the area designated for spectators. The outside portion of all tracks shall be a reasonable distance from the spectators.

* * *

* * * Buildings and General Services * * *

Sec. 20. 29 V.S.A. § 166 is amended to read:

§ 166. SELLING OR RENTING STATE PROPERTY

* * *

- (b)(1) Upon authorization by the General Assembly, which may be granted by resolution, and with the advice and consent of the Governor, the Commissioner of Buildings and General Services may sell real estate owned by the State. Such property shall be sold to the highest bidder therefor at public auction or upon sealed bids in the discretion of the Commissioner of Buildings and General Services, who may reject any or all bids. Notice, or the Commissioner is authorized to list the sale of property with a real estate agent licensed by the State.
- (2) If the Commissioner elects to sell the property at auction or by sealed bid, notice of the sale or a request for sealed bids shall be posted:

(A) by electronic means; or

(B) in at least three public places in the town where the property is located and also published three times in a newspaper having a known circulation in the town, the last publication to be not less than 10 days before the date of sale or opening of the bids. Failing to consummate a sale under the

method prescribed in this section, the Commissioner of Buildings and General Services is authorized to list the sale of this property with a real estate agent licensed by the State of Vermont.

(3) This subsection shall not apply to the sale, conveyance, exchange, or lease of lands or interests in lands; to the amendment of deeds, leases, and easements; or to sales of timber made in accordance with the provisions of 10 V.S.A. chapter 155 or the provisions of 10 V.S.A. chapter 83.

* * *

Sec. 21. SALE OF PROPERTIES

- (a) 110 State Street. Notwithstanding 29 V.S.A. § 166(b), the Commissioner of Buildings and General Services is authorized to sell the property located at 110 State Street in the City of Montpelier. The Commissioner shall first offer in writing to the City the right to purchase the property.
- (1) The City's preferential right to purchase the property authorized in this subsection shall terminate unless the City submits a written notification to the Commissioner of its intent to purchase the property within 90 days from the date of the written offer.
- (2) If the City submits a notification of its intent to purchase the property pursuant to subdivision (1) of this subsection, the City shall submit a written offer to the Commissioner not later than June 1, 2024. In the event the City fails to submit a written offer by June 1, 2024, then the City's preferential right to purchase the property shall terminate and the Commissioner is authorized to sell the property to another party.
- (b) Stanley Hall and Wasson Hall. Notwithstanding 29 V.S.A. § 166(b), the Commissioner of Buildings and General Services is authorized to subdivide, sell, or otherwise dispose of the portion of land in the Waterbury State Office Complex (Parcel ID # 916-0103.V as designated on the Town of Waterbury's Tax Parcel Maps) that housed the former Stanley Hall and the adjacent parking lot, located at 32 Park Row, and Wasson Hall, located at 64 Horseshoe Drive, to the Town of Waterbury.
- (1) The Commissioner of Buildings and General Services shall notify, in writing, the Town of Waterbury of the right to purchase or acquire the properties described in subdivision (1) of this subsection provided that the following conditions are met:
- (A) the Town of Waterbury's Select Board takes a formal action within 90 days from the date of the written offer indicating the Town's interest in purchasing or acquiring the properties; and

- (B) if the Town elects to purchase or acquire the properties, the Town submits a written offer not later than June 1, 2024;
- (2) If the conditions in subdivision (1) of this subsection are not met, then the Commissioner's authority to subdivide, sell, or otherwise dispose of the property described in this subsection shall be rescinded.
- (c) 108 Cherry Street. Notwithstanding 29 V.S.A. § 166(b), the Commissioner of Buildings and General Services is authorized to sell the property located at 108 Cherry Street in the City of Burlington. The Commissioner shall first offer in writing to the City the right to purchase the property.
- (1) The City's preferential right to purchase the property authorized in this subsection shall terminate unless the City submits a written notification to the Commissioner of its intent to purchase the property within 90 days from the date of the written offer.
- (2) If the City submits a notification of its intent to purchase the property pursuant to subdivision (1) of this subsection, the City shall submit a written offer to the Commissioner not later than June 1, 2024. In the event the City fails to submit a written offer by June 1, 2024, then the City's preferential right to purchase the property shall terminate and the Commissioner is authorized to sell the property to another party.

Sec. 22. RELOCATION OF STATE EMPLOYEES; DEPARTMENT OF BUILDINGS AND GENERAL SERVICES; CITY OF BURLINGTON

Prior to the sale of the building located at 108 Cherry Street in Burlington, the Department of Buildings and General Services shall work with the City of Burlington to find another appropriate location in downtown Burlington to relocate State employees who provide client services.

Sec. 23. 32 V.S.A. § 701a is amended to read:

§ 701a. CAPITAL CONSTRUCTION BILL

- (a) When the capital budget has been submitted by the Governor to the General Assembly, it shall immediately be referred to the House Committee on Corrections and Institutions, which shall proceed to consider the budget request in the context of the 10-year capital program plan also submitted by the Governor pursuant to sections 309 and 310 of this title. The Committee shall also propose to the General Assembly:
- (1) a prudent amount of total general obligation bonding for the following fiscal year, for support of the capital budget, in consideration of the

recommendation of the Capital Debt Affordability Advisory Committee pursuant to chapter 13, subchapter 8 of this title; and

- (2) recommendations for capital projects that may be paid for from the Cash Fund for Capital Infrastructure and Other Essential Investments, established in section 1001b of this title.
- (b) As soon as possible, the Committee shall prepare a bill to be known as the "capital construction bill," which shall be introduced for action by the General Assembly.
- (c) The spending authority authorized by a capital construction act shall carry forward until expended, unless otherwise provided.
- (1) All unexpended funds remaining for projects authorized by capital construction acts enacted in a legislative session that was two or more years prior to the current legislative session shall be reported to the General Assembly and may be reallocated in future capital construction acts.
- (2) Notwithstanding subdivision (1) of this subsection, any amounts appropriated in a previous capital construction act that are unexpended for at least five years shall be reallocated to future capital construction acts.
- (d)(1) On or before January 15, November 15 each year, the Commissioner of Finance and Management shall require each entity to which spending authority has been authorized by a capital construction act enacted in a legislative session that was two or more years prior to the current legislative session shall submit to the House Committee on Corrections and Institutions and the Senate Committee on Institutions to submit a report on the current fund balances of each authorized project with unexpended funds. The report shall include plans for the unexpended funds, any projects or contracts the funds are assigned to, and an anticipated timeline for expending the funds.
- (2) On or before December 15 each year, the Commissioner of Finance and Management shall submit in a consolidated format the reports required by subdivision (1) of this subsection to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.
- (e) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the reports to be made under subsections (c) and (d) of this section.

* * * Corrections * * *

Sec. 24. 29 V.S.A. § 170a is added to read:

§ 170a. DESIGN OF CORRECTIONAL FACILITIES; USE OF EVIDENCE-BASED DESIGN PRINCIPLES FOR WELLNESS

ENVIRONMENTS

The Department of Buildings and General Services shall coordinate with the Department of Corrections on the design and planning for any maintenance, renovation, or construction to a State correctional facility to ensure that evidence-based design principles for wellness environments are incorporated into the design and planning phase of a project.

Sec. 25. NORTHWEST STATE CORRECTIONAL FACILITY; FUNDING REQUEST FOR FEDERAL DETAINEES; INTENT FOR BOOKING EXPANSION DESIGN

- (a) On or before August 15, 2023, the Secretary of Human Services shall request federal funds to support capital construction at the Northwest State Correctional Facility, which houses federal detainees, including U.S. Immigration and Customs Enforcement detainees. The Commissioner of Finance and Management shall only release the funds appropriated in Sec. 3(1) of this act upon notification from the Secretary that the request was submitted.
- (b) It is the intent of the General Assembly that the Commissioner of Buildings and General Services shall incorporate into booking expansion design at the Northwest State Correctional Facility:
 - (1) renovations to the HVAC system;
- (2) enhanced employee amenities, including amenities to address employee health and wellness needs;
 - (3) the use of renewable energy; and
- (4) the use of evidence-based principles for wellness environments for supporting trauma-informed practices.

Sec. 26. REPLACEMENT WOMEN'S FACILITIES; SITE LOCATION PROPOSAL; DESIGN INTENT

- (a)(1) Site location proposal. On or before January 15, 2024, the Commissioner of Buildings and General Services shall submit a site location proposal for replacement women's facilities for justice-involved women to the House Committee on Corrections and Institutions and the Senate Committee on Institutions. It is the intent of the General Assembly that when evaluating site locations, preference shall be given to State-owned property. The proposal shall consider both co-locating facilities in a campus-style approach for operational efficiencies and the need for separate facilities at different locations.
- (2) Beginning September 15, 2023 and ending December 15, 2023, the Commissioner of Buildings and General Services shall submit monthly status

reports on the site location proposal described in subdivision (1) of this subsection (a).

(b) Design intent. It is the intent of the General Assembly that the Commissioner of Buildings and General Services, in consultation with the Commissioner of Corrections, shall incorporate into the design of any women's replacement facility the use of evidence-based principles for wellness environments for supporting trauma-informed practices.

Sec. 27. DEPARTMENT OF CORRECTIONS, REPLACEMENT WOMEN'S FACILITIES; REPORT

- (a) It is the intent of the General Assembly that the State's long-term goal and vision for justice-involved individuals includes their reentry into the community through a system of supports grounded in restorative justice principles.
- (b) On or before November 15, 2023, the Department of Corrections shall submit a written report to the House Committees on Corrections and Institutions and on Judiciary and the Senate Committees on Institutions and on Judiciary regarding the proposed size and scale of replacement women's facilities. The report shall address the following:
 - (1) proposed allocation of beds in correctional and re-entry facilities;
 - (2) bed types for specialized populations in each facility; and
 - (3) data and rationale used to inform size of each facility.

* * * Judiciary * * *

Sec. 28. BARRE; WASHINGTON COUNTY SUPERIOR COURTHOUSE; RENOVATIONS

On or before September 15, 2023, the Commissioner of Buildings and General Services shall engage the City of Barre on options for renovating the existing Washington County Superior Courthouse or finding a new site location for the building.

* * * Legislature * * *

Sec. 29. 2020 Acts and Resolves No. 154, Sec. E.126.3, as amended by 2021 Acts and Resolves No. 50, Sec. 31 and 2022 Acts and Resolves No. 180, Sec. 20, is further amended to read:

Sec. E.126.3 GENERAL ASSEMBLY; STATE BUILDINGS; USE OF SPACE; AUTHORITY OF SERGEANT AT ARMS

* * *

(c) Beginning on January 1, 2023 and ending on June 30, 2023 2024, notwithstanding the provisions of 29 V.S.A. § 165 and any other provision of law to the contrary, in order to perform its constitutional duties, the Legislative Branch shall have exclusive use of rooms 264, 267, 268, and 270 on the second floor of 109 State Street.

* * *

Sec. 30. STATE HOUSE; EXPANSION; DESIGN; SPECIAL COMMITTEE

- (a) The Department of Buildings and General Services has contracted with Freeman, French, Freeman to develop programming options that will be the basis for a schematic design for the expansion of the State House. The programming options will be finalized in June 2023 and the schematic design in November 2023 when the General Assembly is not in session. It is the intent of the General Assembly to approve the programming option for a schematic design plan for the State House expansion as soon as practicable to allow the Department of Buildings and General Services to begin the design development phase of the expansion.
- (b) A special committee consisting of the Joint Legislative Management Committee and the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions (special committee) is hereby established. The special committee is authorized to meet to review, approve, or recommend alterations to the schematic design described in subsection (a) of this section at a regularly scheduled Joint Legislative Management Committee meeting. In making its decision, the special committee shall consider:
- (1) how the design impacts the ability of the General Assembly to conduct legislative business;
 - (2) allows for public access to citizens;
- (3) the financial consequences to the State of approval or disapproval of the proposal; and
 - (4) whether any potential alternatives are available.
- (c) The special committee shall be entitled to per diem and expenses as provided in 2 V.S.A. § 23.
- Sec. 31. 2016 Acts and Resolves No. 88, Sec. 3a, as amended by 2019 Acts and Resolves No. 42, Sec. 24 and 2021 Acts and Resolves No. 50, Sec. 23, is further amended to read:

Sec. 3a. REPEAL

2 V.S.A. chapter 30 (Capitol Complex Security Advisory Committee) is repealed on June 30, 2023 June 30, 2024.

* * * Natural Resources * * *

Sec. 32. REPEAL

2018 Acts and Resolves No. 185, Sec. 12 (suspension of private loans for clean water projects) is repealed.

* * * Public Safety * * *

Sec. 33. 2021 Acts and Resolves No. 50, Sec. 12, as amended by 2022 Acts and Resolves No. 180, Sec. 10, is further amended to read:

Sec. 12. PUBLIC SAFETY

* * *

- (b) The following amounts are sum of \$50,000.00 is appropriated in FY 2023 to the Department of Public Safety for the projects described in this subsection:
 - (1) Pittsford, Vermont Policy Academy, feasibility study: \$50,000.00.
 - (2) Williston Public Safety Field Station, construction: \$3,500,000.00
- (c) The sum of \$3,500,000.00 is appropriated in FY 2023 to the Department of Buildings and General Services for the Department of Public Safety for the construction of the Williston Public Field Station.

 Appropriation – FY 2022
 \$6,120,000.00

 Appropriation – FY 2023
 \$3,550,000.00

 Total Appropriation – Section 12
 \$9,670,000.00

* * * Effective Date * * *

Sec. 34. EFFECTIVE DATE

This act shall take effect on passage.

Amendment to be offered by Rep. Emmons of Springfield to H. 493

That the House concur in the Senate proposal of amendment with further proposal of amendment by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Legislative Intent * * *

Sec. 1. LEGISLATIVE INTENT

- (a) It is the intent of the General Assembly that of the \$122,767,376.00 authorized in this act, not more than \$56,520,325.00 shall be appropriated in the first year of the biennium, and the remainder shall be appropriated in the second year.
- (b) It is the intent of the General Assembly that in the second year of the biennium, any amendments to the appropriations or authorities granted in this act shall take the form of the Capital Construction and State Bonding Adjustment Bill. It is the intent of the General Assembly that unless otherwise indicated, all appropriations in this act are subject to capital budget adjustment.

Sec. 2. STATE BUILDINGS

- (a) The following sums are appropriated to the Department of Buildings and General Services, and the Commissioner is authorized to direct funds appropriated in this section to the projects contained in this section; however, no project shall be canceled unless the Chairs of the Senate Committee on Institutions and the House Committee on Corrections and Institutions are notified before that action is taken.
 - (b) The following sums are appropriated in FY 2024:

(1) Statewide, major maintenance: \$8,001,244.00

(2) Statewide, physical security enhancements: \$250,000.00

(3) Statewide, planning, reuse, and contingency: \$425,000.00

- (4) Bennington, Battle Monument, construction of safety fencing: \$500,000.00
- (5) Brattleboro, courthouse, roof replacement:

\$2,750,000.00

- (6) Middlesex, Middlesex Therapeutic Community Residence, master plan, design, and decommissioning: \$350,000.00
 - (7) Montpelier, State House, replacement of historic finishes:

\$50,000.00

- (8) Montpelier, State House, HVAC renovations: \$3,725,000.00
- (9) Montpelier, 133 State Street, Office of Legislative Information Technology, renovations: \$200,000.00
 - (10) Newport, courthouse replacement, planning and design:

\$750,000.00

(11) St. Albans, Northwest State Correctional Facility, roof replacement:

\$1,300,000.00

- (12) St. Johnsbury, Northeast State Correctional Facility, Caledonia Community Work Camp, door control system replacement: \$1,000,000.00
 - (13) White River Junction, courthouse, renovations: \$2,000,000.00
- (14) Statewide, three-acre parcel, stormwater, planning, design, and construction: \$1,500,000.00
 - (15) Statewide, R22 refrigerant phase out: \$250,000.00
 - (16) Statewide, Art in State Buildings Program: \$75,000.00
 - (c) The following sums are appropriated in FY 2025:
 - (1) Statewide, major maintenance: \$8,500,000.00
 - (2) Statewide, physical security enhancements: \$250,000.00
 - (3) Statewide, planning, reuse, and contingency: \$425,000.00
- (4) Middlesex, Middlesex Therapeutic Community Residence, master plan, design, and decommissioning: \$400,000.00
 - (5) Montpelier, State House, replacement of historic finishes:

\$50,000.00

- (6) Montpelier, State House, HVAC renovations: \$3,900,000.00
- (7) Newport, Northern State Correctional Facility, planning and construction for the boiler replacement: \$3,500,000.00
- (8) St. Johnsbury, Northeast State Correctional Facility, Caledonia Community Work Camp, door control system replacement: \$1,750,000.00
 - (9) White River Junction, courthouse, renovations: \$4,000,000.00
- (10) Statewide, three-acre parcel, stormwater, planning, design, and construction: \$1,500,000.00
 - (11) Statewide, R22 refrigerant phase out: \$1,000,000.00
- (d) For the project described in subdivisions (b)(8) and (c)(6) of this section:
- (1) The Department of Buildings and General Services is authorized to expend funds for a water-to-water heat pump system to dehumidify the State House in the summer months.

(2) Beginning on September 15, 2023 and ending on January 15, 2024, the Commissioner of Buildings and General Services shall submit monthly updates on the status of the project to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

<u>Appropriation – FY 2024</u> \$23,126,244.00

Appropriation – FY 2025 \$25,275,000.00

Total Appropriation – Section 2 \$48,401,244.00

Sec. 3. HUMAN SERVICES

- (a) The following sums are appropriated in FY 2024 to the Department of Buildings and General Services for the Agency of Human Services for the following projects described in this subsection:
- (1) Statewide, planning, design, and construction for HVAC system upgrades and replacements at correctional facilities: \$300,000.00
- (2) women's correctional facility and reentry facility, planning and design: \$1,500,000.00
- (b) The following sums are appropriated in FY 2025 to the Department of Buildings and General Services for the Agency of Human Services for the following projects described in this subsection:
- (1) Northwest State Correctional Facility, booking expansion, planning, design, and construction: \$2,500,000.00
- (2) Women's correctional facility and reentry facility, replacement, planning and design: \$13,000,000.00
- (3) Statewide, correctional facilities, HVAC systems, planning, design, and construction for upgrades and replacements: \$700,000.00
- (c)(1) For the amount appropriated in subdivision (a)(1) and subdivision (b)(3) of this section, the Department of Buildings and General Services shall evaluate and develop a design for upgrades and replacement of HVAC systems in all State correctional facilities. To the extent the Department identifies HVAC systems in common areas, break rooms, day rooms, and cafeterias that can be replaced to immediately alleviate heat-related stress for staff and residents at the facility, the Department is authorized to use the funds appropriated in subdivision (a)(1) and subdivision (b)(3) of this section for installation of HVAC systems in those areas.
- (2) Beginning on September 15, 2023 and ending on January 15, 2024, the Commissioner of Buildings and General Services shall submit monthly

updates on the status of the project to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

Appropriation – FY 2024 \$1,800,000.00

Appropriation – FY 2025 \$16,200,000.00

Total Appropriation – Section 3 \$18,000,000.00

Sec. 4. COMMERCE AND COMMUNITY DEVELOPMENT

(a) The following sums are appropriated in FY 2024 to the Agency of Commerce and Community Development for the following projects described in this subsection:

(1) Major maintenance at statewide historic sites: \$500,000.00

(2) Underwater preserves: \$46,000.00

(3) Placement and replacement of roadside historic markers:

\$25,000.00

(4) Unmarked Burial Sites Special Fund:

\$25,000.00

- (b) The following sums are appropriated in FY 2025 to the Agency of Commerce and Community Development for the following projects described in this subsection:
 - (1) Major maintenance at statewide historic sites: \$500,000.00
 - (2) Underwater preserves:

\$46,000.00

(3) Placement and replacement of roadside historic markers:

\$25,000.00

(4) Unmarked Burial Sites Special Fund: \$25,000.00

Appropriation – FY 2024 \$596,000.00

Appropriation – FY 2025 \$596,000.00

Total Appropriation – Section 4 \$1,192,000.00

Sec. 5. GRANT PROGRAMS

- (a) The following sums are appropriated in FY 2024 for the Building Communities Grants established in 24 V.S.A. chapter 137:
- (1) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Preservation Grant Program:

\$300,000.00

(2) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Barns Preservation Grant Program:

\$300,000.00

(3) To the Vermont Council on the Arts for the Cultural Facilities Grant Program, the sum of which may be used to match funds that may be made available from the National Endowment for the Arts, provided that all capital funds are made available to the Cultural Facilities Grant Program:

\$300,000.00

- (4) To the Department of Buildings and General Services for the Recreational Facilities Grant Program: \$300,000.00
- (5) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Human Services): \$150,000.00
- (6) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Education):

\$150,000.00

- (7) To the Department of Buildings and General Services for the Regional Economic Development Grant Program: \$300,000.00
- (8) To the Agency of Agriculture, Food and Markets for the Agricultural Fairs and Field Days Capital Projects Competitive Grant Program:

\$300,000.00

- (b) The following sums are appropriated in FY 2025 for the Building Communities Grants established in 24 V.S.A. chapter 137:
- (1) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Preservation Grant Program:

\$300,000.00

(2) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Barns Preservation Grant Program:

\$300,000.00

(3) To the Vermont Council on the Arts for the Cultural Facilities

Grant Program, the sum of which may be used to match funds that may be

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made available from the National Endowment for the Arts, provided that all capital funds are made available to the Cultural Facilities Grant Program:

\$300,000.00

- (4) To the Department of Buildings and General Services for the Recreational Facilities Grant Program: \$300,000.00
- (5) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Human Services): \$150,000.00
- (6) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Education):

\$150,000.00

- (7) To the Department of Buildings and General Services for the Regional Economic Development Grant Program: \$300,000.00
- (8) To the Agency of Agriculture, Food and Markets for the Agricultural Fairs and Field Days Capital Projects Competitive Grant Program:

\$300,000.00

<u>Appropriation – FY 2024</u> <u>\$2,100,000.00</u>

Appropriation – FY 2025 \$2,100,000.00

Total Appropriation – Section 5 \$4,200,000.00

Sec. 6. EDUCATION

- (a) The sum of \$50,000.00 is appropriated in FY 2024 to the Agency of Education for funding emergency projects.
- (b) The sum of \$50,000.00 is appropriated in FY 2025 to the Agency of Education for the projects described in subsection (a) of this section.

Appropriation – FY 2024 \$50,000.00

Appropriation – FY 2025 \$50,000.00

Total Appropriation – Section 6 \$100,000.00

Sec. 7. UNIVERSITY OF VERMONT

(a) The sum of \$1,600,000.00 is appropriated in FY 2024 to the University of Vermont for construction, renovation, and major maintenance at any facility owned or operated in the State by the University of Vermont.

(b) The sum of \$1,500,000.00 is appropriated in FY 2025 to the University of Vermont for the projects described in subsection (a) of this section.

Appropriation – FY 2024 \$1,600,000.00

Appropriation – FY 2025 \$1,500,000.00

Total Appropriation – Section 7 \$3,100,000.00

Sec. 8. VERMONT STATE COLLEGES

The sum of \$1,500,000.00 is appropriated in FY 2025 to the Vermont State Colleges for construction, renovation, and major maintenance at any facility owned or operated in the State by the Vermont State Colleges.

<u>Appropriation – FY 2025</u> \$1,500,000.00

Total Appropriation – Section 8 \$1,500,000.00

Sec. 9. NATURAL RESOURCES

- (a) The following sums are appropriated in FY 2024 to the Agency of Natural Resources for the Department of Environmental Conservation for the projects described in this subsection:
- (1) State match, drinking water supply, Drinking Water State Revolving Fund: \$174,586.00
 - (2) Dam safety and hydrology projects: \$500,000.00
- (b) The following sums are appropriated in FY 2024 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for the following projects:
- (1) Infrastructure rehabilitation, including statewide small-scale rehabilitation, wastewater repairs, preventive improvements and upgrades of restrooms and bathhouses, statewide small-scale road rehabilitation projects, and three-acre stormwater rule compliance: \$3,750,000.00
- (2) Open access recreational infrastructure and State forests and recreational access points: \$768,863.00
- (c) The following amounts are appropriated in FY 2024 to the Agency of Natural Resources for the Department of Fish and Wildlife for the projects described in this subsection:
- (1) General infrastructure projects, including small-scale maintenance and rehabilitation of infrastructure: \$1,778,632.00
- (2) Lake Champlain Walleye Association, Inc., to upgrade and repair the Walleye rearing, restoration, and stocking infrastructure: \$25,000.00

- (d) The sum of \$2,207,901.00 is appropriated in FY 2025 to the Agency of Natural Resources for the Department of Environmental Conservation for the State's match to the Drinking Water State Revolving Fund for the drinking water supply.
- (e) The following sums are appropriated in FY 2025 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for the following projects:
- (1) Infrastructure rehabilitation, including statewide small-scale rehabilitation, wastewater repairs, preventive improvements and upgrades of restrooms and bathhouses, statewide small-scale road rehabilitation projects, and three-acre stormwater rule compliance: \$3,250,000.00
 - (2) Open access recreational infrastructure and forest park access roads:

\$670,000.00

- (f) The following amounts are appropriated in FY 2025 to the Agency of Natural Resources for the Department of Fish and Wildlife for the projects described in this subsection:
- (1) General infrastructure projects, including small-scale maintenance and rehabilitation of infrastructure: \$1,344,150.00
- (2) Lake Champlain Walleye Association, Inc., to upgrade and repair the Walleye rearing, restoration, and stocking infrastructure: \$25,000.00

Appropriation – FY 2024 \$6,997,081.00

Appropriation – FY 2025 \$7,497,051.00

Total Appropriation – Section 9 \$14,494,132.00

Sec. 10. CLEAN WATER INITIATIVES

- (a) The sum of \$2,202,019.00 is appropriated in FY 2024 to the Agency of Agriculture, Food and Markets for water quality grants and contracts.
- (b) The following sums are appropriated in FY 2024 to the Agency of Natural Resources for the following projects:
- (1) the Clean Water State/EPA Revolving Loan Fund (CWSRF) match for the Water Pollution Control Fund: \$332,981.00
 - (2) municipal pollution control grants: \$4,000,000.00
- (c) The sum of \$550,000.00 is appropriated in FY 2024 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for forestry access roads, recreation access roads, and water quality improvements.

- (d)(1) The following sums are appropriated in FY 2024 to the Vermont Housing and Conservation Board for the following projects:
 - (A) Agricultural water quality projects:

\$800,000.00

(B) Land conservation and water quality projects:

\$2,000,000.00

- (2) A grant issued under subdivision (1)(A) of this subsection:
- (A) shall not be considered a State grant under 6 V.S.A. chapter 215, subchapter 3 for purposes of calculating the maximum amount of a State water quality assistance award under 6 V.S.A. § 4824 or 4826; and
- (B) may be used to satisfy a grant recipient's cost-share requirements.
- (e) The sum of \$6,000,000.00 is appropriated in FY 2025 to the Agency of Natural Resources for the Department of Environmental Conservation for clean water implementation projects.
 - (f) On or before December 1, 2023:
- (1) The Clean Water Board shall review and recommend Clean Water Act implementation programs funded from subsection (e) of this section.
- (2) The Board shall submit a report with the list of programs recommended for FY 2025 to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and to the Governor for the FY 2024 capital budget adjustment report. The report shall include a recommendation on whether there are any other funding sources that may be used for municipal pollution control grants in FY 2025.
- (g) In FY 2024 and FY 2025, any agency that receives funding from this section shall consult with the State Treasurer to ensure that the projects are capital eligible.

Appropriation – FY 2024

\$9,885,000.00

Appropriation – FY 2025

\$6,000,000.00

<u>Total Appropriation – Section 10</u>

\$15,885,000.00

Sec. 11. MILITARY

- (a) The sum of \$1,251,000.00 is appropriated in FY 2024 to the Department of Military for maintenance, renovations, and ADA compliance at State armories.
- (b) The sum of \$1,064,000.00 is appropriated in FY 2025 to the Department of Military for the projects described in subsection (a) of this section.

 Appropriation – FY 2024
 \$1,251,000.00

 Appropriation – FY 2025
 \$1,064,000.00

 Total Appropriation – Section 11
 \$2,315,000.00

Sec. 12. AGRICULTURE, FOOD AND MARKETS

- (a) The sum of \$1,200,000.00 is appropriated in FY 2024 to the Department of Buildings and General Services for the Agency of Agriculture, Food and Markets for major maintenance at the Vermont building of the Eastern States Exposition.
- (b) The following sums are appropriated in FY 2025 to the Department of Buildings and General Services for the Agency of Agriculture, Food and Markets for the following projects:
- (1) Vermont Agriculture and Environmental Laboratory Heat Plant, construction: \$1,500,000.00
- (2)
 Vermont building of the Eastern States Exposition, major maintenance:
 States Exposition, major \$1,040,000.00

 Appropriation FY 2024
 \$1,200,000.00

 Appropriation FY 2025
 \$2,540,000.00

 Total Appropriation Section 12
 \$3,740,000.00

Sec. 13. VERMONT RURAL FIRE PROTECTION

- (a) The sum of \$125,000.00 is appropriated in FY 2024 to the Department of Public Safety for the Vermont Rural Fire Protection Task Force for the dry hydrant program.
- (b) The sum of \$125,000.00 is appropriated in FY 2025 to the Department of Public Safety for the Vermont Rural Fire Protection Task Force for the project described in subsection (a) of this section.

Appropriation – FY 2024	\$125,000.00
Appropriation – FY 2025	\$125,000.00
<u>Total Appropriation – Section 13</u>	\$250,000.00

Sec. 14. VERMONT HOUSING AND CONSERVATION BOARD

(a) The sum of \$1,800,000.00 is appropriated in FY 2024 to the Vermont Housing and Conservation Board for housing and conservation projects.

(b) The sum of \$1,800,000.00 is appropriated in FY 2025 to the Vermont Housing and Conservation Board for the project described in subsection (a) of this section.

<u>Appropriation – FY 2024</u> <u>\$1,800,000.00</u>

Appropriation – FY 2025 \$1,800,000.00

Total Appropriation – Section 14 \$3,600,000.00

Sec. 15. VETERANS HOME

- (a) The sum of \$260,000.00 is appropriated in FY 2024 to the Department of Buildings and General Services for the Vermont Veterans' Home for maintenance at the Veterans' Home.
- (b) The following sums are appropriated in FY 2024 to the Vermont Veterans' Home for the following projects:
 - (1) an emergency generator and boiler plant replacement:

\$4,500,000.00

(2) elevator upgrade:

\$1,000,000.00

(3) resident care furnishings and security systems:

\$230,000.00

(c) For the amounts appropriated in subsection (a) and subdivision (b)(3) of this section, on or before January 15, 2024, the Veterans' Home shall submit a report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions on the status of expended funds and an anticipated timeline of when any remaining funds will be expended.

Appropriation – FY 2024

\$5,990,000.00

Total Appropriation – Section 15

\$5,990,000.00

* * * Funding * * *

Sec. 16. REALLOCATION OF FUNDS; TRANSFER OF FUNDS

- (a) The following sums are reallocated to the Department of Buildings and General Services from prior capital appropriations to defray expenditures authorized in Sec. 2 of this act:
- (1) of the amount appropriated in 2012 Acts and Resolves No. 40, Sec. 19(a) (Veterans' Home, replace nurse call system): \$14,668.72
- (2) of the amount appropriated 2012 Acts and Resolves No. 40, Sec. 19(b) (Veterans' Home kitchen upgrade): \$13,522.98

- (3) of the amount appropriated in 2014 Acts and Resolves No. 51, Sec. 2(b) (various projects): \$365.00
- (4) of the amount appropriated in 2014 Acts and Resolves No. 51, Sec. 17 (Veterans' Home kitchen renovation and mold remediation): \$21,493.59
- (5) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2(b) (various projects): \$65,463.17
- (6) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2(b)(9) (108 Cherry Street, parking garage): \$134,937.34
- (7) of the amount appropriated in 2016 Acts and Resolves No. 160, Sec. 1(c)(5) (major maintenance): \$93,549.00
- (8) of the amount appropriated in 2016 Acts and Resolves No. 160, Sec. 9(g) (Roxbury Fish Hatchery): \$6,175.00
- (9) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 2(b)(13) (108 Cherry Street, parking garage): \$1,736,256.55
- (10) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 2(c) (various projects): \$24,363.06
- (11) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 6(a)(4) (Recreational Facilities Grant Program): \$14,833.00
- (12) Of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 16(b) (Veterans' Home kitchen renovation and mold remediation):

\$209, 533.90

- (13) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 2(b)(3) (major maintenance): \$32,780.00
- (14) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 2(c)(5) (108 Cherry Street, parking garage): \$6,944,999.00
- (15) of the amount appropriated in 2021 Acts and Resolves No. 50, Sec. 2(b)(5)(108 Cherry Street, parking garage): \$3,100,000.00
- (16) of the amount appropriated in 2022 Acts and Resolves No. 180, Sec. 2(c)(18) (108 Cherry Street, parking garage): \$1,940,000.00
- (b) Of the amount appropriated to the Department of Buildings and General Services for the Agency of Human Services in 2020 Acts and Resolves No. 139, Sec. 2(c)(5) (relocation of greenhouse), the sum of \$26,131.60 is reallocated to defray expenditures authorized in this act.

- (c) Of the amount appropriated to the Agency of Education in 2019 Acts and Resolves No. 42, Sec. 7(a) (emergency projects), the sum of \$34,760.56 is reallocated to defray expenditures authorized in this act.
- (d) Of the amount appropriated to the Department of Environmental Conservation in 2017 Acts and Resolves No. 84, Sec. 10(a)(3) (municipal pollution control grants), the sum of \$64,628.10 is reallocated to defray expenditures authorized in this act.
- (e) The following sums appropriated to the Department of Forest, Parks and Recreation are reallocated to defray expenditures authorized in this act:
- (1) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 10(b) (infrastructure rehabilitation): \$219.08
- (2) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 10(f) (infrastructure rehabilitation): \$1,865.52
- (3) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 10(b) (infrastructure rehabilitation): \$33,638.68
- (4) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 10(g) (infrastructure rehabilitation): \$16,043.11
- (5) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 11(c)(1) (forestry skidder bridges): \$3,600.00
- (f) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 17(a)(2) (committee room chairs), the sum of \$2,006.46 is reallocated to defray expenditures authorized in this act.
- (g) The following sums appropriated to the Vermont Veterans' Home are reallocated to defray expenditures authorized in this act:
- (1) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 16(a) (resident care furnishings): \$88,835.00
- (2) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 16(c)(resident care furnishings): \$49,914.00
- (3) of the amount appropriated in 2018 Acts and Resolves No. 190, Sec. 11 (security access system): \$92,794.00

Total Reallocations and Transfers – Section 16

\$14,767,376.32

Sec. 17. GENERAL OBLIGATION BONDS AND APPROPRIATIONS

The State Treasurer is authorized to issue general obligation bonds in the amount of \$108,000,000.00 for the purpose of funding the appropriations of this act. The State Treasurer, with the approval of the Governor, shall

determine the appropriate form and maturity of the bonds authorized by this section consistent with the underlying nature of the appropriation to be funded. The State Treasurer shall allocate the estimated cost of bond issuance or issuances to the entities to which funds are appropriated pursuant to this section and for which bonding is required as the source of funds, pursuant to 32 V.S.A. § 954.

Total Revenues – Section 17

\$108,000,000.00

Sec. 18. FY 2024 AND 2025; CAPITAL PROJECTS; FY 2024

APPROPRIATIONS ACT; INTENT; AUTHORIZATIONS

- (a) Findings. The General Assembly finds that in addition to the issuance of general obligation bonds, eligible capital projects may be funded from the Fund established in 32 V.S.A. § 1001b.
- (b) Intent. It is the intent of the General Assembly to authorize certain capital projects eligible for funding by 32 V.S.A. § 1001b in this act but appropriate the funds for these projects in the FY 2024 Appropriations Act. It is also the intent of the General Assembly that the FY 2024 Appropriations Act appropriate funds to the Fund established in 32 V.S.A. § 1001b for projects in FY 2025, which shall be allocated pursuant to the process set forth in subsection (e) of this section.
- (c) Authorizations. In FY 2024, spending authority for the following capital projects are authorized as follows:
- (1) the Department of Buildings and General Services is authorized to spend \$400,000.00 for planning, reuse, and contingency;
- (2) Barre, McFarland State Office Building, roof replacement and brick façade repairs: \$1,700,000.00
- (3) the Department of Buildings and General Services is authorized to spend \$135,000.00 for parking garage repairs at 32 Cherry Street in Burlington;
 - (4) Middlesex, Central Services complex, roof replacement:

\$1,000,000.00

(5) Montpelier, State House expansion, design documents:

\$150,000.00

(6) the Department of Buildings and General Services is authorized to spend \$1,000,000.00 for the renovation of the interior HVAC steam lines at 120 State Street in Montpelier;

- (7) the Department of Buildings and General Services is authorized to spend \$600,000.00 for planning for the boiler replacement at the Northern State Correctional Facility in Newport;
- (8) the Department of Buildings and General Services is authorized to spend \$750,000.00 for planning for renovations to the administration building, West Cottage, at the Criminal Justice Training Council in Pittsford;
- (9) the Department of Buildings and General Services is authorized to spend \$600,000.00 for the Agency of Human Services for the planning and design of the booking expansion at the Northwest State Correctional Facility;
- (10) the Department of Buildings and General Services is authorized to spend \$1,000,000.00 for the Agency of Human Services for the planning and design of the Department for Children and Families' short-term stabilization facility;
- (11) the Department of Buildings and General Services is authorized to spend \$750,000.00 for the Judiciary for renovations at the Washington County Superior Courthouse in Barre;
- (12) the Department of Buildings and General Services is authorized to spend \$250,000.00 for the Department of Public Safety for the planning and design of the Special Teams Facility and Storage;
- (13) the Department of Buildings and General Services is authorized to spend \$250,000.00 for the Department of Public Safety for the planning and design of the Rutland Field Station;
- (14) the Department of Buildings and General Services is authorized to spend \$300,000.00 for the Agency of Agriculture, Food and Markets for the planning and design of the Vermont Agriculture and Environmental Laboratory Heat Plant;
- (15) the Department of Buildings and General Services is authorized to spend \$1,000,000.00 for electric vehicle charging stations at State buildings;
- (16) the Vermont State Colleges is authorized to spend \$7,500,000.00 for construction, renovation, and major maintenance at any facility owned or operated in the State by the Vermont State Colleges; infrastructure transformation planning; and the planning, design, and construction of Green Hall and Vail Hall;
- (17) the Agency of Natural Resources is authorized to spend \$9,800,000.00 for the Department of Environmental Conservation for the State match to the Infrastructure Investment and Jobs Act for the Drinking Water State Revolving Fund and the Clean Water State Revolving Fund;

- (18) the Agency of Natural Resources is authorized to spend \$4,500,000.00 for the Department of Environmental Conservation for the Waterbury Dam rehabilitation;
- (19) the Agency of Natural Resources is authorized to spend \$4,000,000.00 for the Department of Environmental Conservation for the Municipal Pollution Control Grants for pollution control projects and planning advances for feasibility studies;
- (20) the Agency of Natural Resources is authorized to spend \$3,000,000.00 for the Department of Forests, Parks and Recreation for the maintenance facilities at the Gifford Woods State Park and Groton Forest State Park; and
- (21) the Agency of Natural Resources is authorized to spend \$800,000.00 for the Department of Fish and Wildlife for infrastructure maintenance and improvements of the Department's buildings, including conservation camps.
- (d) FY 2025 capital projects. To the extent general funds are available to appropriate to the Fund established in 32 V.S.A. § 1001b in FY 2025, it is the intent of the General Assembly that the following capital projects receive funding from the Fund:
- (1) the sum of \$250,000.00 to the Department of Buildings and General Services for planning, reuse, and contingency;
- (2) the sum of \$2,300,000.00 to the Department of Buildings and General Services for parking garage repairs at 32 Cherry Street in Burlington;
- (3) the sum of \$2,000,000.00 to the Department of Buildings and General Services for the renovation of the interior HVAC steam lines at 120 State Street in Montpelier;
- (4) the sum of \$1,000,000.00 to the Department of Buildings and General Services for the Judiciary for renovations at the Washington County Superior Courthouse in Barre;
- (5) the sum of \$1,000,000.00 to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Special Teams Facility and Storage;
- (6) the sum of \$1,000,000.00 to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Rutland Field Station;
- (7) the sum of \$1,500,000.00 to the Vermont Veterans' Home for design for the renovation of the Brandon and Cardinal units;

- (8) the sum of \$500,000.00 to the Department of Buildings and General Services for the Newport courthouse replacement, planning, and design;
- (9) the sum of \$250,000.00 to the Department of Buildings and General Services for planning for the 133-109 State Street tunnel waterproofing and Aiken Avenue reconstruction; and
- (10) the sum of \$200,000.00 to the Department of Buildings and General Services for the renovation of the stack area, HVAC upgrades, and the elevator replacement at 111 State Street.
 - (e) Recommendation. On or before December 15, 2023:
- (1) the Secretary of Administration shall review and recommend capital projects to be funded from the Fund established in 32 V.S.A. § 1001b; and
- (2) the Secretary of Administration shall submit the list of capital projects recommended for FY 2025 to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and to the Governor for the FY 2025 capital budget adjustment report.

* * * Policy * * *

* * * Agriculture, Food and Markets * * *

Sec. 19. 26 V.S.A. § 4811 is amended to read:

§ 4811. SAFETY STANDARDS

Minimum safety standards for the conduct of any race covered by this chapter are established as follows:

(1) Each race track shall have a substantial fence of steel wire or plank construction or other barrier not less than three feet high between the track and area designated for spectators. No A grandstand shall may be constructed or spectators allowed on a curved side of a track if the barrier requirements for a straightaway, as provided by rule adopted pursuant to section 4809 of this title, are met. For motorcycle, ATV, or snowmobile racing, each track shall have a snow fence or other suitable barrier not less than four feet high between the track and the area designated for spectators. The outside portion of all tracks shall be a reasonable distance from the spectators.

Sec. 20. OFFICE OF PROFESSIONAL REGULATION; MOTOR VEHICLE RACING; REPORT

On or before January 15, 2025, the Office of Professional Regulation, in consultation with relevant stakeholders, shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations with a sunset review on the regulatory structure for motor vehicle racing in Vermont, including an evaluation of the State's current regulatory structure, approaches to state oversight over motor vehicle racing in jurisdictions outside Vermont and measures to ensure adequate public safety, and any recommendations for legislative action.

* * * Buildings and General Services * * *

Sec. 21. 29 V.S.A. § 166 is amended to read:

§ 166. SELLING OR RENTING STATE PROPERTY

* * *

- (b)(1) Upon authorization by the General Assembly, which may be granted by resolution, and with the advice and consent of the Governor, the Commissioner of Buildings and General Services may sell real estate owned by the State. Such property shall be sold to the highest bidder therefor at public auction or upon sealed bids in the discretion of the Commissioner of Buildings and General Services, who may reject any or all bids. Notice, or the Commissioner is authorized to list the sale of property with a real estate agent licensed by the State.
- (2) If the Commissioner elects to sell the property at auction or by sealed bid, notice of the sale or a request for sealed bids shall be posted:

(A) by electronic means; or

- (B) in at least three public places in the town where the property is located and also published three times in a newspaper having a known circulation in the town, the last publication to be not less than 10 days before the date of sale or opening of the bids. Failing to consummate a sale under the method prescribed in this section, the Commissioner of Buildings and General Services is authorized to list the sale of this property with a real estate agent licensed by the State of Vermont.
- (3) This subsection shall not apply to the sale, conveyance, exchange, or lease of lands or interests in lands; to the amendment of deeds, leases, and easements; or to sales of timber made in accordance with the provisions of 10 V.S.A. chapter 155 or the provisions of 10 V.S.A. chapter 83.

* * *

Sec. 22. SALE OF PROPERTIES

- (a) 110 State Street. Notwithstanding 29 V.S.A. § 166(b), the Commissioner of Buildings and General Services is authorized to sell the property located at 110 State Street in the City of Montpelier. The Commissioner shall first offer in writing to the City the right to purchase the property.
- (1) The City's preferential right to purchase the property authorized in this subsection shall terminate unless the City submits a written notification to the Commissioner of its intent to purchase the property on or before October 15, 2023.
- (2) If the City submits a notification of its intent to purchase the property pursuant to subdivision (1) of this subsection, the City shall submit a written offer to the Commissioner not later than June 1, 2024. In the event the City fails to submit a written offer by June 1, 2024, then the City's preferential right to purchase the property shall terminate and the Commissioner is authorized to sell the property to another party.
- (b) Stanley Hall and Wasson Hall. Notwithstanding 29 V.S.A. § 166(b), the Commissioner of Buildings and General Services is authorized to subdivide, sell, or otherwise dispose of the portion of land in the Waterbury State Office Complex (Parcel ID # 916-0103.V as designated on the Town of Waterbury's Tax Parcel Maps) that housed the former Stanley Hall and the adjacent parking lot, located at 32 Park Row, and Wasson Hall, located at 64 Horseshoe Drive, to the Town of Waterbury.
- (1) The Commissioner of Buildings and General Services shall notify, in writing, the Town of Waterbury of the right to purchase or acquire the properties described in subdivision (1) of this subsection provided that the following conditions are met:
- (A) the Town of Waterbury's Select Board takes a formal action on or before October 15, 2023 indicating the Town's interest in purchasing or acquiring the properties; and
- (B) if the Town elects to purchase or acquire the properties, the Town submits a written offer not later than June 1, 2024;
- (2) If the conditions in subdivision (1) of this subsection are not met, then the Commissioner's authority to subdivide, sell, or otherwise dispose of the property described in this subsection shall be rescinded.
- (c) 108 Cherry Street. Notwithstanding 29 V.S.A. § 166(b), the Commissioner of Buildings and General Services is authorized to sell the property located at 108 Cherry Street in the City of Burlington. The

Commissioner shall first offer in writing to the City the right to purchase the property.

- (1) The City's preferential right to purchase the property authorized in this subsection shall terminate unless the City submits a written notification to the Commissioner of its intent to purchase the property on or before October 15, 2023.
- (2) If the City submits a notification of its intent to purchase the property pursuant to subdivision (1) of this subsection, the City shall submit a written offer to the Commissioner on or before April 1, 2024. In the event the City fails to submit a written offer on or before April 1, 2024, the City's preferential right to purchase the property shall terminate and the Commissioner is authorized to sell the property to another party.

Sec. 23. RELOCATION OF STATE EMPLOYEES; DEPARTMENT OF BUILDINGS AND GENERAL SERVICES; CITY OF BURLINGTON

Prior to the sale of the building located at 108 Cherry Street in Burlington, the Department of Buildings and General Services shall work with the City of Burlington to find another appropriate location in downtown Burlington to relocate State employees who provide client services.

Sec. 24. 32 V.S.A. § 701a is amended to read:

§ 701a. CAPITAL CONSTRUCTION BILL

- (a) When the capital budget has been submitted by the Governor to the General Assembly, it shall immediately be referred to the House Committee on Corrections and Institutions, which shall proceed to consider the budget request in the context of the 10-year capital program plan also submitted by the Governor pursuant to sections 309 and 310 of this title. The Committee shall also propose to the General Assembly:
- (1) a prudent amount of total general obligation bonding for the following fiscal year, for support of the capital budget, in consideration of the recommendation of the Capital Debt Affordability Advisory Committee pursuant to chapter 13, subchapter 8 of this title; and
- (2) recommendations for capital projects that may be paid for from the Cash Fund for Capital Infrastructure and Other Essential Investments, established in section 1001b of this title.

- (b) As soon as possible, the Committee shall prepare a bill to be known as the "capital construction bill," which shall be introduced for action by the General Assembly.
- (c) The spending authority authorized by a capital construction act shall carry forward until expended, unless otherwise provided.
- (1) All unexpended funds remaining for projects authorized by capital construction acts enacted in a legislative session that was two or more years prior to the current legislative session shall be reported to the General Assembly and may be reallocated in future capital construction acts.
- (2) Notwithstanding subdivision (1) of this subsection, any amounts appropriated in a previous capital construction act that are unexpended for at least five years shall be reallocated to future capital construction acts.
- (d)(1) On or before January 15, November 15 each year, the Commissioner of Finance and Management shall require each entity to which spending authority has been authorized by a capital construction act enacted in a legislative session that was two or more years prior to the current legislative session shall submit to the House Committee on Corrections and Institutions and the Senate Committee on Institutions to submit a report on the current fund balances of each authorized project with unexpended funds. The report shall include plans for the unexpended funds, any projects or contracts the funds are assigned to, and an anticipated timeline for expending the funds.
- (2) On or before December 15 each year, the Commissioner of Finance and Management shall submit in a consolidated format the reports required by subdivision (1) of this subsection to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.
- (e) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the reports to be made under subsections (c) and (d) of this section.
- Sec. 25. 2021 Acts and Resolves No. 50, Sec. 2 is amended to read:

Sec. 2. STATE BUILDINGS

* * *

(b) The following sums are appropriated in FY 2022:

* * *

(8) Newport, courthouse replacement, <u>site acquisition and</u> planning and design:

\$500,000.00

(c) The following sums are appropriated in FY 2023:

* * *

(7) Newport, courthouse replacement, <u>site acquisition and planning and</u> design: \$525,000.00

* * *

* * * Corrections * * *

Sec. 26. 29 V.S.A. § 170a is added to read:

§ 170a. DESIGN OF CORRECTIONAL FACILITIES; USE OF EVIDENCE-BASED DESIGN PRINCIPLES FOR WELLNESS ENVIRONMENTS

The Department of Buildings and General Services shall coordinate with the Department of Corrections on the design and planning for any maintenance, renovation, or construction to a State correctional facility to ensure that evidence-based design principles for wellness environments are incorporated into the design and planning phase of a project.

Sec. 27. NORTHWEST STATE CORRECTIONAL FACILITY; FUNDING REQUEST FOR FEDERAL DETAINEES; INTENT FOR BOOKING EXPANSION DESIGN

- (a) On or before August 15, 2023, the Secretary of Human Services shall request federal funds to support capital construction at the Northwest State Correctional Facility, which houses federal detainees, including U.S. Immigration and Customs Enforcement detainees. The Commissioner of Finance and Management shall only release the funds appropriated in Sec. 3(1) of this act upon notification from the Secretary that the request was submitted.
- (b) It is the intent of the General Assembly that the Commissioner of Buildings and General Services shall incorporate into booking expansion design at the Northwest State Correctional Facility:
 - (1) renovations to the HVAC system;
- (2) enhanced employee amenities, including amenities to address employee health and wellness needs;
 - (3) the use of renewable energy; and

(4) the use of evidence-based principles for wellness environments for supporting trauma-informed practices.

Sec. 28. REPLACEMENT WOMEN'S FACILITIES; SITE LOCATION PROPOSAL; DESIGN INTENT

- (a)(1) Site location proposal. On or before January 15, 2024, the Commissioner of Buildings and General Services shall submit a site location proposal for replacement women's facilities for justice-involved women to the House Committee on Corrections and Institutions and the Senate Committee on Institutions. It is the intent of the General Assembly that when evaluating site locations, preference shall be given to State-owned property. The proposal shall consider both co-locating facilities in a campus-style approach for operational efficiencies and the need for separate facilities at different locations.
- (2) Beginning September 15, 2023 and ending December 15, 2023, the Commissioner of Buildings and General Services shall submit monthly status reports on the site location proposal described in subdivision (1) of this subsection (a).
- (b) Design intent. It is the intent of the General Assembly that the Commissioner of Buildings and General Services, in consultation with the Commissioner of Corrections, shall incorporate into the design of any women's replacement facility the use of evidence-based principles for wellness environments for supporting trauma-informed practices.

Sec. 29. DEPARTMENT OF CORRECTIONS, REPLACEMENT WOMEN'S FACILITIES; REPORT

- (a) It is the intent of the General Assembly that the State's long-term goal and vision for justice-involved individuals includes their reentry into the community through a system of supports grounded in restorative justice principles.
- (b) On or before November 15, 2023, the Department of Corrections shall submit a written report to the House Committees on Corrections and Institutions and on Judiciary and the Senate Committees on Institutions and on Judiciary regarding the proposed size and scale of replacement women's facilities. The report shall address the following:
 - (1) proposed allocation of beds in correctional and re-entry facilities;
 - (2) bed types for specialized populations in each facility; and
 - (3) data and rationale used to inform size of each facility.

* * * Judiciary * * *

Sec. 30. BARRE; WASHINGTON COUNTY SUPERIOR COURTHOUSE; RENOVATIONS

On or before September 15, 2023, the Commissioner of Buildings and General Services shall engage the City of Barre on options for renovating the existing Washington County Superior Courthouse or finding a new site location for the building.

* * * Legislature * * *

Sec. 31. 2020 Acts and Resolves No. 154, Sec. E.126.3, as amended by 2021 Acts and Resolves No. 50, Sec. 31 and 2022 Acts and Resolves No. 180, Sec. 20, is further amended to read:

Sec. E.126.3 GENERAL ASSEMBLY; STATE BUILDINGS; USE OF SPACE; AUTHORITY OF SERGEANT AT ARMS

* * *

(c) Beginning on January 1, 2023 and ending on June 30, 2023 2024, notwithstanding the provisions of 29 V.S.A. § 165 and any other provision of law to the contrary, in order to perform its constitutional duties, the Legislative Branch shall have exclusive use of rooms 264, 267, 268, and 270 on the second floor of 109 State Street.

* * *

Sec. 32. STATE HOUSE; EXPANSION; DESIGN; SPECIAL COMMITTEE

- (a) The Department of Buildings and General Services has contracted with Freeman, French, Freeman to develop programming options that will be the basis for a schematic design for the expansion of the State House. The programming options will be finalized in June 2023 and the schematic design in November 2023 when the General Assembly is not in session. It is the intent of the General Assembly to approve the programming option for a schematic design plan for the State House expansion as soon as practicable to allow the Department of Buildings and General Services to begin the design development phase of the expansion.
- (b) A special committee consisting of the Joint Legislative Management Committee and the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions (special committee) is hereby established. The special committee is authorized to meet to review, approve, or recommend alterations to the schematic design described in subsection (a) of this section at a regularly scheduled Joint Legislative

Management Committee meeting. In making its decision, the special committee shall consider:

- (1) how the design impacts the ability of the General Assembly to conduct legislative business;
 - (2) allows for public access to citizens;
- (3) the financial consequences to the State of approval or disapproval of the proposal; and
 - (4) whether any potential alternatives are available.
- (c) The special committee shall be entitled to per diem and expenses as provided in 2 V.S.A. § 23.
- Sec. 33. 2016 Acts and Resolves No. 88, Sec. 3a, as amended by 2019 Acts and Resolves No. 42, Sec. 24 and 2021 Acts and Resolves No. 50, Sec. 23, is further amended to read:

Sec. 3a. REPEAL

2 V.S.A. chapter 30 (Capitol Complex Security Advisory Committee) is repealed on June 30, 2023 June 30, 2024.

* * * Natural Resources * * *

Sec. 34. REPEAL

2018 Acts and Resolves No. 185, Sec. 12 (suspension of private loans for clean water projects) is repealed.

* * * Public Safety * * *

Sec. 35. 2021 Acts and Resolves No. 50, Sec. 12, as amended by 2022 Acts and Resolves No. 180, Sec. 10, is further amended to read:

Sec. 12. PUBLIC SAFETY

- (b) The following amounts are sum of \$50,000.00 is appropriated in FY 2023 to the Department of Public Safety for the projects described in this subsection:
 - (1) Pittsford, Vermont Policy Academy, feasibility study: \$50,000.00.
 - (2) Williston Public Safety Field Station, construction: \$3,500,000.00
- (c) The sum of \$3,500,000.00 is appropriated in FY 2023 to the Department of Buildings and General Services for the Department of Public Safety for the construction of the Williston Public Field Station.

Appropriation – FY 2022	\$6,120,000.00
Appropriation – FY 2023	\$3,550,000.00
Total Appropriation – Section 12	\$9,670,000.00

* * * Effective Date * * *

Sec. 36. EFFECTIVE DATE

This act shall take effect on passage.

New Business

Third Reading

H.R. 11

House resolution relating to establishing the Special Committee on Impeachment Inquiry and granting it investigatory powers

S. 39

An act relating to compensation and benefits for members of the Vermont General Assembly

Amendment to be offered by Rep. Donahue of Northfield to S. 39

That the bill be amended in Sec. 6, Legislative Service Working Group, in subdivision (c)(1), by deleting the word "and" following the semicolon at the end of newly relettered subdivision (G), by adding the word "and" following the semicolon at the end of newly relettered subdivision (H), and by adding a new subdivision (I) to read as follows:

(I) how the salaries, benefits, and compensation structure in the Vermont General Assembly compare to the mean and median compensation and benefits of Vermont residents;

Amendment to be offered by Rep. Donahue of Northfield to S. 39

That the bill be amended in Sec. 6, Legislative Service Working Group, in subsection (e), by striking out the second sentence in its entirety and inserting in lieu thereof a new second sentence to read: "<u>Drafts of the Working Group's report that are in progress but have not yet been shared with the Working Group shall be confidential.</u>"

Amendment to be offered by Rep. Harrison of Chittenden to S. 39

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

Sec. 3a. 32 V.S.A. § 1051(b)(3) is amended to read:

(3) an allowance for or reimbursement of expenses for mileage, meals,

and lodging as provided to members of the General Assembly under subsection 1052(b) of this title during the biennial, adjourned, and special sessions of the General Assembly and in addition such other actual and necessary expenses incurred while engaged in duties imposed by law.

Second: By adding a new section to be Sec. 4a to read as follows:

Sec. 4a. 32 V.S.A. § 1052(b) is amended to read:

(b) Expenses. During any session of the General Assembly, each member is entitled to receive an allowance for or reimbursement of expenses as set forth in this subsection.

- (2) Meals. Each member shall receive either a meals allowance or reimbursement of actual meals expenses. A member shall be presumed to have elected to receive the meals allowance unless the member informs the Office of Legislative Operations prior to the convening of the regular or adjourned session that the member wishes to receive reimbursement of actual meals expenses. A member's election to receive reimbursement of actual meals expenses shall remain in effect through the remainder of that session unless the member notifies the Office, in writing, that the member needs to change to the meals allowance due to a change in circumstances or for another compelling reason.
- (A) Meals allowance. A member who elects to receive a meals allowance shall receive an amount equal to the daily amount for meals determined for Montpelier, Vermont, by the federal Office of Government-wide Policy and published in the Federal Register for the year of the session for each day the House in which the member serves shall sit.
- (B) Meals reimbursement. A member who elects to receive reimbursement of expenses shall receive reimbursement equal to the actual amounts expended by the member for meals for each day that the House in which the member serves shall sit, as well as meals for the night preceding the first legislative day of each week during the legislative session; provided, however, that the total amount of the weekly reimbursement available pursuant to this subdivision shall not exceed the amount the member would have received for the same week if the member had elected the meals allowance pursuant to subdivision (A) of this subdivision (2) an amount equal to the daily amount for meals determined for Montpelier, Vermont, by the federal Office of Government-wide Policy and published in the Federal Register for the year of the session, multiplied by the number of days during that the week on which the House in which the member serves shall sit. The member shall provide

meal receipts or otherwise substantiate the amounts expended to the Office of Legislative Operations in the form and manner prescribed by the Director of Legislative Operations.

- (3) Lodging. Each member shall receive either a lodging allowance or reimbursement of actual lodging expenses. A member shall be presumed to have elected to receive the lodging allowance unless the member informs the Office of Legislative Operations prior to the convening of the regular or adjourned session that the member wishes to receive reimbursement of actual lodging expenses. A member's election to receive reimbursement of actual lodging expenses shall remain in effect through the remainder of that session unless the member notifies the Office, in writing, that the member needs to change to the lodging allowance due to a change in circumstances or for another compelling reason.
- (A) Lodging allowance. A member who elects to receive a lodging allowance shall receive an amount equal to the daily amount for lodging determined for Montpelier, Vermont, by the federal Office of Government-wide Policy and published in the Federal Register for the year of the session for each day the House in which the member serves shall sit.
- (B) Lodging reimbursement. A member who elects to receive reimbursement of expenses shall receive reimbursement equal to the actual amounts expended by the member for lodging for each day that the House in which the member serves shall sit, as well as lodging for the night preceding the first legislative day of each week during the legislative session; provided, however, that the total amount of the weekly reimbursement available pursuant to this subdivision for each week shall not exceed the amount the member would have received for the same week if the member had elected the lodging allowance pursuant to subdivision (A) of this subdivision (3) an amount equal to the daily amount for lodging determined for Montpelier, Vermont, by the federal Office of Government-wide Policy and published in the Federal Register for the year of the session, multiplied by the number of days during that the week on which the House in which the member serves shall sit. The member shall provide lodging receipts or otherwise substantiate the amounts expended to the Office of Legislative Operations in the form and manner prescribed by the Director of Legislative Operations.

An act relating to amending the prohibitions against discrimination

Amendment to be offered by Reps. Bartley of Fairfax, Hango of Berkshire, Labor of Morgan and Parsons of Newbury to S. 103

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. § 495 is amended to read:

§ 495. UNLAWFUL EMPLOYMENT PRACTICE

- (a) It shall be unlawful employment practice, except where a bona fide occupational qualification requires persons of a particular race, color, religion, national origin, sex, sexual orientation, gender identity, ancestry, place of birth, age, crime victim status, or physical or mental condition:
- (1) For any employer, employment agency, or labor organization to <u>harass or</u> discriminate against any individual because of race, color, religion, ancestry, national origin, sex, sexual orientation, gender identity, place of birth, crime victim status, or age or against a qualified individual with a disability;

* * *

- (3) For any employment agency to fail or refuse to classify properly or refer for employment or to otherwise <u>harass or</u> discriminate against any individual because of race, color, religion, ancestry, national origin, sex, sexual orientation, gender identity, place of birth, crime victim status, or age or against a qualified individual with a disability;
- (4) For any labor organization, to limit, segregate, or qualify its membership with respect to any individual because of race, color, religion, ancestry, national origin, sex, sexual orientation, gender identity, place of birth, crime victim status, or age to discriminate against any individual or against a qualified individual with a disability or to limit, segregate, or qualify its membership; or against a qualified individual with a disability.

* * *

(7) For any employer, employment agency, labor organization, or person seeking employees to discriminate between employees on the basis of sex, race, national origin, sexual orientation, or gender identity or against a qualified individual with a disability by paying wages to employees of one sex, race, national origin, sexual orientation, or gender identity or an employee who is a qualified individual with a disability at a rate less than the rate paid to employees of the other sex or a different race, national origin, sexual

orientation, or gender identity or without the physical or mental condition of the qualified individual with a disability for equal work that requires equal skill, effort, and responsibility and is performed under similar working conditions. An employer who is paying wages in violation of this section shall not reduce the wage rate of any other employee in order to comply with this subsection.

(A) An employer may pay different wage rates under this subsection when the differential wages are made pursuant to:

* * *

(iv) A bona fide factor other than sex, race, national origin, sexual orientation, gender identity, or physical or mental condition. An employer asserting that differential wages are paid pursuant to this subdivision (7)(A)(iv) shall demonstrate that the factor does not perpetuate a sex-based differential in compensation, based on sex, race, national origin, sexual orientation, gender identity, or physical or mental condition; is job-related with respect to the position in question; and is based upon a legitimate business consideration.

* * *

(C) Nothing in this subdivision (a)(7) shall be construed to:

- (i) create any new rights for an employer to inquire about a characteristic of an employee that is otherwise unknown to the employer upon which pay discrimination is prohibited pursuant to the provisions of this subdivision (a)(7); or
- (ii) diminish an employee's right to privacy under any other law or pursuant to an applicable contract or collective bargaining agreement.
- (8) Retaliation prohibited. An employer, employment agency, or labor organization shall not discharge or in any other manner discriminate against any employee because the employee:

- (i) An agreement to settle a claim of a violation of subsection (a) of this section shall not prohibit, prevent, or otherwise restrict the employee from working for the employer or any parent company, subsidiary, division, or affiliate of the employer. Any provision of an agreement to settle a claim of a violation of subsection (a) of this section that violates this subsection shall be void and unenforceable with respect to the individual who made the claim.
- (j) Except for claims alleging a violation of subdivision (a)(7) of this section or disparate impact discrimination an employee shall not be required to demonstrate the existence of another employee or individual to whom the

employee's treatment can be compared to establish a violation of this section.

Sec. 2. 21 V.S.A. § 495d is amended to read:

§ 495d. DEFINITIONS

As used in this subchapter:

* * *

- (13)(A) "Sexual harassment" is a form of sex discrimination and means unwelcome sexual advances, requests for sexual favors, and other verbal Θ , physical, written, auditory, or visual conduct of a sexual nature when:
- (A)(i) submission to that conduct is made either explicitly or implicitly a term or condition of employment;
- (B)(ii) submission to or rejection of such conduct by an individual is used as a component of the basis for employment decisions affecting that individual; or
- (C)(iii) the conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.
- (B) For purposes of subdivision (a)(iii) of this subdivision (13), a determination of whether conduct constitutes unlawful sexual harassment shall be subject to the same requirements and made in the same manner as a determination of whether conduct constitutes unlawful harassment as defined pursuant to subdivision (16) of this section.

- (16) "Harass" means to engage in unwelcome conduct based on an employee's race, color, religion, national origin, sex, sexual orientation, gender identity, ancestry, place of birth, age, crime victim status, or physical or mental condition that is sufficiently severe or pervasive to interfere with the employee's work or create a work environment that is intimidating, hostile, or offensive. In determining whether conduct constitutes harassment:
- (A)(i) The determination shall be made on the basis of the record as a whole, according to the totality of the circumstances.
- (ii) Factors to be considered in determining whether conduct constitutes unlawful harassment include:
- (I) the nature, severity, frequency, duration, and location of the conduct;
 - (II) whether the conduct is threatening or humiliating; and

- (III) whether any party to the conduct held a position of authority or power, whether formal or informal, over the employee.
- (iii) A single incident may constitute unlawful harassment if it is sufficiently severe to clearly create an intimidating, hostile, or offensive working environment.
- (B) Incidents and conduct that may be harassment shall be considered in the aggregate with varying types of conduct and conduct based on multiple characteristics viewed in totality rather than in isolation.
- (C) Conduct may constitute unlawful harassment if it alters an employee's working conditions in a manner that would make it more difficult for a reasonable person to do the job. The employee's work performance or productivity does not need to decline as a result of the conduct for it to constitute unlawful harassment.
- (D) Discriminatory conduct in an employee's presence that is not directed at that employee or is directed at another employee can contribute to an intimidating, hostile, or offensive work environment.
- (E) Conduct that an employee acquiesces or submits to or participates in may be discriminatory harassment if the conduct is unwelcome.
- (F) Conduct that is discriminatory towards members of a protected class may constitute unlawful harassment even though it is experienced by both an employee who is a member of that protected class and others who are not members of that protected class.
- (G) Conduct may constitute unlawful harassment even if an employee is able to continue carrying out the employee's job duties and responsibilities despite the conduct. To constitute unlawful harassment, discriminatory conduct need only alter the employee's working conditions in a manner that interferes with the employee's work or makes it more difficult for the employee to do the employee's job.
- (H) Discriminatory or harassing conduct does not need to result in a physical or psychological injury to an employee to constitute unlawful harassment.
- (I) Discriminatory or harassing conduct that occurs outside of the workplace may constitute unlawful harassment if it contributes to an intimidating, hostile, or offensive work environment.
- Sec. 3. 9 V.S.A. § 4501 is amended to read:

§ 4501. DEFINITIONS

- (12)(A) "Harass" means to engage in unwelcome conduct that is sufficiently severe or pervasive to detract from, undermine, or interfere with a person's:
- (i) use of a place of public accommodation or any of the accommodations, advantages, facilities, or privileges of a place of public accommodation because of the person's race, creed, color, national origin, marital status, sex, sexual orientation, gender identity, or disability; or
- (ii) terms, conditions, privileges, or protections in the sale or rental of a dwelling or other real estate, or in the provision of services or facilities in connection with a dwelling or other real estate, because of the person's race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability, or because the person intends to occupy a dwelling with one or more minor children, or because the person is a recipient of public assistance, or because the person is a victim of abuse, sexual assault, or stalking.
 - (B) In determining whether conduct constitutes unlawful harassment:
- (i) The determination shall be made on the basis of the record as a whole, according to the totality of the circumstances.
- (ii) Factors to be considered in determining whether conduct constitutes unlawful harassment include:
- (I) the nature, severity, frequency, duration, and location of the conduct;
 - (II) whether the conduct is threatening or humiliating; and
- (III) whether any party to the conduct held a position of authority or power, whether formal or informal, over the person.
- (iii) A single incident may constitute unlawful harassment if it is sufficiently severe that it detracts from, undermines, or interferes with a person's:
- (I) use of a place of public accommodation or any of the accommodations, advantages, facilities, or privileges of a place of public accommodation; or
- (II) terms, conditions, privileges, or protections in the sale or rental of a dwelling or other real estate, or in the provision of services or facilities in connection with a dwelling or other real estate.

- (iv) Incidents that may be harassment shall be considered in the aggregate with varying types of conduct and conduct based on multiple characteristics viewed in totality rather than in isolation.
- (v) Discriminatory conduct in a person's presence that is not directed at the person or is directed at another person can detract from, undermine, or interfere with a person's:
- (I) use the place of public accommodation or any of the accommodations, advantages, facilities, or privileges of the place of public accommodation; or
- (II) enjoyment of the benefit of applicable terms, conditions, privileges, or protections in the sale or rental of the dwelling or other real estate, or to obtain services or facilities in connection with the dwelling or other real estate
- (vi) Conduct that a person acquiesces or submits to or participates in may be discriminatory harassment if the conduct is unwelcome.
- (vii) Conduct that is discriminatory towards members of a protected class may constitute unlawful harassment even though it is experienced by both a person who is a member of that protected class and others who are not members of that protected class.
- (viii) Conduct may constitute unlawful harassment even if the person is able to:
- (aa) use the place of public accommodation or any of the accommodations, advantages, facilities, or privileges of the place of public accommodation; or
- (bb) enjoy the benefit of applicable terms, conditions, privileges, or protections in the sale or rental of the dwelling or other real estate, or to obtain services or facilities in connection with the dwelling or other real estate.
- (ix) Discriminatory or harassing conduct does not need to result in a physical or psychological injury to an employee to constitute unlawful harassment.
- (x) Discriminatory or harassing conduct that occurs outside of the place of public accommodation or the dwelling or other real estate may constitute unlawful harassment if it detracts from, undermine, or interfere with a person's:
- (I) use of the place of public accommodation or any of the accommodations, advantages, facilities, or privileges of the place of public

accommodation; or

- (II) enjoyment of the terms, conditions, privileges, or protections in the sale or rental of the dwelling or other real estate, or in the provision of services or facilities in connection with the dwelling or other real estate.
- (C) The provisions of this subdivision (12) shall not apply to any action brought under this chapter pursuant to the provisions of 16 V.S.A. § 570f.
- Sec. 4. 9 V.S.A. § 4503 is amended to read:
- § 4503. UNFAIR HOUSING PRACTICES

- (d)(1) As used in this section, "harass" means to engage in unwelcome conduct that detracts from, undermines, or interferes with the person's terms, conditions, privileges, or protections in the sale or rental of a dwelling or other real estate, or in the provision of services or facilities in connection with a dwelling or other real estate, because of the person's race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability, or because the person intends to occupy a dwelling with one or more minor children, or because the person is a recipient of public assistance, or because the person is a victim of abuse, sexual assault, or stalking.
- (2) Notwithstanding any judicial precedent to the contrary, harassing conduct need not be severe or pervasive to be unlawful pursuant to the provisions of this section. In determining whether conduct constitutes unlawful harassment:
- (A) The determination shall be made on the basis of the record as a whole, according to the totality of the circumstances, and a single incident may constitute unlawful harassment.
- (B) Incidents that may be harassment shall be considered in the aggregate with varying types of conduct and conduct based on multiple characteristics viewed in totality, rather than in isolation.
- (C) Conduct may constitute unlawful harassment, regardless of whether:
 - (i) the complaining person is the person being harassed;
- (ii) the complaining person acquiesced or otherwise submitted to or participated in the conduct;

- (iii) the conduct is also experienced by others outside the protected class involved in the conduct;
- (iv) the complaining person was able to enjoy the benefit of applicable terms, conditions, privileges, or protections in the sale or rental of the dwelling or other real estate, or to obtain services or facilities in connection with the dwelling or other real estate, despite the conduct;
 - (v) the conduct resulted in a physical or psychological injury; or
 - (vi) the conduct occurred outside the dwelling or other real estate.
- (3) behavior that a reasonable person with the same protected characteristic would consider to be a petty slight or trivial inconvenience shall not constitute unlawful harassment or discrimination pursuant to this section. [Repealed.]

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

Favorable with Amendment

S. 56

An act relating to child care and early childhood education

Rep. Brumsted of Shelburne, for the Committee on Human Services, recommends that the House propose to the Senate 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 and early learning system shall:

- (1) increase access to and the quality of child care services and afterschool and summer care programs throughout the State;
- (2) increase equitable access to and quality of prekindergarten education for children four years of age;
 - (3) provide financial stability to child care programs;
 - (4) stabilize Vermont's talented child care workforce;
 - (5) address the workforce needs of the State's employers;

- (6) maintain a mixed-delivery system for prekindergarten, child care, and afterschool and summer care; and
- (7) assign school districts with the responsibility of ensuring equitable prekindergarten access for children who are four years of age on the date by which the child's school district requires kindergarten students to have attained five years of age or who are five years of age and not yet enrolled in kindergarten.

* * * Prekindergarten * * *

Sec. 2. PREKINDERGARTEN EDUCATION IMPLEMENTATION COMMITTEE; PLAN

- (a) Creation. There is created the Prekindergarten Education Implementation Committee to assist the Agency of Education in improving and expanding accessible, affordable, and high-quality prekindergarten education for children on a full-day basis on or before July 1, 2026. The prekindergarten program under consideration would require a school district to provide prekindergarten education to all children within the district in either a public school or by contract with private providers, or both. As used in this section, "child" or "children" means a child or children who are four years of age on the date by which the child's school district requires kindergarten students to have attained five years of age or who are five years of age and not yet enrolled in kindergarten, unless otherwise specified.
- (b)(1) Membership. The Committee shall be composed of the following members:
- (A) the Secretary of Education or designee, who shall serve as cochair;
- (B) the Secretary of Human Services or designee, who shall serve as co-chair;
- (C) the Executive Director of the Vermont Principals' Association or designee;
- (D) the Executive Director of the Vermont Superintendents Association or designee;
- (E) the Executive Director of the Vermont School Board Association or designee;
- (F) the Executive Director of the Vermont National Education Association or designee;

- (G) the Chair of the Vermont Council of Special Education Administrators or designee;
- (H) the Executive Director of the Vermont Curriculum Leaders Association or designee;
 - (I) the Executive Director of Building Bright Futures or designee;
- (J) 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;
- (K) a representative of a prequalified private provider as defined in 16 V.S.A. § 829, providing prekindergarten education at a regulated family child care home, appointed by the Committee on Committees;
 - (L) the Head Start Collaboration Office Director or designee;
 - (M) the Executive Officer of Let's Grow Kids or designee;
 - (N) a representative, appointed by Vermont Afterschool, Inc.; and
- (O) two family representatives, one with a child three years of age or younger when the Committee initially convenes and the second with a prekindergarten-age child when the Committee initially convenes, appointed by the Building Bright Futures Council.
- (2) The Committee shall consult with any stakeholder necessary to accomplish the purposes of this section, including stakeholders with perspectives specific to diversity, equity, and inclusion.
- (c) Powers and duties. The Committee shall examine the delivery of prekindergarten education in Vermont and make recommendations to expand access for children through the public school system or private providers under contract with the school district, or both. The Committee shall examine and make recommendations on the changes necessary to provide prekindergarten education to all children by or through the public school system on or before July 1, 2026, including transitioning children who are three years of age from the 10-hour prekindergarten benefit to child care and early education. The Committee's recommendation shall consider the needs of both the State and local education agencies.
- (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 administrative, 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, 2024, 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 implementation plan based on the analysis conducted pursuant to subsection (c) of this section. The report shall include draft legislative language to support the Committee's plan.

(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, 2025.
- (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 18 meetings. These payments shall be made from monies appropriated to the Agency of Education.

(h) Appropriations.

- (1) The sum of \$7,500.00 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 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, 2025, revert to the General Fund.
- Sec. 3. 16 V.S.A. § 4010 is amended to read:
- § 4010. DETERMINATION OF WEIGHTED LONG-TERM MEMBERSHIP AND PER PUPIL EDUCATION SPENDING

* * *

(d) Determination of weighted long-term membership. For each weighting category except the small schools weighting category under subdivision (b)(3) of this section, the Secretary shall compute the weighting count by using the long-term membership, as defined in subdivision 4001(7) of this title, in that category.

- (1) The Secretary shall first apply grade level weights. Each pupil included in long-term membership <u>from subsection</u> (b) of this section shall count as one, multiplied by the following amounts:
 - (A) prekindergarten negative 0.54; [Repealed.]
 - (B) grades six through eight—0.36; and
 - (C) grades nine through 12—0.39.

* * *

* * * Agency of Education * * *

Sec. 4. PLAN; AGENCY OF EDUCATION LEADERSHIP

On or before November 1, 2025, the Agency of Education shall submit a plan to the House Committees on Education and on Human Services and to the Senate Committees on Education and on Health and Welfare to implement a second deputy secretary or commissioner position within the Agency of Education for the purpose of elevating the status of early education and special education within the Agency in accordance with the report produced pursuant to 2021 Acts and Resolves No, 45, Sec. 13. The plan shall achieve greater parity in decision-making authority, roles and responsibilities, and reporting structure related to early care and learning across the Agency and Department for Children and Families.

- * * * Child Care and Child Care Subsidies * * *
- Sec. 5. 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 and the corresponding family contribution shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The Commissioner may adjust the subsidy and family contribution by rule to account for increasing child care costs not to exceed 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. 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 percent of the current federal poverty guidelines shall not have a family co-payment. Families with an annual gross income up to and including 350 550 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.

* * *

Sec. 5a. 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.

* * *

(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 and shall comply with the Office of Racial Equity's most recent Language Access Report.

(6) A Vermont resident who has a citizenship status that would otherwise exclude the resident from participating in the Child Care Financial Assistance Program shall be served under this Program, provided that the benefit for these residents is solely State-funded. The Department shall not retain data on the citizenship status of any applicant or participant once a child is no longer participating in the program, and it shall not request the citizenship status of any members of the applicant's or participant's family. Any records created pursuant to this subsection shall be exempt from public inspection and copying under the Public Records Act.

* * *

Sec. 5b. FISCAL YEAR 2024; FAMILY CONTRIBUTION

In fiscal year 2024, a weekly family contribution for participants in the Child Care Financial Assistance Program established in 33 V.S.A. §§ 3512 and 3513 shall begin at \$27.00 for families at 151 percent of the federal poverty level and increase progressively for families at a higher percentage of the federal poverty level as determined by the Department.

Sec. 6. PROVIDER RATE ADJUSTMENT; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

- (a) It is the intent of the General Assembly that the provider rate adjustment established in this section shall be utilized to begin implementing the recommendations for a professional pay scale as examined in Sec. 15 of this act.
- (b)(1) On January 1, 2024, the Department for Children and Families shall provide an adjustment to the base child care provider reimbursement rates in the Child Care Financial Assistance Program for child care services provided by center-based child care and preschool programs, family child care homes, and afterschool and summer care programs. 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. The adjusted reimbursement rate shall then be adjusted to account for the differential between family child care homes and center-based child care and preschool programs by 50 percent. 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, regulated family child care home, or afterschool or summer care program.
- (2) The provider rate adjustment established in this section shall become part of the base budget in future fiscal years.

Sec. 7. 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, \$48,699,264.00 is appropriated from the General Fund to the Department for Children and Families' Child Development Division for:
 - (1) the program eligibility expansion in Sec. 5 of this act; and
 - (2) the fiscal year 2024 provider rate adjustment in Sec. 6 of this act.
- (b)(1) 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, \$4,000,000.00 is appropriated from the General Fund to the Division to administer adjustments to the Child Care Financial Assistance Program required by this act through the authorization of the following six new permanent classified positions within the Division:
 - (A) business applications support manager;
 - (B) licensing field specialist;
 - (C) child care business technician;
 - (D) administrative service coordinator II;
 - (E) program integrity investigator; and
 - (F) grants and contracts manager—compliance.
- (2) The Division shall allocate at least \$2,000,000.00 of the amount appropriated in this subsection to the Community Child Care Support Agencies.
- Sec. 8. READINESS PAYMENTS; CHILD CARE FINANCIAL ASSISTANCE PROGRAM
- (a)(1) In fiscal year 2024, \$18,873,235.00 is appropriated one time from the General Fund to the Department for Children and Families' Child Development Division for the purpose of providing payments to child care providers, as defined in 33 V.S.A. § 3511, delivering child care services to children, in preparation of the Child Care Financial Assistance Program eligibility expansion in Sec. 5 of this act and for the fiscal year 2024 provider rate adjustment in Sec. 6 of this act. Readiness payments may be used for the following:
 - (A) increasing capacity for infants and toddlers;

- (B) expanding the number of family child care homes;
- (C) improving child care facilities;
- (D) preparing private prequalified providers for future changes in the prekindergarten system;
- (E) expanding hours of operation to provide full-day, full-week child care services;
- (F) increasing workforce capacity, including signing and retention bonuses; and
 - (G) 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 payment 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 payments to the Joint Fiscal Committee at its November 2023 meeting.
- Sec. 9. 33 V.S.A. § 3514 is amended to read:

§ 3514. PAYMENT TO PROVIDERS

(a)(1) The Commissioner shall establish a payment schedule for purposes of reimbursing providers for full- or part-time child care services 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.

The payment schedule shall account for the age of the children served, and all providers in the same child care setting category shall receive a reimbursement rate payment, which shall be dependent upon whether the provider operates a child care center and preschool program, family child care home, or afterschool or summer care program. The rate used to reimburse providers

shall be increased over the previous year's rate annually in alignment with the most recent annual average wage growth for NAICS code 611, Educational Services, not to exceed five percent.

- (2) Payments shall be based on enrollment status or any other basis agreed to by the provider and the Division. The Department, in consultation with the Office of Racial Equity and stakeholders, shall adopt rules pursuant to 3 V.S.A. chapter 25 that define "enrollment" and the total number of allowable absences to continue participating in the Child Care Financial Assistance Program. The Department shall minimize itemization of absence categories.
- (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) The payment schedule established by the Commissioner may reimburse providers in accordance with the results of the most recent Vermont Child Care Market Rate Survey.
- (2) The payment schedule shall include reimbursement rate caps tiered in relation to provider ratings in the Vermont STARS program. The lower limit of the reimbursement rate caps shall be not less than the 50th percentile of all reported rates for the same provider setting in each rate category. [Repealed.]
- Sec. 10. 33 V.S.A. § 3515 is added to read:

§ 3515. 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. Annually, consistent with funds appropriated for this purpose, the Commissioner may provide a child care provider with an incentive payment for the following achievements:
- (1) achieving a higher level in the quality rating and improvement system, including increasing access to and provision of culturally competent care and multilingual programming and providing other family support services similar to those provided in approved Head Start programs;
 - (2) increasing infant and toddler capacity;
 - (3) maintaining existing infant and toddler capacity;
- (4) establishing capacity in regions of the State that are identified by the Commissioner as underserved;

- (5) providing nonstandard hours of child care services;
- (6) completing a Commissioner-approved training on protective or family support services; and
- (7) 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. 10a. LEGISLATIVE INTENT; CHILD CARE QUALITY AND

CAPACITY INCENTIVE PROGRAM

It is the intent of the General Assembly that in fiscal year 2025 and in future fiscal years, at least \$10,000,000.00 is appropriated for the child care quality and capacity incentive program established in 33 V.S.A. § 3515.

Sec. 11. 33 V.S.A. § 3516 is added to read:

§ 3516. 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. 12. 33 V.S.A. § 3517 is added to read:

§ 3517. CHILD CARE TUITION RATES

A child care provider shall not impose an increase on annual child care tuition that exceeds 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. This amount shall be posted on the Department's website annually.

Sec. 12a. 33 V.S.A. § 3518 is added to read:

§ 3518. DIVERSITY, EQUITY, AND INCLUSION

The Department shall consult with the Office of Racial Equity in preparing all public materials and trainings related to the Child Care Financial Assistance Program.

Sec. 13. RULEMAKING; CHILD CARE DIRECTORS

- (a) The Department for Children and Families shall amend the following rules pursuant to 3 V.S.A. chapter 25 to require that a child care director is present at the child care facility that the director operates at least 40 percent of the time that children are present:
- (1) Department for Children and Families, Licensing Regulations for Afterschool and Child Care Programs (CVR 13-171-003); and
- (2) Department for Children and Families, Licensing Regulations for Center-Based Child Care and Preschool Programs (CVR 13-171-004).
- (b) The Department shall consider amending its rule prohibiting a person or entity registered or licensed to operate a family child care home from concurrently operating a center-based child care and preschool program or afterschool and summer care program.

* * * Reports * * *

Sec. 14. REPORT; BACKGROUND CHECKS

On or before January 15, 2024, the Vermont Crime Information Center, in collaboration with the Agency of Education and the Department for Children and Families, shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare providing a recommendation to streamline and improve the timeliness of the background check process for child care and early education providers who are required to complete two separate background checks.

Sec. 15. PROVIDER COMPENSATION; ESTIMATE AND ANALYSIS

- (a) On or before November 1, 2024, the Joint Fiscal Office, in consultation with the Department for Children and Families 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 containing a fiscal estimate of the cost of implementing a professional tiered system of compensation for the child care workforce using total costs of care estimates.
- (b) On or before November 1, 2024, the Office of Legislative Counsel shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare concerning the extent to which the State is authorized to impose a compensation scale on private child care providers for professionals providing child care services.

* * * Special Accommodations Grant * * *

Sec. 16. PLAN; SPECIAL ACCOMMODATIONS GRANT

On or before July 1, 2024, the Department for Children and Families' Child Development Division, in consultation with stakeholders, shall develop and submit an implementation plan to the House Committee on Human Services and to the Senate Committee on Health and Welfare to streamline and improve the responsiveness and effectiveness of the application process for special accommodation grants, including:

- (1) implementing a 12-month or longer grant cycle option for eligible 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 considerations the Department deems essential to the goal of streamlining the application process for special accommodation grants.
 - * * * Afterschool and Summer Care Grant Program * * *

Sec. 17. 33 V.S.A. chapter 38 is added to read:

<u>CHAPTER 38. AFTERSCHOOL AND SUMMER CARE GRANT</u> PROGRAM

§ 3801. AFTERSCHOOL AND SUMMER CARE GRANT PROGRAM

- (a) There is created the Afterschool and Summer Care Grant Program for the purpose of providing grants for child and youth programming operated in public or private settings outside of the school day and over the summer, including before and after school, teacher in-service days, and school vacation weeks. Grants may be used by an afterschool and summer care operator for technical assistance, program implementation, program expansion, program sustainability, and related costs.
- (b) In selecting from among eligible grant applicants, the Agency of Education and the Department for Children and Families shall prioritize applications that serve children and youth in underserved communities.
- (c)(1) The Agency and Department shall jointly adopt policies, procedures, and guidelines necessary for the implementation of the Program established pursuant to this section.
- (2) The Agency and Department may jointly contract for the administration of the Program. Administrative costs and technical assistance related to the Afterschool and Summer Care Grant Program shall not exceed \$500,000.00 annually.

§ 3802. AFTERSCHOOL AND SUMMER CARE SPECIAL FUND

- (a) There is established a special fund to be known as the Afterschool and Summer Care Special Fund, which shall be used for the purpose of funding the Afterschool and Summer Care Grant Program established pursuant to section 3801 of this title.
- (b) The Fund shall be established and held separate and apart from any other funds or monies of the State and shall be used and administered exclusively for the purpose of this section. The money in the Fund shall be invested in the same manner as permitted for the investment of funds belonging to the State or held in the Treasury. The Fund shall consist of any combination of the following:
 - (1) cannabis sales tax revenue pursuant to 32 V.S.A. § 7910;
- (2) such sums as may be appropriated or transferred thereto from time to time by the General Assembly, the State Emergency Board, or the Joint Fiscal Committee during such times as the General Assembly is not in session;
 - (3) interest earned from the investment of Fund balances; and
- (4) any other money from any other source accepted for the benefit of the Fund.
- (c) The Fund shall be administered by the Afterschool and Summer Care Special Fund Advisory Committee established pursuant to section 3803 of this title.
- (d) The Advisory Committee shall administer awards in such a way as to comply with the requirements of Section 108(f) of the Internal Revenue Code.

§ 3803. AFTERSCHOOL AND SUMMER CARE SPECIAL FUND

ADVISORY COMMITTEE

- (a) There is created the Afterschool and Summer Care Special Fund Advisory Committee jointly managed by the Agency of Education and the Department for Children and Families to:
- (1) provide recommendations to the Secretary of Education and the Commissioner for Children and Families regarding the Afterschool and Summer Care Grant Program established pursuant to section 3801 of this title; and
- (2) administer the Afterschool and Summer Care Special Fund established pursuant to section 3802 of this title.

- (b) The Advisory Committee shall comprise the following:
- (1) the Chief Prevention Officer established in 3 V.S.A. § 2321, who shall serve as chair;
 - (2) the Commissioner of Mental Health or designee;
 - (3) the Commissioner of Health or designee;
 - (4) the Commissioner for Children and Families or designee;
 - (5) the Secretary of Education or designee;
 - (6) the executive director of Building Bright Futures or designee;
 - (7) a representative, appointed by Vermont Afterschool, Inc;
- (8) a representative of a municipality that operates an afterschool or summer care program, appointed by the Vermont League of Cities and Towns; and
- (9) two parents whose children participate in an afterschool or summer care program, appointed by Vermont Afterschool, Inc.
- (c)(1) The Chief Prevention Officer shall call the first meeting of the Advisory Committee to occur on or before September 1, 2023.
- (2) The Advisory Committee shall meet at such times as may reasonably be necessary to carry out its duties but at least once in each calendar quarter.
- (3) The Agency of Education and Department for Children and Families shall provide technical, legal, and administrative assistance to the Advisory Committee.
- (d) Notwithstanding 2 V.S.A. § 20(d), on or before November 15 of each year, the Advisory Committee shall submit a report containing a summary of its activities and any recommendations to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare. The report shall address outcomes data on grants awarded pursuant to section 3801 of this title during the previous year, including:
- (1) the number of afterschool and summer care operators receiving a grant under section 3801 of this title;
- (2) the number of children and youth served and hours of care provided by afterschool and summer care operators receiving a grant under section 3801 of this title;
- (3) the geographic distribution of afterschool and summer care operators receiving a grant under section 3801 of this title; and

- (4) the extent to which family costs are reduced for the care of children and youth served by afterschool and summer care operators receiving a grant under section 3801 of this title.
- (e) For attendance at meetings, members of the Advisory Committee not otherwise paid for participating in the meetings shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010. These payments shall be made from the Afterschool and Summer Care Special Fund.

Sec. 18. 32 V.S.A. chapter 207 is amended to read:

CHAPTER 207. CANNABIS EXCISE TAX AND SALES TAX REVENUE

* * *

§ 7910. CANNABIS SALES TAX REVENUE; AFTERSCHOOL AND SUMMER CARE PROGRAMMING

Notwithstanding 16 V.S.A. § 4025, revenue from the sales and use tax imposed by chapter 233 of this title on retail sales of cannabis or cannabis products in this State shall be deposited into the Afterschool and Summer Care Special Fund established pursuant to 33 V.S.A. § 3802.

* * * Workforce Supports * * *

Sec. 19. 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. [Repealed.]
- (b) 33 V.S.A. § 3542 (scholarships for prospective early childhood providers) is repealed on July 1, 2026.
- (c) 33 V.S.A. § 3543 (student loan repayment assistance program) is repealed on July 1, 2026. [Repealed.]
 - * * * Transitional Assistance and Governance * * *

Sec. 20. CHILD CARE; ADMINISTRATIVE SERVICE ORGANIZATIONS

On or before February 15, 2024, the Department for Children and Families shall provide a presentation to the House Committee on Human Services and to the Senate Committee on Health and Welfare regarding the feasibility of and any progress towards establishing administrative service organizations for child care providers.

Sec. 21. 33 V.S.A. § 4605 is added to read:

§ 4605. TECHNICAL ASSISTANCE; ACCOUNTABILITY

In order to ensure the successful implementation of expanded child care, prekindergarten, and afterschool and summer care, Building Bright Futures shall be responsible for monitoring accountability, supporting stakeholders in collectively defining and measuring success, maximizing stakeholder engagement, and providing technical assistance to build capacity for the Department for Children and Families' Child Development Division and the Agency of Education. Specifically, Building Bright Futures shall:

- (1) ensure accountability through monitoring transitions over time and submitting a report with the results of this work on January 15 of each year to the House Committee on Human Services and to the Senate Committee on Health and Welfare;
- (2) define and measure success of expanded child care, prekindergarten, and afterschool and summer care related to process, implementation, and outcomes using a continuous quality improvement framework and engage public, private, legislative, and family partners to develop benchmarks pertaining to:
 - (A) equitable access to high-quality child care;
 - (B) equitable access to high-quality prekindergarten;
 - (C) equitable access to high-quality afterschool and summer care;
 - (D) stability of the early child care education workforce;
- (E) workforce capacity and needs of the child care, prekindergarten, afterschool and summer care systems; and
- (F) the impact of this act on a mixed-delivery system for prekindergarten, child care, and afterschool and summer care.

Sec. 21a. APPROPRIATION; BUILDING BRIGHT FUTURES

Of the funds appropriated in Sec. 7(b) (appropriation; child care financial assistance program) of this act, the Department for Children and Families shall allocate \$266,707.00 to Building Bright Futures for the purpose of implementing its duties under 33 V.S.A. § 4605. This amount shall become part of the Department's base for the purpose of supporting Building Bright Future's work pursuant to 33 V.S.A. § 4605.

Sec. 22. PLAN; DEPARTMENT FOR CHILDREN AND FAMILIES;

GOVERNANCE

- (a) On or before November 1, 2025, the Secretary of Human Services shall submit an implementation plan to the House Committees on Appropriations, on Government Operations and Military Affairs, and on Human Services and to the Senate Committees on Appropriations, on Government Operations, and on Health and Welfare regarding the reorganization of the Department for Children and Families to increase responsiveness to Vermonters and elevate the status of child care and early education within the Agency of Human Services. The implementation plan shall be consistent with the goals of the report produced pursuant to 2021 Acts and Resolves No. 45, Sec. 13. It shall achieve greater parity in decision-making authority, roles and responsibilities, and reporting structure related to early care and learning across the Agency of Education and Agency of Human Services.
- (b) The implementation plan required pursuant to this section shall contain any legislative language required for the division of the Department.

* * * Effective Dates * * *

Sec. 23. EFFECTIVE DATES

- (a) Except as provided in subsection (b) of this section, this act shall take effect on July 1, 2023.
- (b)(1) Sec. 3 (determination of weighted long-term membership and per pupil education spending) shall take effect on July 1, 2026.
- (2) Sec. 5 (Child Care Financial Assistance Program; eligibility), Sec. 5b (fiscal year 2024; family contribution), Sec. 6 (provider rate adjustment; Child Care Financial Assistance Program), and Sec. 9 (payment to providers) shall take effect on January 1, 2024, except that the Commissioner for Children and Families shall initiate any rulemaking necessary prior to that date in order to perform the Commissioner's duties under this act.
- (3) Sec. 5a (Child Care Financial Assistance Program; eligibility) and Sec. 10 (child care quality and capacity incentive program) shall take effect on July 1, 2024.

(Committee vote: 10-1-0)

Rep. Buss of Woodstock, for the Committee on Education, recommends that the report of the Committee on Human Services be amended as follows:

<u>First</u>: In Sec. 1, legislative intent, in subdivision (2), by striking out the words "<u>for children four years of age</u>"

<u>Second</u>: In Sec. 1, legislative intent, in subdivision (7), by striking out the words "prekindergarten access for children who are four years of age on the date by which the child's school district requires kindergarten students to have

attained five years of age or who are five years of age and not yet enrolled in kindergarten" and inserting in lieu thereof the words "access to prekindergarten education"

Third: In Sec. 2, Prekindergarten Education Implementation Committee, plan, in subsection (a), by striking out "As used in this section, "child" or "children" means a child or children who are four years of age on the date by which the child's school district requires kindergarten students to have attained five years of age or who are five years of age and not yet enrolled in kindergarten, unless otherwise specified."

<u>Fourth</u>: In Sec. 2, Prekindergarten Education Implementation Committee; plan, by striking out subdivision (b)(1) in its entirety and inserting in lieu thereof a new subdivision (b)(1) to read as follows:

- (b)(1) Membership. The Committee shall be composed of the following members:
- (A) the Secretary of Education or designee, who shall serve as cochair;
- (B) the Secretary of Human Services or designee, who shall serve as co-chair;
- (C) the Executive Director of the Vermont Principals' Association or designee;
- (D) the Executive Director of the Vermont Superintendents Association or designee;
- (E) the Executive Director of the Vermont School Board Association or designee;
- (F) the Executive Director of the Vermont National Education Association or designee;
- (G) the Chair of the Vermont Council of Special Education Administrators or designee;
- (H) an early education coordinator for a school district which provides prekindergarten education through a mixed-delivery system, appointed by the Vermont Superintendents Association;
 - (I) the Executive Director of Building Bright Futures or designee;
- (J) 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;

- (K) a representative of a prequalified private provider as defined in 16 V.S.A. § 829, providing prekindergarten education at a regulated family child care home, appointed by the Committee on Committees; and
 - (L) a representative, appointed by Vermont Afterschool, Inc.

<u>Fifth</u>: In Sec. 2, Prekindergarten Education Implementation Committee; plan, in subsection (c), by striking out ", including transitioning children who are three years of age from the 10-hour prekindergarten benefit to child care and early education" and inserting in lieu thereof ". The Committee's analysis may yield distinct recommendations for different prekindergarten ages"

Sixth: In Sec. 2, Prekindergarten Education Implementation Committee; plan, in subsection (c), following "the needs of both the State and local education agencies." by inserting "The Committee shall also make recommendations for the minimum number of hours that shall constitute a full school day for both prekindergarten education and kindergarten as well as analyze whether there are areas of the State where prekindergarten education can be more effectively and conveniently furnished in an adjacent state due to geographic considerations."

Seventh: By adding a new section to be Sec. 2a. to read as follows:

Sec. 2a. PREKINDERGARTEN EDUCATION MODEL CONTRACT

On or before December 1, 2024, the Agency of Education shall develop a model contract for school districts to use for contracting with private providers for prekindergarten education services. The model contract shall include an antidiscrimination provision that requires compliance with the Vermont Public Accommodations Act, 9 V.S.A. chapter 139, and the Vermont Fair Employment Practices Act, 21 V.S.A. chapter 5, subchapter 6. In order to ensure that publicly funded prekindergarten education is provided by a Vermont-licensed teacher, the model contract shall also include staff teaching licensure requirements.

<u>Eighth</u>: By striking out Sec. 3, 16 V.S.A. § 4010, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. 16 V.S.A. § 4010 is amended to read:

§ 4010. DETERMINATION OF WEIGHTED LONG-TERM MEMBERSHIP AND PER PUPIL EDUCATION SPENDING

- (a) Definitions. As used in this section:
 - (1) "EL pupils" means pupils described under section 4013 of this title.
 - (2) "FPL" means the Federal Poverty Level.

- (3) "Weighting categories" means the categories listed under subsection (b) of this section.
- (4) "Full day prekindergarten education in a public school setting" means prekindergarten education provided in a public school that is equal in length to the day of education provided to all kindergarten through grade 5 students enrolled in the same school district.
- (b) Determination of average daily membership and weighting categories. On or before the first day of December during each school year, the Secretary shall determine the average daily membership, as defined in subdivision 4001(1) of this title, of each school district for the current school year and shall perform the following tasks:
- (1) Using average daily membership, list for each school district the number of:
- (A) pupils in prekindergarten <u>receiving full day prekindergarten</u> <u>education in a public school setting</u>;
 - (B) pupils in kindergarten through grade five;
 - (C) pupils in grades six through eight;
 - (D) pupils in grades nine through 12;
- (E) pupils whose families are at or below 185 percent of FPL, using the highest number of pupils in the district:
- (i) that meet this definition under the universal income declaration form; or
- (ii) who are directly certified for free and reduced-priced meals; and
 - (F) EL pupils.; and
 - (G) all other pupils in prekindergarten.

* * *

- (d) Determination of weighted long-term membership. For each weighting category except the small schools weighting category under subdivision (b)(3) of this section, the Secretary shall compute the weighting count by using the long-term membership, as defined in subdivision 4001(7) of this title, in that category.
- (1) The Secretary shall first apply grade level weights. Each pupil included in long-term membership shall count as one, multiplied by the following amounts:

- (A) <u>all other pupils in prekindergarten—negative 0.54;</u>
- (B) grades six through eight—0.36; and
- (C) grades nine through 12—0.39.

* * *

<u>Ninth</u>: In Sec. 4, plan; Agency of Education leadership, by striking out the words "<u>implement a second deputy secretary or commissioner</u>" and inserting in lieu thereof the words "<u>create a senior level</u>"

<u>Tenth</u>: By striking out Sec. 17, 33 V.S.A. chapter 38, in its entirety and inserting in lieu thereof a new Sec. 17 to read as follows:

Sec. 17. 16 V.S.A. chapter 1, subchapter 3 is added to read:

Subchapter 3. Afterschool and Summer Care

§ 51. AFTERSCHOOL AND SUMMER CARE

- (a) Agency of Education regulation. Pursuant to rules adopted by the Secretary of Education in accordance with 3 V.S.A. chapter 25, school-based afterschool and summer learning programs for students in prekindergarten through grade 12 shall be regulated by the Agency of Education if no Child Care Financial Assistance Program funds provided under 33 V.S.A. § 3512 or 3513 are used to fund the afterschool or summer learning program.
- (b) Agency of Human Services regulation. Pursuant to rules adopted by the Agency of Human Services in accordance with 3 V.S.A. chapter 25, if a school-based afterschool or summer learning program for students in prekindergarten through grade 12 does not subsidize access for students that qualify for free or reduced-price meals under the federal food programs, pursuant to 16 V.S.A., chapter 27, the afterschool and summer learning program shall be regulated by the Agency of Human Services.

§ 52. UNIVERSAL AFTERSCHOOL AND SUMMER CARE GRANT

PROGRAM

(a) Creation. There is created the Afterschool and Summer Care Grant Program to support the expansion of summer and afterschool programs, with an emphasis on increasing access in underserved areas of the State. The Secretary of Education shall manage and use the assets in the Afterschool and Summer Care Special Fund created pursuant to section 53 of this title to set up inclusive programs to support the expansion of universal afterschool and summer programs with a focus on capacity in underserved areas of the State and for underserved populations, including students with disabilities and economically disadvantaged and historically marginalized students.

- (b) Grants. The Afterschool and Summer Care Grant Program shall be used to support a mixed delivery system for afterschool and summer programing, consistent with the requirements of 21C funding authorized under Title IV, part B of the Every Student Succeeds Act, 20 U.S.C. § 7171 et al. Eligible recipients may be public or private nonprofit organizations. Grants may be used for technical assistance, program implementation, program sustainability, and related costs. Grants shall be used to directly target communities with:
- (1) low existing capacity to serve youth in afterschool and summer settings;
 - (2) populations that are currently underserved; and
- (3) populations that do not fall under subdivisions (1) and (2) of this subsection as funds are available.
- (c) Administration. The Agency may use up to \$500,000.00 for administrative costs, including personal services for program staff, to allow for the support of the grant program and technical assistance to communities. The Agency may contract to support the grant program.
- (d) Advice. The Governor may advise the Secretary of Education to consult with other members of the Governor's cabinet and administration on the design of the program.
- (e) Report and plan. Notwithstanding 2 V.S.A. § 20(d), on or before November 15 of each year, the Agency of Education shall submit to the General Assembly a plan to fund grants made pursuant to this section. The report shall be inclusive of afterschool and summer learning programming supported by federal funds, State grants and contracts, the Child Care Financial Assistance Program pursuant to 33 V.S.A. § 3512 or 3513, and any matching philanthropic funding. The grants shall be in an amount equal to the official forecasted revenues to be raised from the sales and use tax imposed by 32 V.S.A. chapter 233 on cannabis or cannabis products in this State. The Agency shall also report outcomes data on grants awarded pursuant to this section during the previous year, including:
- (1) the number of afterschool and summer care operators receiving a grant under this section;
- (2) the number of children and youth served and hours of care provided by afterschool and summer care operators receiving a grant under this section;
- (3) the geographic distribution of afterschool and summer care operators receiving a grant under this section; and

(4) the extent to which family costs are reduced for the care of children and youth served by afterschool and summer care operators receiving a grant under this section.

§ 53. AFTERSCHOOL AND SUMMER CARE SPECIAL FUND

- (a) There is established a special fund to be known as the Afterschool and Summer Care Special Fund, which shall be used for the purpose of funding the Afterschool and Summer Care Grant Program established pursuant to section 52 of this title.
- (b) The Fund shall be established and held separate and apart from any other funds or monies of the State and shall be used and administered exclusively for the purpose of this section. The money in the Fund shall be invested in the same manner as permitted for the investment of funds belonging to the State or held in the Treasury. The Fund shall consist of any combination of the following:
 - (1) cannabis sales tax revenue pursuant to 32 V.S.A. § 7910;
- (2) such sums as may be appropriated or transferred thereto from time to time by the General Assembly, the State Emergency Board, or the Joint Fiscal Committee during such times as the General Assembly is not in session;
 - (3) interest earned from the investment of Fund balances; and
- (4) any other money from any other source accepted for the benefit of the Fund.
- (c) The Fund shall be administered by the Agency of Education pursuant to section 52 of this title.
- (d) The Agency shall administer awards in such a way as to comply with the requirements of Section 108(f) of the Internal Revenue Code.

Eleventh: By adding a new section to be Sec. 17a to read as follows:

Sec. 17a. AGENCY OF EDUCATION; POSITIONS; APPROPRIATION

- (a) Establishment of the following new permanent classified positions is authorized in the Agency of Education in fiscal year 2024:
- (1) one full-time, permanent classified Afterschool and Summer Care data analyst; and
- (2) one full-time, permanent classified Afterschool and Summer Care Grant program coordinator.

(b) There is appropriated to the Agency of Education from the Afterschool and Summer Care Special Fund in fiscal year 2024 the sum of \$250,000.00 for the purpose of creating the two new positions created in this section.

<u>Twelfth</u>: By adding a new section to be Sec. 18a to read as follows:

Sec. 18a. REPEALS

2020 Acts and Resolves No. 164, Secs. 17c (dedicated use of sales and use tax on cannabis) and 17d (annual budgeting of sales and use tax revenue) are repealed.

<u>Thirteenth</u>: In Sec. 23, effective dates, in subdivision (b)(1), by striking out "<u>July 1, 2026</u>" and inserting in lieu thereof "<u>July 1, 2024</u>"

(Committee Vote: 10-2-0)

Rep. Kornheiser of Brattleboro, for the Committee on Ways and Means, recommends that the House propose to the Senate that the bill be amended as recommended by the Committee on Human Services and by the Committee on Education and when further 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 and early learning system shall:

- (1) increase access to and the quality of child care services and afterschool and summer care programs throughout the State;
- (2) increase equitable access to and quality of prekindergarten education for children four years of age;
 - (3) provide financial stability to child care programs;
 - (4) stabilize Vermont's talented child care workforce;
 - (5) address the workforce needs of the State's employers;
- (6) maintain a mixed-delivery system for prekindergarten, child care, and afterschool and summer care; and
- (7) assign school districts with the responsibility of ensuring equitable prekindergarten access for children who are four years of age on the date by which the child's school district requires kindergarten students to have attained five years of age or who are five years of age and not yet enrolled in kindergarten.

* * * Prekindergarten * * *

Sec. 2. PREKINDERGARTEN EDUCATION IMPLEMENTATION COMMITTEE; PLAN

(a) Creation. There is created the Prekindergarten Education Implementation Committee to assist the Agency of Education in improving and expanding accessible, affordable, and high-quality prekindergarten education for children on a full-day basis on or before July 1, 2026. The prekindergarten program under consideration would require a school district to provide prekindergarten education to all children within the district in either a public school or by contract with private providers, or both.

(b) Membership.

- (1) The Committee shall be composed of the following members:
- (A) the Secretary of Education or designee, who shall serve as cochair;
- (B) the Secretary of Human Services or designee, who shall serve as co-chair;
- (C) the Executive Director of the Vermont Principals' Association or designee;
- (D) the Executive Director of the Vermont Superintendents Association or designee;
- (E) the Executive Director of the Vermont School Board Association or designee;
- (F) the Executive Director of the Vermont National Education Association or designee;
- (G) the Chair of the Vermont Council of Special Education Administrators or designee;
- (H) the Executive Director of the Vermont Curriculum Leaders Association or designee;
 - (I) the Executive Director of Building Bright Futures or designee;
- (J) 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;
- (K) a representative of a prequalified private provider as defined in 16 V.S.A. § 829, providing prekindergarten education at a regulated family child care home, appointed by the Committee on Committees;

- (L) the Head Start Collaboration Office Director or designee;
- (M) the Executive Officer of Let's Grow Kids or designee;
- (N) a representative, appointed by Vermont Afterschool, Inc.;
- (O) a representative, appointed by the Vermont Association for the Education of Young Children;
- (P) a regional prekindergarten coordinator, appointed by the Vermont Principals' Association; and
- (Q) two family representatives, one with a child three years of age or younger when the Committee initially convenes and the second with a prekindergarten-age child when the Committee initially convenes, appointed by the Building Bright Futures Council.
- (2) The Committee shall consult with any stakeholder necessary to accomplish the purposes of this section, including stakeholders with perspectives specific to diversity, equity, and inclusion.
- (c) Powers and duties. The Committee shall examine the delivery of prekindergarten education in Vermont and make recommendations to expand access for children through the public school system or private providers under contract with the school district, or both. The Committee shall examine and make recommendations on the changes necessary to provide prekindergarten education to all children by or through the public school system on or before July 1, 2026. The Committee's analysis may yield distinct recommendations for different prekindergarten ages. The Committee's recommendation shall consider:
 - (1) the needs of both the State and local education agencies;
- (2) the minimum number of hours that shall constitute a full school day for both prekindergarten and kindergarten;
- (3) whether there are areas of the State where prekindergarten education can be more effectively and conveniently furnished in an adjacent state due to geographic considerations;
- (4) benchmarks and best practices to ensure high-quality prekindergarten education;
- (5) measures to ensure capacity is available to meet the demand for prekindergarten education;
- (6) special education services for children participating in prekindergarten in both public and private settings;

- (7) any necessary infrastructure changes to expand prekindergarten;
- (8) costs associated with expanding prekindergarten, including fiscally strategic options to sustain an expansion of prekindergarten;
- (9) recommendations for the oversight of the prekindergarten system; and
 - (10) any other issue the Committee deems relevant.
- (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 administrative, 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, 2024, 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 implementation plan based on the analysis conducted pursuant to subsection (c) of this section. The report shall include draft legislative language to support the Committee's plan.

(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, 2025.
- (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 18 meetings. These payments shall be made from monies appropriated to the Agency of Education.

(h) Appropriations.

- (1) The sum of \$7,500.00 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 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, 2025, revert to the General Fund.

Sec. 2a. PREKINDERGARTEN EDUCATION MODEL CONTRACT

On or before December 1, 2024, the Agency of Education, in consultation with the members of the Prekindergarten Education Implementation Committee and other relevant stakeholders, shall develop a model contract for school districts to use for contracting with private providers for prekindergarten education services. The model contract shall include:

- (1) an antidiscrimination provision that requires compliance with the Vermont Public Accommodations Act, 9 V.S.A. chapter 139, and the Vermont Fair Employment Practices Act, 21 V.S.A. chapter 5, subchapter 6; and
 - (2) requirements for the provision of special education services.

Sec. 2b. PREKINDERGARTEN PUPIL WEIGHT; REPORT

On or before December 1, 2023, the Agency of Education, in consultation with the Prekindergarten Education Implementation Committee, shall analyze and issue a written report to the General Assembly regarding whether the cost of educating a prekindergarten student is the same as educating a kindergarten student in the context of a full school day. The report shall include a detailed analysis, recommendation, and implementation plan for the sufficient weight to apply to prekindergarten students, in alignment with the weights under current law, for the purposes of determining weighted long-term membership of a school district under 16 V.S.A. § 4010. The report shall include draft legislative language to support the recommended prekindergarten pupil weight and implementation plan.

Sec. 2c. AGENCY OF EDUCATION DATA COLLECTION AND

SHARING

On or before August 1, 2023, the Agency of Education shall collect and share the following data with the Joint Fiscal Office:

- (1) The number of weighted pupils, which shall not be adjusted by the equalization ratio, for fiscal year 2024:
- (A) using weights in effect on July 1, 2023 at both the statewide and district levels; and
- (B) using weights in effect on July 1, 2024 at both the statewide and district levels.
 - (2) The following data, by school district:

- (A) the total resources needed to operate a public prekindergarten education program that would serve each prekindergarten child in the district;
 - (B) the number of prekindergarten children by year of age;
- (C) the total education spending and other funds spent in fiscal year 2023 for children attending public prekindergarten education programs;
- (D) the total education spending and other funds spent in fiscal year 2023 for prekindergarten children receiving prekindergarten education through a prequalified private provider to whom the district pays tuition;
- (E) if the school district operates a public prekindergarten education program:
- (i) the number of hours and slots offered in the public prekindergarten education program;
- (ii) the number of students residing in the district enrolled in the public prekindergarten education program;
- (iii) the number and cost of students residing in the district enrolled in a prequalified private provider for whom the district pays tuition for prekindergarten education; and
- (iv) the number of students enrolled in the public prekindergarten education program who reside outside the district and the corresponding revenues associated with the nonresident student tuition; and
- (F) if the school district does not operate a prekindergarten education program:
- (i) the number of hours of prekindergarten education provided to each prekindergarten child; and
 - (ii) the tuition costs for prekindergarten children.
- Sec. 3. 16 V.S.A. § 4010 is amended to read:
- § 4010. DETERMINATION OF WEIGHTED LONG-TERM MEMBERSHIP AND PER PUPIL EDUCATION SPENDING

* * *

(d) Determination of weighted long-term membership. For each weighting category except the small schools weighting category under subdivision (b)(3) of this section, the Secretary shall compute the weighting count by using the long-term membership, as defined in subdivision 4001(7) of this title, in that category.

- (1) The Secretary shall first apply grade level weights. Each pupil included in long-term membership <u>from subsection</u> (b) of this section shall count as one, multiplied by the following amounts:
 - (A) prekindergarten negative 0.54; [Repealed.]
 - (B) grades six through eight—0.36; and
 - (C) grades nine through 12—0.39.

* * *

Sec. 3a. CONTINGENT EFFECTIVE DATE OF PREKINDERGARTEN EDUCATION WEIGHT CHANGE

The amendments to 16 V.S.A. § 4010 (weighted long-term membership) set forth in Sec. 3 of this act shall not take effect unless, on or before July 1, 2026, the General Assembly enacts legislation establishing the following:

- (1) a definition for the minimum number of hours that constitute a full school day for prekindergarten education;
- (2) a requirement that all school districts shall be required to follow the same minimum number of hour requirements for prekindergarten education; and
- (3) a requirement that all school districts shall be required to follow the same contracting requirements for the provision of prekindergarten education.

* * * Agency of Education * * *

Sec. 4. PLAN; AGENCY OF EDUCATION LEADERSHIP

On or before November 1, 2025, the Agency of Education shall submit a plan to the House Committees on Education and on Human Services and to the Senate Committees on Education and on Health and Welfare for the purpose of elevating the status of early education within the Agency in accordance with the report produced pursuant to 2021 Acts and Resolves No, 45, Sec. 13. The plan shall achieve greater parity in decision-making authority, roles and responsibilities, and reporting structure related to early care and learning across the Agency and Department for Children and Families.

- * * * Child Care and Child Care Subsidies * * *
- Sec. 5. 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.

* * *

(4) After September 30, 2021, 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 Nothing in this subsection shall preclude a child care provider from establishing tuition rates that are lower than the provider reimbursement rate in the Child Care Financial Assistance Program.

* * *

Sec. 5a. 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 and the corresponding family contribution shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The Commissioner may adjust the subsidy and family contribution by rule to account for increasing child care costs not to exceed 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. 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 150 175 percent of the current federal poverty guidelines shall not have a family co-payment. Families with an annual gross income up to and including 350 400 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.

* * *

Sec. 5b. 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.

* * *

- (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 and shall comply with the Office of Racial Equity's most recent Language Access Report.
- (6) A Vermont resident who has a citizenship status that would otherwise exclude the resident from participating in the Child Care Financial Assistance Program shall be served under this Program, provided that the benefit for these residents is solely State-funded. The Department shall not retain data on the citizenship status of any applicant or participant once a child is no longer participating in the program, and it shall not request the citizenship status of any members of the applicant's or participant's family. Any records created pursuant to this subsection shall be exempt from public inspection and copying under the Public Records Act.

* * *

Sec. 5c. 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 and the corresponding family contribution shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. Commissioner may adjust the subsidy and family contribution by rule to account for increasing child care costs not to exceed 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. 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 175 percent of the current federal poverty guidelines shall not have a family co-payment. Families with an annual gross income up to and including 400 575 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.

* * *

Sec. 5d. FISCAL YEAR 2024; FAMILY CONTRIBUTION

In fiscal year 2024, a weekly family contribution for participants in the Child Care Financial Assistance Program established in 33 V.S.A. §§ 3512 and 3513 shall begin at \$52.00 for families at 176 percent of the federal poverty level and increase for families at a higher percentage of the federal poverty level as determined by the Department.

Sec. 6. PROVIDER RATE ADJUSTMENT; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a) It is the intent of the General Assembly that:

- (1) the provider rate adjustment recommended in this section shall be an initial step toward implementing the professional pay scale established pursuant to 33 V.S.A. § 3544; and
- (2) programs use funds to elevate quality through higher compensation for staff, curriculum implementation, staff professional development, and improvements to learning environments.

- (b)(1) On January 1, 2024, the Department for Children and Families shall provide an adjustment to the base child care provider reimbursement rates in the Child Care Financial Assistance Program for child care services provided by center-based child care and preschool programs, family child care homes, and afterschool and summer care programs. The adjusted reimbursement rate shall account for the age of the children served and be 35 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 a reimbursement rate payment, which shall be dependent upon whether the provider operates a regulated child care center and preschool program, regulated family child care home, or afterschool or summer care program.
- (2) The provider rate adjustment established in this section shall become part of the base budget in future fiscal years.

Sec. 7. 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, \$47,300,000.00 is appropriated from the General Fund to the Department for Children and Families' Child Development Division for:
 - (1) the program eligibility expansion in Sec. 5a of this act; and
 - (2) the fiscal year 2024 provider rate adjustment in Sec. 6 of this act.
- (b)(1) 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, \$4,000,000.00 is appropriated from the General Fund to the Division to administer adjustments to the Child Care Financial Assistance Program required by this act through the authorization of the following 11 new permanent classified positions within the Division:
 - (A) one Business Applications Support Manager;
 - (B) one Licensing Field Specialist I;
 - (C) two Child Care Business Techs;
 - (D) one Administrative Services Coordinator II;
 - (E) one Program Integrity Investigator;
 - (F) one Grants and Contracts Manager Compliance;
 - (G) one Business Application Support Specialist;

- (H) one Communications and Outreach Coordinator;
- (I) one Financial Manager II; and
- (J) one Grants and Contracts Manger.
- (2) The Department may seek permission from the Joint Fiscal Committee to replace a position authorized in this subsection with an alternative position.
- (3) The Division shall allocate at least \$2,000,000.00 of the amount appropriated in this subsection to the Community Child Care Support Agencies.
- Sec. 8. READINESS PAYMENTS; CHILD CARE FINANCIAL ASSISTANCE PROGRAM
- (a)(1) In fiscal year 2024, \$20,000,000.00 is appropriated one time from the General Fund to the Department for Children and Families' Child Development Division for the purpose of providing payments to child care providers, as defined in 33 V.S.A. § 3511, delivering child care services to children, in preparation of the Child Care Financial Assistance Program eligibility expansion in Sec. 5a of this act and for the fiscal year 2024 provider rate adjustment in Sec. 6 of this act. Readiness payments may be used for the following:
 - (A) increasing capacity for infants and toddlers;
 - (B) expanding the number of family child care homes;
 - (C) improving child care facilities;
- (D) preparing private prequalified providers for future changes in the prekindergarten system;
- (E) expanding hours of operation to provide full-day, full-week child care services;
 - (F) addressing gaps in services and expanding capacity;
- (G) increasing workforce capacity, including signing and retention bonuses; and
 - (H) 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 payment program established by this section, the Division shall utilize the Agency of Administration bulletin

pertaining to beneficiaries in effect on May 1, 2023. 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 payments to the Joint Fiscal Committee at its November 2023 meeting.
- Sec. 9. 33 V.S.A. § 3514 is amended to read:

§ 3514. PAYMENT TO PROVIDERS

(a)(1) The Commissioner shall establish a payment schedule for purposes of reimbursing providers for full- or part-time child care services 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.

The payment schedule shall account for the age of the children served, and all providers in the same child care setting category shall receive a reimbursement rate payment, which shall be dependent upon whether the provider operates a child care center and preschool program, family child care home, or afterschool or summer care program. The rate used to reimburse providers shall be increased over the previous year's rate annually in alignment with the most recent annual average wage growth for NAICS code 611, Educational Services, not to exceed five percent.

- (2) Payments shall be based on enrollment status or any other basis agreed to by the provider and the Division. The Department, in consultation with the Office of Racial Equity and stakeholders, shall adopt rules pursuant to 3 V.S.A. chapter 25 that define "enrollment" and the total number of allowable absences to continue participating in the Child Care Financial Assistance Program. The Department shall minimize itemization of absence categories.
- (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) The payment schedule established by the Commissioner may reimburse providers in accordance with the results of the most recent Vermont Child Care Market Rate Survey.

(2) The payment schedule shall include reimbursement rate caps tiered in relation to provider ratings in the Vermont STARS program. The lower limit of the reimbursement rate caps shall be not less than the 50th percentile of all reported rates for the same provider setting in each rate category. [Repealed.]

Sec. 9a. 33 V.S.A. § 3514 is amended to read:

§ 3514. PAYMENT TO PROVIDERS

(a)(1) The Commissioner shall establish a payment schedule for purposes of reimbursing providers for full- or part-time child care services rendered to families who participate in the programs established under section 3512 or 3513 of this title. The payment schedule shall account for the age of the children served, and all providers in the same child care setting category shall receive a reimbursement rate payment, which shall be dependent upon whether the provider operates a child care center and preschool program, family child care home, or afterschool or summer care program. The adjusted reimbursement rate shall then be adjusted to account for the differential between family child care homes and center-based child care and preschool programs by 50 percent. The rate used to reimburse providers shall be increased over the previous year's rate annually in alignment with the most recent annual average wage growth for NAICS code 611, Educational Services, not to exceed five percent.

* * *

Sec. 10. 33 V.S.A. § 3515 is added to read:

§ 3515. 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 sections 3512 and 3513 of this title. Annually, consistent with funds appropriated for this purpose, the Commissioner may provide a child care provider with an incentive payment for the following achievements:
- (1) achieving a higher level in the quality rating and improvement system, including increasing access to and provision of culturally competent care and multilingual programming and providing other family support services similar to those provided in approved Head Start programs;
 - (2) increasing infant and toddler capacity;
 - (3) maintaining existing infant and toddler capacity;

- (4) establishing capacity in regions of the State that are identified by the Commissioner as underserved;
 - (5) providing nonstandard hours of child care services;
- (6) completing a Commissioner-approved training on protective or family support services; and
- (7) 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. 10a. LEGISLATIVE INTENT; CHILD CARE QUALITY AND CAPACITY INCENTIVE PROGRAM

It is the intent of the General Assembly that in fiscal year 2025 and in future fiscal years, at least \$10,000,000.00 is appropriated for the child care quality and capacity incentive program established in 33 V.S.A. § 3515.

Sec. 11. 33 V.S.A. § 3516 is added to read:

§ 3516. 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. 12. 33 V.S.A. § 3517 is added to read:

§ 3517. CHILD CARE TUITION RATES

A child care provider shall ensure that its tuition rates are available to the public. A regulated child care provider shall not impose an increase on annual child care tuition that exceeds 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. This amount shall be posted on the Department's website annually.

Sec. 12a. 33 V.S.A. § 3518 is added to read:

§ 3518. CHILD CARE PROVIDER OWNERSHIP DISCLOSURE

(a) As used in this section:

- (1) "Affiliate" means a person that directly or indirectly owns or controls, is owned or controlled by, or is under common ownership or control with another person.
- (2) "Applicant" means a person that applies to be eligible to receive State funding for child care services pursuant to a provider rate agreement.
- (3) "Controls," "is controlled by," and "under common control" mean the power to direct, or cause the direction or management and policies of a person, whether through the direct or beneficial ownership of voting securities, by contract, or otherwise. A person who directly or beneficially owns 10 percent or more equity interest, or the equivalent thereof, of another person shall be deemed to control the person.
 - (4) "Owner" means a person who controls an applicant.
 - (5) "Principal" means one of the following:
- (A) the president, vice president, secretary, treasurer, manager, or similar officer of a corporation as provided for by 11A V.S.A. § 8.40, nonprofit corporation as provided for by 11B V.S.A. § 8.40, mutual benefit enterprise as provided for by 11C V.S.A. § 822, cooperative as provided for by 11 V.S.A. § 1013, or worker cooperative corporation as provided for by 11 V.S.A. § 1089;
- (B) a director of a corporation as provided for by 11A V.S.A. § 8.01, nonprofit corporation as provided for by 11B V.S.A. § 8.01, mutual benefit enterprise as provided for by 11C V.S.A. § 801, cooperative as provided for by 11 V.S.A. § 1006, or worker cooperative corporation as provided for by 11 V.S.A. § 1089;
- (C) a member of a member-managed limited liability company as provided for by 11 V.S.A. § 4054;
- (D) a manager of a manager-managed limited liability company as provided for by 11 V.S.A. § 4054; or
- (E) a partner of a partnership as provided for by 11 V.S.A. § 3212 or a general partner of a limited partnership as provided for by 11 V.S.A. chapter 23.
- (b) Disclosure. The Department shall adopt procedures to require each applicant to disclose, prior to entering a provider rate agreement:
 - (1) the type of business organization of the applicant;
 - (2) the identity of the applicant's owners and principals; and
 - (3) the identity of the owners and principals of the applicant's affiliates.

Sec. 12b. 33 V.S.A. § 3519 is added to read:

§ 3519. DIVERSITY, EQUITY, AND INCLUSION

The Department shall consult with the Office of Racial Equity in preparing all public materials and trainings related to the Child Care Financial Assistance Program.

Sec. 13. RULEMAKING; PROGRAM DIRECTORS

- (a) The Department for Children and Families shall amend the following rules pursuant to 3 V.S.A. chapter 25 to require that a program director is present at the child care facility that the program director operates at least 40 percent of the time that children are present:
- (1) Department for Children and Families, Licensing Regulations for Afterschool and Child Care Programs (CVR 13-171-003); and
- (2) Department for Children and Families, Licensing Regulations for Center-Based Child Care and Preschool Programs (CVR 13-171-004).
 - (b) The Department shall review and consider amending its:
- (1) rule prohibiting a person or entity registered or licensed to operate a family child care home from concurrently operating a center-based child care and preschool program or afterschool and summer care program; and
- (2) eligibility policies addressing self-employment and other areas of specialized need on a regular basis and revise them consistent with research on best practices in the field to maximize participation in the program and minimize undue burden on families applying for the Child Care Financial Assistance Program.

* * * Report * * *

Sec. 14. REPORT: BACKGROUND CHECKS

On or before January 15, 2024, the Vermont Crime Information Center, in collaboration with the Agency of Education and the Department for Children and Families, shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare providing a recommendation to streamline and improve the timeliness of the background check process for child care and early education providers who are required to complete two separate background checks.

Sec. 15. [Deleted.]

* * * Special Accommodations Grant * * *

Sec. 16. PLAN; SPECIAL ACCOMMODATIONS GRANT

On or before July 1, 2024, the Department for Children and Families' Child Development Division, in consultation with stakeholders, shall develop and submit an implementation plan to the House Committee on Human Services and to the Senate Committee on Health and Welfare to streamline and improve the responsiveness and effectiveness of the application process for special accommodation grants, including:

- (1) implementing a 12-month or longer grant cycle option for eligible 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 considerations the Department deems essential to the goal of streamlining the application process for special accommodation grants.
 - * * * Workforce Supports * * *
- Sec. 17. 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. [Repealed.]
- (b) 33 V.S.A. § 3542 (scholarships for prospective early childhood providers) is repealed on July 1, 2026.
- (c) 33 V.S.A. § 3543 (student loan repayment assistance program) is repealed on July 1, 2026. [Repealed.]
 - * * * Transitional Assistance and Governance * * *

Sec. 18. CHILD CARE: ADMINISTRATIVE SERVICE ORGANIZATIONS

On or before February 15, 2024, the Department for Children and Families shall provide a presentation to the House Committee on Human Services and to the Senate Committee on Health and Welfare regarding the feasibility of and any progress towards establishing administrative service organizations for child care providers.

Sec. 19. 33 V.S.A. § 4605 is added to read:

§ 4605. TECHNICAL ASSISTANCE; ACCOUNTABILITY

In order to ensure the successful implementation of expanded child care, prekindergarten, and afterschool and summer care, Building Bright Futures shall be responsible for monitoring accountability, supporting stakeholders in

- collectively defining and measuring success, maximizing stakeholder engagement, and providing technical assistance to build capacity for the Department for Children and Families' Child Development Division and the Agency of Education. Specifically, Building Bright Futures shall:
- (1) ensure accountability through monitoring transitions over time and submitting a report with the results of this work on January 15 of each year to the House Committee on Human Services and to the Senate Committee on Health and Welfare; and
- (2) define and measure success of expanded child care, prekindergarten, and afterschool and summer care related to process, implementation, and outcomes using a continuous quality improvement framework and engage public, private, legislative, and family partners to develop benchmarks pertaining to:
 - (A) equitable access to high-quality child care;
 - (B) equitable access to high-quality prekindergarten;
 - (C) equitable access to high-quality afterschool and summer care;
 - (D) stability of the early child care education workforce;
- (E) workforce capacity and needs of the child care, prekindergarten, afterschool and summer care systems; and
- (F) the impact of this act on a mixed-delivery system for prekindergarten, child care, and afterschool and summer care.

Sec. 20. APPROPRIATION; BUILDING BRIGHT FUTURES

Of the funds appropriated in Sec. 7(b) (appropriation; child care financial assistance program) of this act, the Department for Children and Families shall allocate \$266,707.00 to Building Bright Futures for the purpose of implementing its duties under 33 V.S.A. § 4605. This amount shall become part of the Department's base for the purpose of supporting Building Bright Future's work pursuant to 33 V.S.A. § 4605.

Sec. 21. PLAN; DEPARTMENT FOR CHILDREN AND FAMILIES;

GOVERNANCE

(a) On or before November 1, 2025, the Secretary of Human Services shall submit an implementation plan to the House Committees on Appropriations, on Government Operations and Military Affairs, and on Human Services and to the Senate Committees on Appropriations, on Government Operations, and on Health and Welfare regarding the reorganization of the Department for Children and Families to increase responsiveness to Vermonters and elevate

the status of child care and early education within the Agency of Human Services. The implementation plan shall be consistent with the goals of the report produced pursuant to 2021 Acts and Resolves No. 45, Sec. 13. It shall achieve greater parity in decision-making authority, roles and responsibilities, and reporting structure related to early care and learning across the Agency of Education and Agency of Human Services.

(b) The implementation plan required pursuant to this section shall contain any legislative language required for the division of the Department.

* * * * Child Care Provider Wages * * *

Sec. 23. WAGES FOR CHILD CARE PROVIDERS; INTENT

It is the intent of the General Assembly that, upon reaching the provider reimbursement rates recommended by the report produced pursuant to 2021 Acts and Resolves No. 45, Sec. 14:

- (1) Vermont shall establish minimum wage rates for child care providers that align with the recommendations of the Vermont Association for the Education of Young Children's recommendations in the 2021 Advancing ECE as a Profession Task Force report;
- (2) the minimum wage rates shall annually increase based on the percentage increase in the average wage for NAICS code 611, Educational Services; and
- (3) the initial minimum wage rates shall be adjusted for inflation based on the findings and recommendations of the report prepared pursuant to Sec. 23a of this act.

Sec. 23a. REPORT; CHILD CARE PROVIDER WAGES

On or before January 1, 2026, the Joint Fiscal Office shall submit information to the House Committees on Human Services and on Ways and Means and to the Senate Committees on Health and Welfare and on Finance providing estimated current minimum wage levels based on Vermont and other state data regarding wage levels for early care and education providers.

* * * Personal Income Tax Rates * * *

Sec. 24. PERSONAL INCOME TAX RATES; TAXABLE YEAR 2024

(a) For taxable years beginning on and after January 1, 2024, after taking into consideration any inflation adjustments to taxable income as required by 32 V.S.A. § 5822(b)(2), all personal income tax rates under 32 V.S.A. § 5822(a)(1)–(5) shall be increased as follows:

- (1) taxable income that without the passage of this act would have been subject to a rate of 3.35 percent shall be taxed at the rate of 3.65 percent instead;
- (2) taxable income that without the passage of this act would have been subject to a rate of 6.60 percent shall be taxed at the rate of 7.30 percent instead;
- (3) taxable income that without the passage of this act would have been subject to a rate of 7.60 percent shall be taxed at the rate of 8.30 percent instead; and
- (4) taxable income that without the passage of this act would have been subject to a rate of 8.75 percent shall be taxed at the rate of 9.60 percent instead.
- (b) When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Counsel shall revise the tables in 32 V.S.A. § 5822(a)(1)–(5) as follows:
- (1) to reflect the changes to the income tax rates made under subsection (a) of this section; and
- (2) to update the taxable income brackets to the most recent taxable year amounts available that have been adjusted for inflation as required by 32 V.S.A. § 5822(b)(2).

Sec. 25. PERSONAL INCOME TAX RATES; TAXABLE YEAR 2027

- (a) For taxable years beginning on and after January 1, 2027, after taking into consideration any inflation adjustments to taxable income as required by 32 V.S.A. § 5822(b)(2), all personal income tax rates under 32 V.S.A. § 5822(a)(1)–(5) shall be increased as follows:
- (1) taxable income that without the passage of this act would have been subject to a rate of 3.65 percent shall be taxed at the rate of 3.80 percent instead;
- (2) taxable income that without the passage of this act would have been subject to a rate of 7.30 percent shall be taxed at the rate of 7.50 percent instead;
- (3) taxable income that without the passage of this act would have been subject to a rate of 8.30 percent shall be taxed at the rate of 8.55 percent instead; and

- (4) taxable income that without the passage of this act would have been subject to a rate of 9.60 percent shall be taxed at the rate of 10.05 percent instead.
- (b) When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Counsel shall revise the tables in 32 V.S.A. § 5822(a)(1)–(5) as follows:
- (1) to reflect the changes to the income tax rates made under subsection (a) of this section; and
- (2) to update the taxable income brackets to the most recent taxable year amounts available that have been adjusted for inflation as required by 32 V.S.A. § 5822(b)(2).

* * * Corporate Income Tax Rates * * *

Sec. 26. 32 V.S.A. § 5832 is amended to read:

§ 5832. TAX ON INCOME OF CORPORATIONS

A tax is imposed for each calendar year, or fiscal year ending during that calendar year, upon the income earned or received in that taxable year by every taxable corporation, reduced by any Vermont net operating loss allowed under section 5888 of this title, such tax being the greater of:

(1) an amount determined in accordance with the following schedule: Vermont net income of the corporation for the taxable year allocated or apportioned to Vermont under section 5833 of this title

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\$ 0–10,000.00	6.00% <u>6.5%</u>
10,001.00-25,000.00	600.00 plus $7.0%$ $8.0%$ of the
	excess over \$10,000.00
25,001.00 and over	1,650.00 plus $8.5%$ $10.0%$ of the
	excess over \$25,000.00

or

* * *

* * * Earned Income Tax Credit; Child Tax Credit * * *

Sec. 27. 32 V.S.A. § 5828b(a) is amended to read:

(a) A resident individual or part-year resident individual who is entitled to an earned income tax credit granted under the laws of the United States or who would have been entitled to an earned income tax credit under the laws of the United States but for the fact that the individual, the individual's spouse, or one or more of the individual's children does not have a qualifying taxpayer identification number shall be entitled to a credit against the tax imposed for each year by section 5822 of this title. The credit shall be 38 percent of the earned income tax credit granted to the individual under the laws of the United States or that would have been granted to the individual under the laws of the United States but for the fact that the individual, the individual's spouse, or one or more of the individual's children does not have a qualifying taxpayer identification number, multiplied by the percentage that the individual's residency in this State bears to the individual's total earned income.

Sec. 28. 32 V.S.A. § 5828b is amended to read:

§ 5828b. EARNED INCOME TAX CREDIT

- (a)(1) A resident individual or part-year resident individual who is entitled to an earned income tax credit granted under the laws of the United States or who would have been entitled to an earned income tax credit under the laws of the United States but for the fact that the individual, the individual's spouse, or one or more of the individual's children does not have a qualifying taxpayer identification number shall be entitled to a credit against the tax imposed for each year by section 5822 of this title. The credit shall be 38 percent a percentage, as determined under subdivision (2) of this subsection, of the earned income tax credit granted to the individual under the laws of the United States or that would have been granted to the individual under the laws of the United States but for the fact that the individual, the individual's spouse, or one or more of the individual's children does not have a qualifying taxpayer identification number, multiplied by the percentage that the individual's income that is earned or received during the period of the individual's residency in this State bears to the individual's total income.
- (2) The credit under this section shall be a percentage of the earned income tax credit granted to the individual under the laws of the United States, which shall be determined as follows:

- (A) for an individual who claims one qualifying child or more than one qualifying children for purposes of the earned income tax credit under this section during the taxable year, 55 percent; and
- (B) for an individual who does not claim any qualifying children for purposes of the earned income tax credit under this section during the taxable year, 100 percent.

* * *

Sec. 29. 32 V.S.A. § 5830f(a) is amended to read:

(a) A resident individual or part-year resident individual who is entitled to a child tax credit under the laws of the United States or who would have been entitled to a child tax credit under the laws of the United States but for the fact that the individual or the individual's spouse does not have a taxpayer identification number shall be entitled to a refundable credit against the tax imposed by section 5822 of this title for the taxable year. The total credit per taxable year shall be in the amount of \$1,000.00 per qualifying child, as defined under 26 U.S.C. § 152(c) but notwithstanding the taxpayer identification number requirements under 26 U.S.C. § 24(e) and (h)(7), who is five years of age or younger as of the close of the calendar year in which the taxable year of the taxpayer begins. For a part-year resident individual, the amount of the credit shall be multiplied by the percentage that the individual's income that is earned or received during the period of the individual's residency in this State bears to the individual's total income.

Sec. 30. 32 V.S.A. § 5830 is added to read:

§ 5830. TAXPAYER IDENTIFICATION NUMBERS; CREDITS

- (a) The Commissioner shall provide a process for an individual to claim the child tax credit or the earned income tax credit, or both, pursuant to subsections 5828b(a) and 5830f(a) of this title when the individual, the individual's spouse, or one or more of the individual's qualifying children does not have a taxpayer identification number. The Commissioner shall not inquire about or record the citizenship and immigration status of an individual, an individual's spouse, or one or more of an individual's qualifying children when an individual claims one or more credits pursuant to this section and subsections 5828b(a) and 5830f(a) of this title.
- (b) Upon the Commissioner's request, an individual who claims one or more credits pursuant to subsections 5828b(a) and 5830f(a) of this title shall provide valid documents establishing the identity and income for the taxable year of the individual and, as applicable, the individual's spouse and qualifying children. Upon receiving a valid Social Security number issued by

- the Social Security Administration, the individual shall notify the Commissioner in the time and manner prescribed by the Commissioner.
- (c) All claims submitted and records created pursuant to this section and subsections 5828b(a) and 5830f(a) of this title shall be exempt from public inspection and copying under the Public Records Act 1 V.S.A. § 317(c)(6) and shall be kept confidential as return or return information pursuant to section 3102 of this title.
- Sec. 31. 32 V.S.A. § 5830f(d) is added to read:
- (d)(1) The Commissioner shall establish a program to make advance quarterly payments of the credit under this section during the calendar year that, in the aggregate, equal 50 percent of the annual amount of the credit allowed to each individual for the taxable year. The quarterly payments made to an individual during the calendar year shall be in equal amounts, except that the Commissioner may modify the quarterly amount upon receipt of any information furnished by the individual that allows the Commissioner to determine the annual amount. The remaining 50 percent of the annual amount of the credit allowed to each individual shall be determined at the time of filing a Vermont personal income tax return for the taxable year pursuant to section 5861 of this title.
- (2) The Commissioner shall provide a process by which individuals may elect not to receive advance payments under this subsection.
 - * * * SALT deduction cap workaround * * *
- Sec. 32. 32 V.S.A. chapter 151, subchapter 10C is added to read:

Subchapter 10C. Elective Pass-Through Entity Income Tax

§ 5921a. DEFINITIONS

As used in this subchapter:

(1) "Distributive proceeds" means the net income, dividends, royalties, interest, rents, guaranteed payments, and gains of a pass-through entity derived from or connected with sources within the State.

(2) "Member" means:

(A) a member of a limited liability company taxed as a partnership or S corporation for federal and state income tax purposes; a partner in a general, limited, or limited liability partnership; or a shareholder of an S corporation, provided the member is a natural person;

- (B) a grantor trust that passes all income through to a grantor who is subject to personal income tax on that income under section 5822 of this title; or
- (C) a single-member limited liability company disregarded for federal income tax purposes.
- (3) "Pass-through entity" means a limited liability company taxed as a partnership or S corporation for federal and state income tax purposes, a partnership, or an S corporation. "Pass-through entity" does not mean a publicly traded partnership or a single-member limited liability company.
- (4) "Pass-through entity business income tax" means the tax imposed under this subchapter.
- (5) "Share of distributive proceeds" means the portion of distributive proceeds attributable to a member of a pass-through entity during a taxable year.

§ 5921b. PASS-THROUGH ENTITY INCOME TAX; ELECTION

- (a) A pass-through entity may elect to be liable for and pay a pass-through entity income tax during the taxable year, provided:
- (1) at least one member of the entity is liable for income tax under this chapter on that member's share of distributive proceeds of the pass-through entity during a taxable year;
- (2) each member of the pass-through entity is a natural person, a single-member limited liability company disregarded for federal income tax purposes, or a grantor trust that passes all income through to a grantor who is subject to personal income tax on that income under section 5822 of this title;
 - (3) no member is a C corporation or another pass-through entity; and
 - (4) consent is given by:
- (A) each member of the electing entity who is a member at the time the election is filed; or
- (B) any officer, manager, or member of the electing entity who is authorized, under law or the entity's organizational documents, to make the election and who represents having such authority under penalties of perjury.
- (b) The tax imposed on a pass-through entity under this section shall be equal to the sum of each member's share of taxable distributive proceeds attributable to the pass-through entity for the taxable year, multiplied by the second-highest marginal tax rate in section 5822 of this chapter.

- (c) The election under this section shall be made annually, on or before the due date for filing the entity's return as established by the Commissioner, and shall not apply retroactively. An election made under this section shall be binding on all members of the pass-through entity for the year in which the election is made. If the members decide to revoke an election, that revocation shall occur on or before the due date for filing the entity's return.
- (d) Each pass-through entity that makes an election for a taxable year under this section shall annually report to each of its members the member's share of distributive proceeds for the taxable year.
- (e) Each pass-through entity that makes an election for a taxable year under this section shall file an entity tax return and make payments on or before the 15th day of the third month following the close of each entity's taxable year as determined for federal income tax purposes. A pass-through entity shall make estimated entity tax payments as provided under subchapters 10A and 10B of this chapter except that a pass-through entity shall make the estimated entity tax payments for residents and nonresidents alike.
- (f) An individual who is a member or who receives income from a disregarded entity that is a member as defined in section 5921a of this title shall not be liable for the personal income tax imposed under section 5822 of this chapter and shall not be required to file a personal income tax return as prescribed under section 5861 of this chapter, provided:
 - (1) the individual is a nonresident of this State; and
- (2) the individual's only Vermont income during the taxable year is derived from a pass-through entity that has paid the tax imposed under this section on the individual's Vermont income.

§ 5921c. REFUNDABLE INCOME TAX CREDIT; INDIVIDUAL

MEMBERS OF PASS-THROUGH ENTITIES

An individual taxpayer of this State shall be entitled to a refundable credit against the income tax paid under this chapter for the taxable year, provided the individual is a member or receives income from a disregarded entity that is a member of a pass-through entity that elects under section 5921b of this chapter to be liable for and pay the pass-through entity income tax during the taxable year. For each pass-through entity of which the individual is a member, the amount of the credit shall equal 87.5 percent of the individual's pro rata share of the tax paid under section 5921b of this chapter for the taxable year, and that credit shall be available to the individual during the same taxable year. The credit under this section shall be available after the

application of all other credits allowed by law and claimed by the individual during the taxable year.

Sec. 33. 32 V.S.A. § 5825 is amended to read:

§ 5825. CREDIT FOR TAXES PAID TO OTHER STATES AND PROVINCES

* * *

(c) The credit claimed under this section shall include an amount of the tax paid to another state that imposes a tax on the distributive proceeds of a pass-through entity, provided the other state's tax is substantially similar to the pass-through entity income tax imposed under subchapter 10C of this chapter. The nonrefundable credit under this subsection shall equal 87.5 percent of the taxpayer's pro rata share of tax paid to another state, provided the amount of the credit does not exceed the amount of pass-through entity business income tax owed or that would have been owed if the pro rata share of tax paid were subject to the pass-through entity income tax under subchapter 10C of this chapter. As used in this subsection, "distributive proceeds" and "pass-through entity" have the same meanings as under section 5921a of this chapter.

Sec. 34. REPEALS; SALT DEDUCTION CAP WORKAROUND

- (a) 32 V.S.A. chapter 151, subchapter 10C (elective pass-through entity income tax) is repealed.
- (b) 32 V.S.A. § 5825(c) (credit for taxes paid to other states and provinces) is repealed.

* * * Effective Dates * * *

Sec. 35. EFFECTIVE DATES

- (a) Except as provided in subsection (b) of this section, this act shall take effect on July 1, 2023.
- (b)(1) Sec. 3 (determination of weighted long-term membership and per pupil education spending) shall take effect on July 1, 2026, subject to the contingency provisions in Sec. 3a.
- (2) Sec. 5 (Child Care Financial Assistance Program; eligibility), Sec. 6 (provider rate adjustment; Child Care Financial Assistance Program), Sec. 9 (payment to providers), and Sec. 12 (child care tuition rates) shall take effect on January 1, 2024, except that the Commissioner for Children and Families shall initiate any rulemaking necessary prior to that date in order to perform the Commissioner's duties under this act.

- (3) Sec. 5a (Child Care Financial Assistance Program; eligibility) and Sec. 5d (fiscal year 2024; family contribution) shall take effect on April 1, 2024, except that the Commissioner for Children and Families shall initiate any rulemaking necessary prior to that date in order to perform the Commissioner's duties under this act.
- (4) Sec. 5b (Child Care Financial Assistance Program; eligibility), Sec. 9a (payment to providers), and Sec. 10 (child care quality and capacity incentive program) shall take effect on July 1, 2024, except that the Commissioner for Children and Families shall initiate any rulemaking necessary prior to that date in order to perform the Commissioner's duties under this act.
- (5) Sec. 5c (Child Care Financial Assistance Program; eligibility) shall take effect on October 1, 2024.
- (6) Secs. 24 (personal income tax rates; taxable year 2024), 26 (32 V.S.A. § 5832; corporate income tax rates), and 28 (32 V.S.A. § 5828b; earned income tax credit) shall take effect on January 1, 2024 and shall apply to taxable years beginning on and after January 1, 2024.
- (7) Sec. 25 (personal income tax rates; taxable year 2027) shall take effect on January 1, 2027. Sec. 25 shall apply to taxable years beginning on and after January 1, 2027.
- (8) Notwithstanding 1 V.S.A. § 214, Secs. 27 (earned income tax credit; taxpayer identification numbers), 29 (child tax credit; taxpayer identification numbers), 30 (taxpayer identification numbers; credits), and 32 and 33 (SALT deduction cap workaround) shall take effect retroactively on January 1, 2023 and shall apply to taxable years beginning on and after January 1, 2023.
- (9) Sec. 31 (child tax credit; advance payments) shall take effect on the later of July 1, 2023 or the first day of the second quarter of the State fiscal year after the requirement to include recurring or nonrecurring State payments of income tax refunds, rebates, or credits in income-based eligibility determinations for any federal public assistance program, including the Supplemental Nutrition Assistance Program; the Special Supplemental Nutrition Program for Women, Infants, and Children; federal child care assistance; and Supplemental Security Income, is abrogated by one or more of the following federal actions:
 - (A) enactment of federal legislation;
- (B) a decision by a controlling court from which there is no further right of appeal; or

- (C) publication of federal regulations, guidelines, memorandum, or any other official action taken by the relevant federal agency with the authority to alter income-based eligibility determinations for federal public assistance programs.
- (10) Sec. 34 (repeals; SALT deduction cap workaround) shall take effect on the later of December 31, 2025 or the date on which the federal limitation on individual deductions for state and local taxes under 26 U.S.C. § 164(b)(6) is repealed or otherwise abrogated.

(Committee Vote: 9-3-0)

Rep. Scheu of Middlebury, for the Committee on Appropriations, recommends that the report of the Committee on Ways and Means be amended as follows:

<u>First</u>: In Sec. 6, provider rate adjustment; Child Care Financial Assistance Program, in subdivision (a)(1), by striking out the phrase "the professional pay scale established pursuant to 33 V.S.A. § 3544" and inserting in lieu thereof "a professional pay scale"

<u>Second</u>: In Sec. 23, wages for child care providers; intent, by striking out "<u>shall</u>" in the three places it appears and inserting in lieu thereof "<u>may</u>"

(Committee Vote: 7-4-1)

Amendment to be offered by Rep. Wood of Waterbury to S. 56

<u>First</u>: In Sec. 7, appropriation; Child Care Financial Assistance Program, in subdivision (b)(1)(J) by striking out "<u>Manger</u>" and inserting "<u>Manager</u>"

Second: By inserting a new Sec. 8a after Sec. 8 to read as follows:

Sec. 8a. 33 V.S.A. § 3514 is amended to read:

§ 3514. PAYMENT TO PROVIDERS

(a) The Commissioner shall establish a payment schedule for purposes of reimbursing providers for full- or part-time child care services 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 and shall reimburse all providers using the fiscal year 2023 5-STAR rate.

* * *

<u>Third</u>: In Sec. 9, 33 V.S.A. § 3514, by striking out subdivision (a)(2) in its entirety and inserting a new subdivision (a)(2) to read as follows:

(2) Payments shall be based on enrollment status or any other basis agreed to by the provider and the Division and shall reimburse all providers using the fiscal year 2023 5-STAR rate. The Department, in consultation with the Office of Racial Equity and stakeholders, shall adopt rules pursuant to 3 V.S.A. chapter 25 that define "enrollment" and the total number of allowable absences to continue participating in the Child Care Financial Assistance Program. The Department shall minimize itemization of absence categories.

<u>Fourth</u>: In Sec. 12a, 33 V.S.A. § 3518, in subdivision (a)(1), by striking out "<u>affiliate</u>" and inserting in lieu thereof "<u>licensee</u>"; in subdivision (b)(3), by striking out "<u>affiliates</u>" and by inserting in lieu thereof "<u>licensees</u>"; in subdivision (a)(4), by striking out "<u>owner</u>" and by inserting in lieu thereof "<u>licensees</u>"; and in subdivisions (b)(2) and (3), by striking out "<u>owners</u>" in both instances in which it occurs and inserting in lieu thereof "<u>licensees</u>"

Senate Proposal of Amendment

H. 291

An act relating to the creation of the Cybersecurity Advisory Council

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

Sec. 1. 20 V.S.A. chapter 208 is added to read:

CHAPTER 208. CYBERSECURITY

§ 4661. DEFINITIONS

As used in this chapter:

- (1) "Critical infrastructure" has the same meaning as in 11 V.S.A. § 1701.
- (2) "Cybersecurity" means the practice of deploying people, policies, processes, and technologies to protect organizations, their critical systems, and sensitive information from digital attacks.
- (3) "Essential supply chain" means supply chains for the production, in sufficient quantities, of the following articles:
 - (A) medical supplies, medicines, and personal protective equipment;
- (B) articles essential to the operation, manufacture, supply, service, or maintenance of critical infrastructure;
 - (C) articles critical to infrastructure construction after a natural or 3634 -

manmade disaster;

- (D) articles that are critical to the State's food systems, including food supplies for individuals and households and livestock feed; and
- (E) articles that are critical to the State's thermal systems and fuels.

§ 4662. CYBERSECURITY ADVISORY COUNCIL

- (a) Creation. There is created the Cybersecurity Advisory Council to advise on the State's cybersecurity infrastructure, best practices, communications protocols, standards, training, and safeguards.
- (b) Membership. The Council shall be composed of the following members:
- (1) the Chief Information Officer, who shall serve as the Chair or appoint a designee from the Council to serve as the Chair;
 - (2) the Chief Information Security Officer;
- (3) a representative from a distribution or transmission utility, appointed by the Commissioner of Public Service;
- (4) a representative from a State municipal water system, appointed by Secretary of Natural Resources;
- (5) a representative from a Vermont hospital, appointed by the President of the Vermont Association of Hospitals and Health Systems;
- (6) a person representing a Vermont business related to an essential supply chain, appointed by the Chair of the Vermont Business Roundtable;
 - (7) the Director of Vermont Emergency Management or designee;
 - (8) the Governor's Homeland Security Advisor or designee;
 - (9) the Vermont Adjutant General or designee;
 - (10) the Attorney General or designee; and
- (11) the President of Vermont Information Technology Leaders or designee.
 - (c) Powers and duties. The Council shall have the following duties:
- (1) develop a strategic plan for protecting the State's public sector and private sector information and systems from cybersecurity attacks;
- (2) evaluate statewide cybersecurity readiness and develop and share best practices for policies and procedures to strengthen administrative, technical, and physical cybersecurity safeguards as a resource for State

government, Vermont businesses, and the public;

- (3) build relationships and conduct outreach within State government and to federal government and the private sector to ensure the resilience of electronic information systems;
- (4) build strong partnerships with local universities and colleges in order to leverage cybersecurity resources; and
- (5) conduct an inventory and review of cybersecurity standards and protocols for critical sector infrastructures and make recommendations on whether improved or additional standards and protocols are necessary; and
 - (6) identify and advise on opportunities to:
- (A) ensure Vermont promotes, attracts, and retains a highly skilled cybersecurity workforce;
- (B) raise citizen awareness through outreach and public service announcements;
- (C) provide technical capabilities, training, and advice to local government and the private sector;
- (D) provide recommendations on legislative action to the General Assembly to protect critical assets, infrastructure, services, and personally identifiable information;
- (E) advise on strategic, operational, and budgetary impacts of cybersecurity on the State;
 - (F) engage State and federal partners in assessing and managing risk;
- (G) investigate ways the State can implement a unified cybersecurity communications and response, including recommendations for establishing statewide communication protocols in the event of a cybersecurity incident; and
- (H) access cyber-insurance, including how to increase availability and affordability of cyber-insurance for critical industries.
- (d) Assistance. The Council shall have the administrative and technical assistance of the Agency of Digital Services.
 - (e) Working groups and consultations.
- (1) The Council may establish interagency working groups to support its charge, drawing membership from any State agency or department.
- (2) The Council may consult with private sector and municipal, State, and federal government professionals for information and advice on issues

related to the Council's charge.

- (f) Meetings.
 - (1) A majority of the membership shall constitute a quorum.
 - (2) The Council shall meet at least quarterly.
- (3)(A) In addition to 1 V.S.A. § 313, the Council is authorized to enter into an executive session to consider:
- (i) testimony from a person regarding details of a cybersecurity incident or response to that incident, the disclosure of which would jeopardize public safety; or
- (ii) any evaluations, recommendations, or discussions of cybersecurity standards, protocols, and incident responses, the disclosure of which would jeopardize public safety.
- (B) Members of the Council and persons invited to testify before the Council shall not disclose to the public information, records, discussions, and opinions stated in connection to the Council's work if the disclosure would jeopardize public safety.
- (g) Reports. On or before January 15 each year, the Council shall submit a written report to the House Committees on Commerce and Economic Development, on Environment and Energy, on Government Operations and Military Affairs, and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Government Operations with a status update on the work of the Council and any recommendations for legislative action. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.
- (h) Public records act exemption. Any records or information produced or acquired by the Council regarding cybersecurity standards, protocols, and incident responses, if the disclosure would jeopardize public safety, shall be kept confidential and shall be exempt from public inspection or copying under Vermont's Public Records Act. Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this section shall continue in effect and shall not be reviewed for repeal.
- (i) Compensation and reimbursement. Members of the Council who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010. These payments shall be made from monies appropriated to the Agency of Digital Services.

Sec. 2. 11 V.S.A. § 1701 is amended to read:

§ 1701. DEFINITIONS

In As used in this chapter:

(1) "Critical infrastructure" means property and equipment owned or used by communications networks and electric generation, transmission, and distribution systems; water and wastewater systems; health systems; essential supply chains; thermal fuels and systems; and communications networks, including cellular, broadband, and telecommunications networks.

* * *

Sec. 3. REPORT

On or before January 15, 2024, the Cybersecurity Advisory Council shall include in its report required by 20 V.S.A. § 4662(g) recommendations on whether to amend the definition of "essential supply chain", as defined in 20 V.S.A. § 4661, to include additional supply chains.

Sec. 4. REPEAL

20 V.S.A. chapter 208 (cybersecurity) is repealed on June 30, 2028.

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

H. 470

An act relating to miscellaneous amendments to alcoholic beverage laws

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

Sec. 1. 7 V.S.A. § 2 is amended to read:

§ 2. DEFINITIONS

As used in this title:

* * *

- (44) "Cider" "Hard cider" means a vinous beverage, made a majority from the fermented natural sugar content of apples or pears, that contains an alcoholic content of not less than one percent or more than 16 percent by volume at 60 degrees Fahrenheit. "Cider" "Hard cider" includes sweetened, flavored, and carbonated hard cider.
- Sec. 2. 7 V.S.A. § 204 is amended to read:
- § 204. APPLICATION AND RENEWAL FEES FOR LICENSES AND

PERMITS; DISPOSITION OF FEES

(a) The following fees shall be paid when applying for a new license or permit or to renew a license or permit:

* * *

(9) For up to ten each fourth-class licenses license, \$70.00.

* * *

(12) For a festival sampling event permit, \$125.00.

* * *

(14) For an educational sampling a limited event permit, \$250.00.

* * *

Sec. 3. 7 V.S.A. § 224 is amended to read:

§ 224. FOURTH-CLASS LICENSES

- (a) The Board of Liquor and Lottery may grant up to a combined total of ten <u>20</u> fourth-class licenses to a manufacturer or rectifier that submits an application and the fee provided in section 204 of this title.
- (b) At each licensed location, a fourth-class licensee may sell by the unopened container or distribute by the glass, with or without charge, alcoholic beverages manufactured by the licensee.
- (1) A licensee may, for consumption at the licensed premises or location, distribute the following amounts of alcoholic beverages to a retail customer:
 - (A) At a farmer's market location, not more than:
- (i) two ounces of malt beverages, vinous beverages, or ready-to-drink spirits beverages with a total of eight ounces; and
- (B)(ii) no more than one-quarter ounce of spirits or fortified wine with a total of one ounce.
 - (B) At a tasting room and retail shop, not more than:
- (i) an aggregate total of 16 ounces of malt beverages or hard cider;
- (ii) an aggregate total of 12 ounces of vinous beverages or readyto-drink spirits beverages; and
- (iii) not more than one-quarter ounce of spirits or fortified wine with a total of two ounces.

(c)(1) At only one a maximum of two fourth-class license location locations, a licensed manufacturer or rectifier may sell by the unopened container or distribute by the glass, with or without charge, alcoholic beverages produced by no not more than five additional manufacturers or rectifiers, provided these beverages are purchased on invoice from the manufacturer or rectifier.

* * *

Sec. 4. 7 V.S.A. § 228 is amended to read:

§ 228. SAMPLER FLIGHTS

(a) The holder of a first-class license may serve a sampler flight of up to 32 ounces in the aggregate of malt beverages or <u>hard</u> ciders to a single customer at one time.

* * *

Sec. 5. 7 V.S.A. § 251 is amended to read:

§ 251. EDUCATIONAL SAMPLING LIMITED EVENT PERMIT

- (a) The Division of Liquor Control may grant an educational sampling <u>a</u> <u>limited</u> event permit to a person if:
- (1) the <u>limited</u> event is also approved by the local control commissioners; and
- (2) at least 15 days prior to the event, the applicant submits an application to the Division in a form required by the Commissioner that includes a list of the alcoholic beverages to be acquired for sampling at the event and is accompanied by the fee provided in section 204 of this title.
- (b)(1) An educational sampling A limited event permit holder is permitted to conduct an event that is open to the public at which may purchase invoiced volumes of malt beverages, vinous beverages, ready-to-drink spirits beverages, fortified wines, or spirits, or all five are served only for the purposes of marketing and educational sampling, directly from a manufacturer, packager, wholesale dealer, or importer licensed in Vermont or a manufacturer or packager that holds a federal Basic Permit or Brewer's Notice or evidence of licensure in a foreign country that is satisfactory to the Board.
- (2) The invoiced volumes of alcoholic beverages may be transported into the site and sold by the glass to the public by the permit holder or the permit holder's employees and volunteers only during the event.

- (c)(1) No Not more than four educational sampling limited event permits shall be issued annually to the same person-, and
- (2) An educational sampling event each permit shall be valid for no not more than four consecutive days.
 - (d) The permit holder shall ensure all the following:
- (1) Attendees at the educational sampling event shall be required to pay an entry fee of not less than \$5.00.
- (2)(A) Malt beverages, vinous beverages, or ready-to-drink spirits beverages for sampling shall be offered in glasses that contain not more than two ounces of either beverage.
- (B) Fortified wines and spirits for sampling shall be offered in glasses that contain no more than one-quarter ounce of either beverage.
- (3) The event shall be conducted in compliance with all the requirements be subject to the provisions of this title, including section 214 of this title, and the rules of the Board regarding the sale of alcoholic beverages. The permit holder shall pay the tax on the alcoholic beverages served at the event pursuant to section 421 of this title.
 - (e) An educational sampling event permit holder:
- (1) may receive shipments directly from a manufacturer, packager, certificate of approval holder, wholesale dealer, or importer licensed in Vermont or that provides evidence of licensure in another state or foreign country satisfactory to the Board;
- (2) may transport alcoholic beverages to the event site, and those beverages may be served at the event by the permit holder or the holder's employees, volunteers, or representatives of a manufacturer, packager, or importer participating in the event, provided they meet the server age and training requirements under section 259 of this chapter; and
- (3) shall mark all cases and bottles of alcoholic beverages to be served at the event "For sampling only. Not for resale."
- (f) Taxes for the alcoholic beverages served at the event shall be paid as follows:

(1) malt beverages:

- (A) \$0.265 per gallon of malt beverages served that contain not more than six percent alcohol by volume at 60 degrees Fahrenheit; and
 - (B) \$0.55 per gallon of malt beverages served that contain more than

six percent alcohol by volume at 60 degrees Fahrenheit;

- (2) vinous beverages: \$0.55 per gallon served;
- (3) spirits: \$19.80 per gallon served;
- (4) fortified wines: \$19.80 per gallon served; and
- (5) ready-to-drink spirits beverages: \$1.10 per gallon served.
- Sec. 6. 7 V.S.A. § 252 is amended to read:

§ 252. SPECIAL EVENT PERMITS

- (a)(1) The Division of Liquor Control may issue a special event permit if the application is submitted to the Division of Liquor Control with the fee provided in section 204 of this title at least five days prior to the date of the event.
- (2) A manufacturer or rectifier may be issued one special event permit shall be valid for the duration of per physical location for each public event or four days, whichever is shorter. A special event permit shall be valid for not more than 40 days in a calendar year.

* * *

- (c) A licensed manufacturer or rectifier may be issued not more than 10 special event permits for the same physical location in a calendar year.
- Sec. 7. 7 V.S.A. § 253 is amended to read:

§ 253. FESTIVAL SAMPLING EVENT PERMITS

- (a) The Division of Liquor Control may grant a festival sampling event permit if the applicant has:
 - (1) received approval from the local control commissioners;
- (2) submitted a request for a festival the permit to the Division in a form required by the Commissioner at least 15 days prior to the festival event; and
 - (3) paid the fee provided in section 204 of this title.
- (b) A festival An event required to be permitted under this section is any event that is open to the public for which the primary purpose is to serve one or more of the following: malt beverages, vinous beverages, ready-to-drink spirits beverages, fortified wines, or spirits has more than five sampling outlets and expected event attendance is greater than 50 patrons.
- (c) A <u>festival sampling event</u> permit holder is permitted to conduct an event that is open to the public at which one or more of the following are served: malt beverages, vinous beverages, ready-to-drink spirits beverages,

fortified wines, or spirits.

- (d) The permit holder shall ensure the following:
- (1) Attendees at the <u>festival</u> <u>sampling event</u> shall be required to pay an entry fee of not less than \$5.00.

* * *

(2)(A) Malt beverages and <u>hard</u> ciders for sampling shall be offered in glasses that contain not more than $\frac{12}{16}$ ounces with not more than 60 ounces served to any patron at one event.

* * *

(E) Patrons attending a festival sampling event where combinations of malt beverages, vinous beverages, ready-to-drink spirits beverages, fortified wines, or spirits are mutually sampled shall not be served more than a combined total of six U.S. five standard drinks containing 3.6 fluid ounces or 84 grams of pure ethyl alcohol drink units as defined by the World Health Organization.

* * *

(e)(1) A festival sampling event permit holder may purchase invoiced volumes of malt beverages, vinous beverages, or ready-to-drink spirits beverages directly from a manufacturer or packager licensed in Vermont or a manufacturer or packager that holds a federal Basic Permit or Brewers Notice or evidence of licensure in a foreign country that is satisfactory to the Board.

* * *

- (f) A <u>festival sampling event</u> permit holder shall be subject to the provisions of this title, including section 214 of this title, and the rules of the Board regarding the sale of the alcoholic beverages and shall pay the tax on the malt beverages, vinous beverages, or ready-to-drink spirits beverages pursuant to section 421 of this title.
- (g) A person shall be granted not more than four <u>festival</u> <u>sampling event</u> permits per year, and each permit shall be valid for not more than four consecutive days.
- Sec. 8. 7 V.S.A. § 421 is amended to read:

§ 421. TAX ON MALT AND VINOUS BEVERAGES

- (a) Every packager and wholesale dealer shall pay to the Commissioner of Taxes:
 - (1) the sum of 26 and one-half cents per gallon for every gallon or its

equivalent of:

* * *

- (B) <u>hard</u> ciders containing not more than seven percent of alcohol by volume at 60 degrees Fahrenheit sold by them to retailers in the State;
 - (2) the sum of 55 cents per gallon for each gallon of:

* * *

(B) <u>hard</u> ciders containing more than seven percent of alcohol by volume at 60 degrees Fahrenheit sold by them to retailers in the State; and

* * *

Sec. 9. 2021 Acts and Resolves No. 70, Sec. 7 is amended to read:

Sec. 7. REPEAL

7 V.S.A. § 230 is repealed on July 1, 2023 <u>2025</u>.

Sec. 10. DEPARTMENT OF LIQUOR AND LOTTERY; ALCOHOLIC BEVERAGES; PUBLIC HEALTH IMPACT STUDY AND REPORT

On or before January 15, 2025, the Department of Liquor and Lottery, in consultation with other stakeholders, shall study and report on the public safety impacts of the sale of alcoholic beverages for off-premises consumption since the passage of 7 V.S.A. § 230. The Department shall submit the written report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Economic Development, Housing, and General Affairs. The Department shall include with its findings any recommendations for legislative action.

* * * Effective Dates * * *

Sec. 11. EFFECTIVE DATES

- (a) This section and Sec. 9 (extension of sunset; 7 V.S.A. 230) shall take effect on passage.
 - (b) All other sections shall take effect on July 1, 2023.

Governor's Veto

S. 5

An act relating to affordably meeting the mandated greenhouse gas reductions for the thermal sector through efficiency, weatherization measures, electrification, and decarbonization

Text of Veto Message

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **Senate Bill No. S. 5** to the Senate is as follows:

May 4, 2023

The Honorable John Bloomer, Jr. Secretary of the Senate 115 State House Montpelier, VT 05633-5401

Dear Secretary Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning S.5, An act relating to affordably meeting the mandated greenhouse gas reductions for the thermal sector through efficiency, weatherization measures, electrification, and decarbonization, without my signature because of my objections described herein:

As Governor, I believe we must make Vermont more affordable by helping Vermonters keep more of what they earn, while we simultaneously make transformative, strategic investments in important areas like community revitalization, climate action, housing, childcare, clean water, and broadband.

I also believe government transparency is essential to maintaining faith and trust in our democracy. When we pass laws, we must clearly communicate both the burdens and the benefits to Vermonters. From my perspective, S.5 conflicts with these principles, and I cannot support it.

It's important to note despite significant concerns with the policy, I would not veto a bill that directs the Public Utilities Commission (PUC) to design a potential clean heat standard – provided it's returned to the Legislature, in bill form with all the details, and debated, amended, and voted on with the transparency Vermonters deserve.

The so-called "check back" in S.5 does not achieve my simple request. Instead, the "check back" language in the bill is confusing, easily misconstrued, and contradictory to multiple portions of the bill.

As I have repeatedly stated publicly, this veto could have been avoided had the Legislature eliminated the confusion and spelled out, in plain language, that the proposed plan would return to the Legislature to be considered for codification and voted on in bill form.

Again, I continue to fully support efforts to reduce greenhouse gas emissions. As the Legislature is well aware, more than any previous governor,

I have proposed, supported, and invested hundreds of millions of dollars to reduce emissions in the transportation and thermal sectors. I'm also committed to following through on the work outlined in our thermal sector action plan.

Here's the bottom line: The risk to Vermonters and our economy throughout the state is too great; the confusion around the language and the unknowns are too numerous; and we are making real and measurable progress reducing emissions with a more thoughtful, strategic approach that is already in motion.

For these reasons I cannot allow this bill to go into law. It's my sincere hope that members of the Legislature will have the courage to put their constituents ahead of party politics and sustain this veto.

Sincerely, /s/Philip B. Scott Governor

PBS/kp

NOTICE CALENDAR

Senate Proposal of Amendment

H. 31

An act relating to aquatic nuisance control

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

<u>First</u>: In Sec. 1, Aquatic Nuisance Control Study Committee; report, by striking out subsection (b) in its entirety and inserting in lieu thereof the following:

- (b) Membership. The Aquatic Nuisance Control Study Committee shall be composed of the following members:
- (1) one current member of the House of Representatives, who shall be appointed by the Speaker of the House;
- (2) one current member of the Senate, who shall be appointed by the Committee on Committees;
 - (3) the Commissioner of Health or designee;
- (4) a scientist from the Department of Fish and Wildlife, appointed by the Commissioner of Fish and Wildlife;

- (5) a scientist from the Department of Environmental Conservation, appointed by the Commissioner of Environmental Conservation; and
- (6) two scientists or researchers from the University of Vermont, appointed by the President of the University of Vermont, one with expertise in the potential human health impacts related to the invasives and control eradication and one with expertise in aquatic biology, including flora, fauna, and ecosystem health.

<u>Second</u>: Sec. 1, Aquatic Nuisance Control Study Committee; report, in subdivision (f)(1), by striking out "<u>July 31, 2023</u>" where it appears and inserting in lieu thereof <u>September 1, 2023</u>

<u>Third</u>: In Sec. 1, Aquatic Nuisance Control Study Committee; report, by striking out subsection (g) in its entirety and inserting in lieu thereof the following:

- (g) Compensation and reimbursement.
- (1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Aquatic Nuisance Control Study Committee serving in the member'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 eight meetings. These payments shall be made from monies appropriated to the General Assembly.
- (2) Other members of the Study Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings. These payments shall be made from monies appropriated to the General Assembly.

H. 62

An act relating to the interstate Counseling Compact

The Senate proposes to the House to amend the bill in Sec. 1, 26 V.S.A. chapter, subchapter 2, by inserting a section 3275 before section 3275a to read as follows:

§ 3275. COUNSELING COMPACT; ADOPTION

This subchapter is the Vermont adoption of the Counseling Compact. The form, format, and text of the Compact have been conformed to the conventions of the Vermont Statutes Annotated. It is the intent of the General Assembly that this subchapter be interpreted as substantively the same as the Counseling Compact that is enacted by other Compact party states.

An act relating to household products containing hazardous substances

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

Sec. 1. FINDINGS

The General Assembly finds that:

- (1) Thousands of household products sold in the State contain substances designated as hazardous under State or federal law.
- (2) Vermont's hazardous waste rules establish specific requirements for the management of hazardous waste, including a prohibition on disposal in landfills.
- (3) Leftover household products, known as household hazardous waste (HHW), are regulated through a requirement that municipal solid waste management entities (SWMEs) include provisions in solid waste implementation plans for the management and diversion of unregulated hazardous waste. The State solid waste management plan also requires the SWMEs to each hold a minimum of two HHW collection events every year.
- (4) Many SWMEs already offer more than two HHW collection events, and seven of the SWMEs have established permanent facilities for the regular collection of HHW.
- (5) HHW collection events and permanent facilities are expensive to operate, and SWMEs spend approximately \$2.2 million a year to manage HHW, costs that are subsequently passed on to the residents of Vermont through taxes, fees, or disposal charges.
- (6) As a result of the failure to divert HHW, it is estimated that 855 tons or more per year of HHW are being disposed of in landfills.
- (7) There is general agreement among the SWMEs and the Agency of Natural Resources that additional collection sites and educational and informational activities are necessary to capture more of the HHW being disposed of in landfills.
- (8) Funding constraints are a current barrier to new collection sites and educational and informational activities.
- (9) HHW released into the environment can contaminate air, groundwater, and surface waters, thereby posing a significant threat to the environment and public health.

- (10) To improve diversion of HHW from landfills, reduce the financial burden on SWMEs and taxpayers, reduce the cost of the overall system of managing HHW, and lessen the environmental and public health risk posed by improperly disposed of HHW, the State shall implement a program to require the manufacturers of household products containing a hazardous substance to implement a stewardship organization to collect household products containing a hazardous substance free of charge to the public.
- Sec. 2. 10 V.S.A. chapter 164B is added to read:

<u>CHAPTER 164B. COLLECTION AND MANAGEMENT OF</u> HOUSEHOLD HAZARDOUS PRODUCTS

§ 7181. DEFINITIONS

As used in this chapter:

- (1) "Agency" means the Agency of Natural Resources.
- (2) "Consumer product" means any product that is regularly used or purchased to be used for personal, family, or household purposes.
- (3) "Covered entity" means any person who presents to a collection facility or event that is included in an approved collection plan any number of covered household hazardous products, with the exception of large quantity generators or small quantity generators as those terms are defined in the Agency of Natural Resources' Vermont Hazardous Waste Regulations.
- (4)(A) "Covered household hazardous product" means a consumer product offered for retail sale that is contained in the receptacle in which the product is offered for retail sale, if the product has any of the following characteristics:
- (i) the product or a component of the product is a hazardous waste under subchapter 2 of the Vermont Hazardous Waste Management Regulations, regardless of the status of the generator of the hazardous waste; or
 - (ii) the product is a gas cylinder.
- (B) "Covered household hazardous product" does not mean any of the following:
 - (i) a primary or rechargeable battery;
 - (ii) a lamp that contains mercury;
 - (iii) a thermostat that contains mercury;
 - (iv) architectural paint as that term is defined in section 6672 of

this title;

- (v) a covered electronic device as that term is defined in section 7551 of this title;
 - (vi) a pharmaceutical drug;
 - (vii) citronella candles;
 - (viii) flea and tick collars;
- (ix) pesticides required to be registered with the Agency of Agriculture, Food and Markets;
- (x) products that are intended to be rubbed, poured, sprinkled on, sprayed on, introduced into, or otherwise applied to the human body or any part of a human for cleansing, moisturizing, sun protection, beautifying, promoting attractiveness, or altering appearance, unless designated as a hazardous material or a hazardous waste by the Secretary of Natural Resources; or
- (xi) gas cylinders determined by the Secretary by rule not to pose an unacceptable risk to human health, solid waste facility operation, or the environment, and which are not hazardous waste.

(5)(A) "Gas cylinder" means:

- (i) any nonrefillable cylinder and its contents supplied to a consumer for personal, family, or household use and shall include those containing flammable pressurized gas, spray foam insulating products, single-use and rechargeable handheld fire extinguishers, helium, or carbon dioxide, of any size not exceeding any cylinder with a water capacity of 50 pounds, including seamless cylinders and tubes, welded cylinders, and insulated cylinders intended to contain helium, carbon dioxide, or flammable materials such as propane, butane, or other flammable compressed gasses; or
- (ii) refillable cylinders containing propane for personal, family, or household use not exceeding a water capacity of one pound.
- (B) "Gas cylinder" does not include any medical or industrial-grade cylinder.
 - (6)(A) "Manufacturer" means a person who:
- (i) manufactures or manufactured a covered household hazardous product under its own brand or label for sale in the State;
- (ii) sells in the State under its own brand or label a covered household hazardous product produced by another supplier;

- (iii) owns a brand that it licenses or licensed to another person for use on a covered household hazardous product sold in the State;
- (iv) imports into the United States for sale in the State a covered household hazardous product manufactured by a person without a presence in the United States;
- (v) manufactures a covered household hazardous product for sale in the State without affixing a brand name; or
- (vi) assumes the responsibilities, obligations, and liabilities of a manufacturer as defined under subdivisions (i) through (v) of this subdivision (6)(A), provided that the Secretary may enforce the requirements of this chapter against a manufacturer defined under subdivisions (i) through (v) of this subdivision (6)(A) if a person who assumes the manufacturer's responsibilities fails to comply with the requirements of this chapter.
- (B) "Manufacturer" does not mean a person set forth under subdivisions (A)(i)–(vi) of this subdivision (6) if the person manufacturers, sells, licenses, or imports less than \$5,000.00 of covered household hazardous products in the United States in a program year and is registered with the Secretary.
- (7) "Orphan covered product" means a covered household hazardous product for which no manufacturer is participating in a stewardship organization pursuant to section 7182 of this title.
- (8) "Program year" means the period from January 1 through December 31.
- (9) "Retailer" means a person who sells a covered household hazardous product in the State through any means, including a sales outlet, a catalogue, the telephone, the Internet, or any electronic means.
 - (10) "Secretary" means the Secretary of Natural Resources.
- (11) "Sell" or "sale" means any transfer for consideration of title or of the right to use by lease or sales contract a covered household hazardous product to a person in the State of Vermont. "Sell" or "sale" does not include the sale, resale, lease, or transfer of a used covered household hazardous product or a manufacturer's wholesale transaction with a distributor or a retailer.
- (12) "Stewardship organization" means a legal entity such as an organization, association, or entity that has developed a system, method, or other mechanism that assumes the responsibilities, obligations, and liabilities under this chapter of multiple manufacturers of covered household hazardous

products and that is:

- (A) exempt from taxation under 26 U.S.C. §501(c)(3) of the Internal Revenue Code; and
- (B) created by a group of producers to implement a collection plan in accordance with section 7183 of this title.

§ 7182. SALE OF COVERED HOUSEHOLD HAZARDOUS PRODUCTS; STEWARDSHIP ORGANIZATION REGISTRATION

- (a) Sale prohibited. Beginning six months after a final decision on the adequacy of a collection plan by the Secretary, a manufacturer of a covered household hazardous product shall not sell, offer for sale, or deliver to a retailer for subsequent sale a covered household hazardous product unless all the following have been met:
- (1) The manufacturer is participating in a stewardship organization implementing an approved collection plan.
- (2) The name of the manufacturer, the manufacturer's brand, and the name of the covered household hazardous product are submitted to the Agency of Natural Resources by a stewardship organization and listed on the stewardship organization's website as covered by an approved collection plan.
- (3) The stewardship organization in which the manufacturer participates has submitted an annual report consistent with the requirements of section 7185 of this title.
- (4) The stewardship organization in which the manufacturer participates has conducted a plan audit consistent with the requirements of subsection 7185(b) of this title.
 - (b) Stewardship organization registration requirements.
- (1) On or before January 1, 2025 and annually thereafter, a stewardship organization shall file a registration form with the Secretary. The Secretary shall provide the registration form to the stewardship organization. The registration form shall include:
- (A) a list of the manufacturers participating in the stewardship organization;
- (B) a list of the brands of each manufacturer participating in the stewardship organization;
- (C) a list of the covered household hazardous products of each manufacturer participating in the stewardship organization;

- (D) the name, address, and contact information of a person responsible for ensuring compliance with this chapter;
- (E) a description of how the stewardship organization meets the requirements of subsection 7184(b) of this title, including any reasonable requirements for participation in the stewardship organization; and
- (F) the name, address, and contact information of a person for a nonmember manufacturer to contact regarding how to participate in the stewardship organization to satisfy the requirements of this chapter.
- (2) A renewal of a registration without changes may be accomplished through notifying the Agency of Natural Resources on a form provided by the Agency.

§ 7183. COLLECTION PLANS

- (a) Collection plan required. Prior to July 1, 2025, any stewardship organization registered with the Secretary as representing manufacturers of covered household hazardous products shall coordinate and submit to the Secretary for review one collection plan for all manufacturers.
- (b) Collection plan; minimum requirements. Each collection plan shall include, at a minimum, all of the following requirements:
- (1) List of participants. A list of the manufacturers, brands, and products participating in the collection plan and a methodology for adding and removing manufacturers and notifying the Agency of new participants.
- (2) Free statewide collection of covered household hazardous products. The collection program shall provide for free, convenient, and accessible statewide opportunities for the collection from covered entities of covered household hazardous products, including orphan covered products. A stewardship organization shall accept all covered household hazardous products collected from a covered entity and shall not refuse the collection of a covered household hazardous product, including orphan covered household products, based on the brand or manufacturer of the covered household hazardous product unless specifically exempt from this requirement. The collection program shall also provide for the payment of collection, processing, and end-of-life management of the covered household hazardous products. Collection costs include facility costs, equipment costs, labor, supplies, maintenance, events costs, and event contractor costs, including collection event set-up fees, environmental service fees, insurance fees, and shipping containers and materials.
- (3) Convenient collection location. The stewardship organization shall develop a collection program that allows all municipal household hazardous

waste collection programs to opt to be a part of the collection plan, including collection events and facilities offered by solid waste planning entities. The plan shall make efforts to site points of collection equitably across all regions of the State to allow for convenient and reasonable access of all Vermonters to collection facilities or collection events.

- (4) Public education and outreach. The collection plan shall include an education and outreach program that shall include a website and may include media advertising, retail displays, articles and publications, and other public educational efforts. Outreach and education shall be suitable for the State's diverse ethnic populations, through translated and culturally appropriate materials, including in-language and targeted outreach. Public education and outreach should include content to increase meaningful participation by environmental justice focus populations as required by 3 V.S.A. chapter 72. During the first year of program implementation and two years after adoption of the collection plan, each stewardship organization shall carry out a survey of public awareness regarding the requirements of the program established under this chapter that can identify communities that have disparities in awareness and need more outreach. Each stewardship organization shall share the results of the public awareness surveys with the Secretary. If multiple stewardship organizations are implementing plans approved by the Secretary, the stewardship organizations shall coordinate in carrying out their education and outreach responsibilities under this subdivision and shall include in their annual reports to the Secretary a summary of their coordinated education and outreach efforts. The education and outreach program and website shall notify the public of the following:
- (A) that there is a free collection program for covered household hazardous products;
- (B) the location and hours of operation of collection points and how a covered entity can access this collection program;
- (C) the special handling considerations associated with covered household hazardous products; and
- (D) source reduction information for consumers to reduce leftover covered household products.
- (5) Compliance with appropriate environmental standards. In implementing a collection plan, a stewardship organization shall comply with all applicable laws related to the collection, transportation, and disposal of hazardous waste. A stewardship organization shall comply with any special handling or disposal standards established by the Secretary for covered household hazardous products or for the collection plan of the manufacturer.

(6) Method of disposition. The collection plan shall describe how covered household hazardous products will be managed in the most environmentally and economically sound manner, including following the waste-management hierarchy. The management of covered household hazardous products under the collection plan shall use management activities in the following priority order: source reduction, reuse, recycling, energy recovery, and disposal. Collected covered household hazardous products shall be recycled when technically and economically feasible.

(7) Performance goals. A collection plan shall include:

- (A) A performance goal for covered household hazardous products determined by the number of total participants at collection events and facilities listed in the collection plan during a program year divided by the total number of households. The number of households shall include seasonal households. The calculation methodology for the number of households shall be included in the plan.
- (B) At a minimum, the collection performance goal for the first approved plan shall be an annual participation rate of five percent of the households for every collection program based on the number of households the collection program serves. After the initial approved program plan, the stewardship organization shall propose performance goals for subsequent program plans. The Secretary shall approve the performance goals for the plan at least every five years. The stewardship organization shall use the results of the most recent waste composition study required under 6604 of this title and other relevant factors to propose the performance goals of the collection plan. If a stewardship organization does not meet its performance goals, the Secretary may require the stewardship organization to revise the collection plan to provide for one or more of the following: additional public education and outreach, additional collection events, or additional hours of operation for collection sites. A stewardship organization is not authorized to reduce or cease collection, education and outreach, or other activities implemented under an approved plan on the basis of achievement of program performance goals.
- (8) Collection plan funding. The collection plan shall describe how the stewardship organization will fund the implementation of the collection plan and collection activities under the plan, including the costs for education and outreach, collection, processing, and end-of-life management of the covered household hazardous product. Collection costs include facility costs, equipment costs, labor, supplies, maintenance, events costs, and event contractor costs, including collection event set-up fees, environmental service fees, insurance fees, and shipping containers and materials. The collection

plan shall include how municipalities will be compensated for all costs attributed to collection of covered household hazardous products. The Secretary shall resolve disputes relating to compensation.

- (c) Term of collection plan. A collection plan approved by the Secretary under section 7187 of this title shall have a term not to exceed five years, provided that the stewardship organization remains in compliance with the requirements of this chapter and the terms of the approved collection plan.
- (d) Collection plan implementation. Stewardship organizations shall implement the collection plan on or before six months after the date of a final decision by the Secretary on the adequacy of the collection plan.

§ 7184. STEWARDSHIP ORGANIZATIONS

- (a) Participation in a stewardship organization. A manufacturer shall meet the requirements of this chapter by participating in a stewardship organization that undertakes the responsibilities under sections 7182, 7183, and 7185 of this title.
- (b) Qualifications for a stewardship organization. To qualify as a stewardship organization under this chapter, an organization shall:
- (1) commit to assume the responsibilities, obligations, and liabilities of all manufacturers participating in the stewardship organization;
- (2) not create unreasonable barriers for participation in the stewardship organization; and
- (3) maintain a public website that lists all manufacturers and manufacturers' brands and products covered by the stewardship organization's approved collection plan.

§ 7185. ANNUAL REPORT; COLLECTION PLAN AUDIT

- (a) Annual report. Not later than 18 months after the date a collection plan has been implemented, and annually thereafter, a stewardship organization of manufacturers of covered household hazardous products shall submit a report to the Secretary that contains all of the following:
 - (1) A description of the collection program.
- (2) The volume or weight by hazard category, as defined by the Secretary, of covered household hazardous products collected, the volume or weight of covered household hazardous products collected at each collection facility or collection event, the disposition of the collected covered household hazardous products, and the number of covered entities participating at each collection facility or collection event from which the covered household

hazardous products were collected.

- (3) The name and address of all the recycling and disposal facilities where the covered household hazardous products are collected and delivered and deposited.
- (4) The weight or volume by hazard category of covered household hazardous products sold in the State in the previous calendar year by a manufacturer participating in a stewardship organization's collection plan. Sales data provided under this section shall be exempt from public inspection and copying under the Public Records Act and shall be kept confidential. Confidential information shall be redacted from any final public report. If manufacturers can demonstrate that they do not have Vermont specific data, the stewardship organization may use national data prorated to Vermont based upon Vermont's population.
- (5) A comparison of the collection plan's performance goals, including participation rate, compared to the actual performance and how the program will be improved if the performance goals are not met.
- (6) A description of the methods used to reduce, reuse, collect, transport, recycle, and process the covered household hazardous products.
- (7) The cost of implementing the collection plan, including the costs of administration, collection, transportation, recycling, disposal, and education and outreach.
- (8) A description and evaluation of the success of the education and outreach materials. If multiple stewardship organizations are implementing the collection plan approved by the Secretary, the stewardship organizations shall include a summary of their coordinated education and outreach efforts.
 - (9) Recommendations for any changes to the program.
- (b) Collection plan audit. On or before September 1, 2030 and every five years thereafter, a stewardship organization of manufacturers of covered household hazardous products shall hire an independent third party to audit the collection plan and the plan's operation. The auditor shall examine the effectiveness of the program in collecting and disposing of covered household hazardous products. The auditor shall examine the cost-effectiveness of the program and compare it to that of collection programs for covered household hazardous products in other jurisdictions. The auditor shall examine the effectiveness of the plan in satisfying the requirement of this chapter that all Vermonters have convenient and reasonable access to collection facilities or collection events. The auditor shall make recommendations to the Secretary on ways to increase the program's efficacy and cost-effectiveness.

(c) Public posting. A stewardship organization shall post a report or audit required under this section to the website of the stewardship organization.

§ 7186. ANTITRUST; CONDUCT AUTHORIZED

- (a) Activity authorized. A manufacturer, group of manufacturers, or stewardship organization implementing or participating in an approved collection plan under this chapter for the collection, transport, processing, and end-of-life management of covered household hazardous products is individually or jointly immune from liability for conduct under State laws relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade or commerce under 9 V.S.A. chapter 63, subchapter 1 to the extent that the conduct is reasonably necessary to plan, implement, and comply with the stewardship organization's chosen system for managing discarded covered household hazardous products.
- (b) Limitations on antitrust activity. Subsection (a) of this section shall not apply to an agreement among producers, groups of manufacturers, retailers, wholesalers, or stewardship organizations affecting the price of covered household hazardous products or any agreement restricting the geographic area in which or customers to whom covered household hazardous products shall be sold.

§ 7187. AGENCY RESPONSIBILITIES

- (a) Review and approve collection plans. The Secretary shall review and approve or deny collection plans submitted under section 7183 of this title according to the public notice and comment requirements of section 7714 of this title.
 - (b) Criteria for plan approval.
- (1) The Secretary shall approve a collection plan if the Secretary finds that the collection plan:
- (A) complies with the requirements of subsection 7183(b) of this title;
- (B) provides adequate notice to the public of the collection opportunities available for covered household hazardous products;
- (C) ensures that collection of covered household hazardous products will occur in an environmentally sound fashion that is consistent with the law or with any special handling requirements adopted by the Secretary;
- (D) promotes the collection and disposal of covered household hazardous products; and

- (E) is reasonably expected to meet performance goals and convenience standards.
- (2) If a manufacturer or a stewardship organization fails to submit a plan that is acceptable to the Secretary because it does not meet the requirements of this chapter, the Secretary shall modify the submitted plan to make it conform to the requirements of this chapter and place the modified draft plan on notice pursuant to section 7714 of this title.
- (c) Collection plan amendment. The Secretary, in the Secretary's discretion or at the request of a manufacturer or a stewardship organization, may require a stewardship organization to amend an approved collection plan. Collection plan amendments shall be subject to the public input provisions of section 7717 of this title.
- (d) Registrations. The Secretary shall accept, review, and approve or deny registrations required by this chapter. The Secretary may revoke a registration of a stewardship organization when the actions of the stewardship organization are unreasonable, unnecessary, or contrary to the requirements or the policy of this chapter. The Secretary shall only approve one stewardship organization for the first collection plan.
- (e) Supervisory capacity. The Secretary shall act in a supervisory capacity over the actions of a stewardship organization registered under this section. In acting in this capacity, the Secretary shall review the actions of the stewardship organization to ensure that they are reasonable, necessary, and limited to carrying out requirements of and policy established by this chapter.
- (f) Special handling requirements. The Secretary may adopt by rule special handling requirements for the collection, transport, and disposal of covered household hazardous products.

§ 7188. OTHER DISPOSAL PROGRAMS

A municipality or other public agency shall not require covered entities to use public facilities to dispose of covered household hazardous products to the exclusion of other lawful programs available. A municipality and other public agencies are encouraged to work with manufacturers to assist them in meeting their collection and disposal obligations under this chapter. Nothing in this chapter prohibits or restricts the operation of any program collecting and disposing of covered household hazardous products in addition to those provided by manufacturers or prohibits or restricts any persons from receiving, collecting, transporting, or disposing of covered household hazardous products, provided that all other applicable laws are met.

§ 7189. RULEMAKING

The Secretary of Natural Resources may adopt rules to implement the requirements of this chapter.

Sec. 3. AGENCY OF NATURAL RESOURCES RECOMMENDATION OF REGISTRATION FEE FOR COVERED HOUSEHOLD HAZARDOUS PRODUCTS

On or before January 15, 2024, the Secretary of Natural Resources shall submit to the House Committees on Ways and Means and on Environment and Energy and the Senate Committees on Finance and on Natural Resources and Energy a recommended fee for the registration of stewardship organizations under the covered household hazardous product program under 10 V.S.A. chapter 164B.

- Sec. 4. 10 V.S.A. § 6621a(a) is amended to read:
- (a) In accordance with the following schedule, no person shall knowingly dispose of the following materials in solid waste or in landfills:

* * *

- (12) Covered household hazardous products after July 1, 2025.
- Sec. 5. 10 V.S.A. § 7714 is amended to read:

§ 7714. TYPE 3 PROCEDURES

- (a) Purpose; scope.
- (1) The purpose of this section is to establish the public notice and comment requirements that the Department must follow when adopting general permits, except for general permits governed by section 7712 of this chapter, and when considering other permits listed in this section.
- (2) The procedures under this section shall be known as Type 3 Procedures. This section governs each of the following:
- (A) Each general permit issued pursuant to the Secretary's authority under this title other than a general permit subject to section 7712 of this chapter. However, this section does not apply to a notice of intent under a general permit.
- (B) Issuance of a dam safety order under chapter 43 of this title, except for an unsafe dam order under section 1095 of this title.
 - (C) An application or request for approval of:
- (i) an aquatic nuisance control permit under chapter 50 of this title;
 - (ii) a change in treatment for a public water supply under chapter 3660 -

56 of this title;

- (iii) a collection plan for mercury-containing lamps under section 7156 of this title;
- (iv) an individual plan for the collection and recycling of electronic waste under section 7554 of this title; and
- (v) a primary battery stewardship plan under section 7586 of this title; and
- (vi) a covered household hazardous products collection plan under section 7183 of this title.

* * *

Sec. 6. 10 V.S.A. § 8003 is amended to read:

§ 8003. APPLICABILITY

(a) The Secretary may take action under this chapter to enforce the following statutes and rules, permits, assurances, or orders implementing the following statutes, and the Board may take such action with respect to subdivision (10) of this subsection:

* * *

- (30) 3 V.S.A. § 2810, relating to interim environmental media standards; and
- (31) 10 V.S.A. chapter 124, relating to the trade in covered animal parts or products; and
- (32) 10 V.S.A. chapter 164B, relating to collection and management of covered household hazardous products.

* * *

Sec. 7. 10 V.S.A. § 8503 is amended to read:

§ 8503. APPLICABILITY

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

* * *

(V) chapter 124 (trade in covered animal parts or products); and

- (W) chapter 164B (collection and management of covered household hazardous products).
 - (2) 29 V.S.A. chapter 11 (management of lakes and ponds).
 - (3) 24 V.S.A. chapter 61, subchapter 10 (relating to salvage yards).
 - (4) 3 V.S.A. § 2810 (interim environmental media standards).

* * *

Sec. 8. EFFECTIVE DATE

This act shall take effect on passage

H. 77

An act relating to Vermont's adoption of the Physical Therapy Licensure Compact

The Senate proposes to the House to amend the bill in Sec. 2, 3 V.S.A. § 123(j)(1), in subdivision (E), following the words "physical therapists", by inserting the words and physical therapist assistants

H. 86

An act relating to Vermont's adoption of the Audiology and Speech-Language Pathology Interstate Compact

The Senate proposes to the House to amend the bill by adding a new Sec. 7 to read as follows:

Sec. 7. 1 V.S.A. chapter 5, subchapter 5 is amended to read:

Subchapter 5. Interpreters for Judicial, Administrative, and Legislative Findings

§ 331. DEFINITIONS

As used in the subchapter:

- (1) "Person who is deaf or hard of hearing <u>Deaf, Hard of Hearing</u>, or <u>DeafBlind</u>" means any person who has such difficulty hearing, even with amplification, to the extent that he or she the person cannot rely on hearing for communication.
- (2) "Proceeding" means any judicial proceeding, contested case under 3 V.S.A. chapter 25, or other hearing before an administrative agency not included under 3 V.S.A. chapter 25.
- (3) "Qualified interpreter" means an interpreter for a person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind who meets standards

of competency established by the national or Vermont Registry of Interpreters for the Deaf as amended, by rule, by the Vermont Commission of the Deaf and Hard of Hearing.

§ 332. RIGHT TO INTERPRETER; <u>COMMUNICATION ACCESS</u> <u>REALTIME TRANSLATION (CART) SERVICES</u>; ASSISTIVE LISTENING EQUIPMENT

- (a) Any person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind who is a party or witness in any proceeding shall be entitled to be provided with a qualified interpreter or CART services for the duration of the person's participation in the proceeding.
- (b) Any person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind shall be entitled to be provided with a qualified interpreter or CART services upon five working days' notice that the person has reasonable need to do any of the following:

* * *

(c) If a person who is deaf or hard of hearing <u>Deaf</u>, <u>Hard of Hearing</u>, or <u>DeafBlind</u> is unable to use or understand sign language, the presiding officer or State board or agency or State legislative official shall, upon five working days' notice, make available appropriate assistive listening equipment for use during the proceeding or activity.

§ 333. APPOINTMENT OF INTERPRETER

- (a) The presiding officer in a proceeding shall appoint an interpreter after making a preliminary determination that the interpreter is able to:
- (1) readily communicate with the person who is deaf or hard of hearing, to Deaf, Hard of Hearing, or DeafBlind;
- (2) accurately interpret statements or communications from the person who is deaf or hard of hearing, Deaf, Hard of Hearing, or DeafBlind; and to
- (3) interpret the proceedings to the person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind.

* * *

§ 336. RULES; INFORMATION; LIST OF INTERPRETERS <u>CONTRACT</u> SERVICES

(a) The Vermont Commission of the Deaf and Hard of Hearing shall, by rule, establish factors to be considered by the presiding officer under section 333 of this title before appointing an interpreter who is not a qualified interpreter. Such factors shall encourage the widest availability of interpreters

in Vermont while at the same time ensuring State of Vermont shall maintain contracts to operate CART services and a statewide sign language interpreter referral service to provide services to a person who has a right to an interpreter or CART services under section 332 of this subchapter. The contract shall require that the an interpreter providing services through the sign language interpreter referral service:

- (1) is able to communicate readily with the person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind;
- (2) is able to interpret accurately statements or communications by the person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind;
- (3) is able to interpret the proceedings to the person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind;
 - (4) shall maintain confidentiality;
 - (5) shall be impartial with respect to the outcome of the proceeding;
- (6) shall does not exert any influence over the person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind; and
- (7) shall does not accept assignments the interpreter does not feel competent to handle.
- (b) Rules established by the Vermont Commission of the Deaf and Hard of Hearing pursuant to subdivision 331(3) of this title amending the standards of competency established by the national or Vermont Registry of the Deaf shall be limited to the factors set forth in subsection (a) of this section. [Repealed.]
- (c) The Vermont Commission of the Deaf and Hard of Hearing shall prepare an explanation of the provisions of this subchapter which shall be distributed to all State agencies and courts. [Repealed.]
- (d) The Department of Disabilities, Aging, and Independent Living shall maintain a list of qualified interpreters in Vermont and, where such information is available, in surrounding states. The list shall be distributed to State of Vermont shall maintain access to qualified interpreters in Vermont and CART services for all State agencies and courts through the statewide contracts maintained by the State pursuant to subsection (a) of this section.

§ 337. REVIEW

(a) A decision, order, or judgment of a court or administrative agency may be reversed on appeal if the court or agency finds that a person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind who was a party or a

witness in the proceeding was deprived of an opportunity to communicate effectively, and that the deprivation was prejudicial.

* * *

§ 338. ADMISSIONS; CONFESSIONS

- (a) An admission or confession by a person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind made to a law enforcement officer or any other person having a prosecutorial function may only be used against the person in a criminal proceeding if:
- (1) The the admission or confession was made knowingly, voluntarily, and intelligently and is not subject to alternative interpretations resulting from the person's habits and patterns of communication-; and
- (2) The the admission or confession, if made during a custodial interrogation, was made after reasonable steps were taken, including the appointment of a qualified interpreter, to ensure that the defendant understood his or her the defendant's constitutional rights.
- (b) The provisions of subsection (a) of this section supplement the constitutional rights of the person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind.

§ 339. COMMUNICATIONS MADE TO INTERPRETERS; PROHIBITION ON DISCLOSURE

- (a) An interpreter, whether or not the interpreter is a qualified interpreter, shall not disclose or testify to:
- (1) a communication made by a person to an interpreter acting in his or her the capacity as of an interpreter for a person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind or a person with limited English proficiency; or
- (2) any information obtained by the interpreter while acting in his or her the capacity as of an interpreter for a person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind or a person with limited English proficiency.
- (b) There is no prohibition on disclosure under this section if the services of the interpreter were sought or obtained to enable or aid anyone to commit or plan to commit what the person who is deaf or hard of hearing Deaf, Hard of Hearing, or DeafBlind or the person with limited English proficiency knew or reasonably should have known to be a crime or fraud.

(d) As used in this section, "person with limited English proficiency" means a person who does not speak English as his or her the person's primary language and who has a limited ability to read, write, speak, or understand English.

And by renumbering the remaining section to be numerically correct.

H. 126

An act relating to community resilience and biodiversity protection

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

Sec. 1. SHORT TITLE

This act may be cited as the "Community Resilience and Biodiversity Protection Act" or "CRBPA."

Sec. 2. FINDINGS

The General Assembly finds:

- (1) Nature is facing a catastrophic loss of biodiversity, both globally and locally.
- (2) In addition to its intrinsic value, biodiversity is essential to human survival.
 - (3) According to the United Nations:
- (A) one million species of plants and animals are threatened with extinction;
- (B) human activity has altered almost 75 percent of the Earth's surface, squeezing wildlife and nature into ever-smaller natural areas of the planet;
- (C) the health of ecosystems on which humans and all other species depend is deteriorating more rapidly than ever, affecting the very foundations of economies, livelihoods, food security, health, and quality of life worldwide; and
 - (D) the causes of the drivers of changes in nature rank as follows:
 - (i) changes in land, water, and sea use;
 - (ii) direct exploitation of organisms;
 - (iii) climate change;
 - (iv) pollution; and

(v) invasive species.

- (4) The 2017 Vermont Forest Action Plan found that fragmentation and parcelization represent major threats to forest health and productivity and exacerbate the impacts of climate change.
- (5) In 2022 Acts and Resolves No. 183, the Department of Forests, Parks and Recreation was tasked with developing the Vermont Forest Future Strategic Roadmap to strengthen, modernize, promote, and protect the forest products sector and the greater forest economy and promote the importance of healthy, resilient, and sustainably managed working forests that provide a diverse array of high-quality products now and in the future.
- (6) The 2021 Vermont Climate Assessment highlights an increase in extreme weather events such as droughts and floods as a significant impact of climate change in Vermont and recommends nature-based solutions as a proven, low-cost strategy for climate adaptation and resilience.
- (7) The initial Vermont Climate Action Plan calls for investing in strategic conservation to increase the pace of permanent conservation towards 30 by 30 targets, with Vermont Conservation Design guiding prioritization of efforts.
- (8) Freshwater vertebrate populations have declined by 84 percent globally since 1970, twice the rate of decline of biodiversity in terrestrial and marine biomes. Almost one in three freshwater species are threatened with extinction.
- (9) Approximately 75 percent of all river miles assessed in Vermont are disconnected from their floodplains, indicating degradation and exacerbating flood-related damages.
- (10) The Nature Conservancy has developed the Resilient and Connected Landscapes project and found that Vermont plays a key role in the conservation of biodiversity regionally.
- (11) The Staying Connected Initiative is an international partnership of public and private organizations. Its goal is to maintain, enhance, and restore landscape connectivity for wide-ranging mammals across the Northern Appalachians-Acadian region, from the Adirondack Mountains to the Maritime Provinces. The Staying Connected Initiative has identified nine linkages across this vast region that are extremely important to wildlife. Six of these linkages lie within Vermont.
- (12) The Vermont Department of Fish and Wildlife, working within the Agency of Natural Resources and with Vermont conservation organizations,

has developed Vermont Conservation Design, a framework to sustain the State's ecologically functional landscape into the future.

- (13) Intact and connected ecosystems support Vermont's biodiversity, reduce flood risks, mitigate drought, and sequester and store carbon.
- (14) Vermont's most effective and efficient contribution to conserving biological diversity and maintaining a landscape resilient to climate change is to conserve an intact and connected landscape.
- (15) In order to maintain ecological functions in intact and connected ecosystems, the full range of conservation approaches is needed, including supporting private landowner education, technical assistance, and programs; conservation easements that promote sustainable forest management; and conservation easements and fee acquisitions focused on passive management.
- (16) The Vermont Housing Finance Agency's 2020 Housing Needs Assessment projected an urgent pre-pandemic need for new housing. Strategic investment in conservation is consistent with construction of housing in Vermont's villages and town centers.
- (17) The land and waters, forests and farms, and ecosystems and natural communities in Vermont are the traditional and unceded home of the Abenaki people. Access to land and land-based enterprises has excluded Black, Indigenous, and Persons of Color (BIPOC) Vermonters and others from historically marginalized and disadvantaged communities in the centuries of European settlement. Efforts to increase land conservation must also include opportunities to increase access to land and land-based enterprise for Indigenous People and all who come from historically marginalized and disadvantaged communities.

Sec. 3. 10 V.S.A. chapter 89 is added to read:

CHAPTER 89. COMMUNITY RESILIENCY AND BIODIVERSITY PROTECTION

§ 2801. DEFINITIONS

As used in this section:

- (1) "Ecological reserve area" means an area having permanent protection from conversion and that is managed to maintain a natural state within which natural ecological processes and disturbance events are allowed to proceed with minimal interference.
- (2) "Biodiversity conservation area" means an area having permanent protection from conversion for the majority of the area and that is managed for the primary goal of sustaining species or habitats. These areas may include

regular, active interventions to address the needs of particular species or to maintain or restore habitats.

- (3) "Natural resource management area" means an area having permanent protection from conversion for the majority of the area but that is subject to long-term, sustainable land management.
- (4) "Conversion" means a fundamental change in natural ecosystem type or habitat, natural or undeveloped land cover type, or natural form and function of aquatic systems.
- (5) "Sustainable land management" means the stewardship and use of forests and forestlands, grasslands, wetlands, riparian areas, and other lands, including the types of agricultural lands that support biodiversity, in a way, and at a rate, that maintains or restores their biodiversity, productivity, regeneration capacity, vitality, and their potential to fulfill, now and in the future, relevant ecological, economic, and social functions at local, State, and regional levels, and that does not degrade ecosystem function.
- (6) "Conserved" means permanently protected and meeting the definition of ecological reserve area, biodiversity conservation area, or natural resource management area as defined in this section for purposes of meeting the 30 percent goal in subsection 2802(b) of this title. For purposes of meeting the 50 percent goal of subsection 2802(b) of this title, "conserved" primarily means permanently protected and meeting the definition of ecological reserve area, biodiversity conservation area, or natural resource management area as defined in this section, although other long-term land protection mechanisms and measures that achieve the goals of Vermont Conservation Design that are enforceable and accountable and that support an ecologically functional and connected landscape may be considered.

§ 2802. CONSERVATION VISION AND GOALS

- (a) The vision of the State of Vermont is to maintain an ecologically functional landscape that sustains biodiversity, maintains landscape connectivity, supports watershed health, promotes climate resilience, supports working farms and forests, provides opportunities for recreation and appreciation of the natural world, and supports the historic settlement pattern of compact villages surrounded by rural lands and natural areas.
- (b) It is the goal of the State that 30 percent of Vermont's total land area shall be conserved by 2030, and 50 percent of the State's total land area shall be conserved by 2050. The Secretary of Natural Resources shall lead the effort in achieving these goals. The land conserved shall include State, federal, municipal, and private land.

(c) Reaching 30 percent by 2030 and 50 percent by 2050 shall include a mix of ecological reserve areas, biodiversity conservation areas, and natural resource management areas. In order to support an ecologically functional and connected landscape with sustainable production of natural resources and recreational opportunities, the approximate percentages of each type of conservation category shall be guided by the principles of conservation science and the conservation targets within Vermont Conservation Design, prioritizing ecological reserve areas to protect highest priority natural communities and maintain or restore old forests.

§ 2803. CONSERVED LAND INVENTORY

(a) On or before July 1, 2024, the Vermont Housing and Conservation Board, in consultation with the Secretary, shall create an inventory of Vermont's conserved land and conservation policies to serve as the basis of meeting the conservation goals of Vermont Conservation Design and to meet the goals established in section 2802 of this title. The inventory shall be submitted for review to the House Committees on Environment and Energy and on Agriculture, Food Resiliency, and Forestry and the Senate Committee on Natural Resources and Energy.

(b) The inventory shall include:

- (1) A review of the three conservation categories defined in section 2801 of this title and suggestions for developing any modifications or additions to these categories that maintain or complement the core concepts of ecological reserve areas, biodiversity conservation areas, and natural resource management areas in order to complete the conserved land inventory and inform the comprehensive strategy in the conservation plan. As part of this review, criteria shall be developed to determine the types of agricultural lands that will qualify as supporting and restoring biodiversity and therefore count towards the natural resource management area category.
- (2) The amount of conserved land in Vermont that fits into each of the three conservation categories defined in section 2801 of this title, including public and private land. The inventory shall also include other lands permanently protected from development by fee ownership or subject to conservation easements.
- (3) A summary of the totality of conservation practices, both permanent and intermediate, available for reaching the goals of this chapter, including what they are, what they do, how they contribute, and what metrics are available to quantify them.

- (4) An assessment of how State lands will be used to increase conserved ecological reserve areas.
- (5) The implementation methods that could be utilized for achieving the goals of this chapter using Vermont Conservation Design as a guide.
- (6) A review of how aquatic systems are currently conserved or otherwise protected in the State, including a description of the benefits land conservation provides for aquatic systems, whether this is sufficient to maintain aquatic system functions and services, and how the implementation methods for achieving the goals of this chapter using Vermont Conservation Design as a guide would include specific strategies for protecting aquatic system health.
- (7) How existing programs will be used to meet the conservation goals of this chapter and recommendations for new programs, if any, that will be needed to meet the goals.
- (8) An assessment of existing funding and recommendations for new funding sources that will be needed for acquisition of land, purchase or donation of conservation easements, staffing capacity, and long-term stewardship to meet the goals.
- (9) An equity assessment of existing land protection and conservation strategies and programs.
- (10) An evaluation of the opportunities related to intergenerational land transfer trends and how the State could proactively direct resources to achieve conservation at the time of transfer.

§ 2804. CONSERVATION PLAN

(a) On or before December 31, 2025, the Vermont Housing and Conservation Board, in consultation with the Secretary, shall develop a plan to implement the conservation goals of Vermont Conservation Design and to meet the vision and goals established in section 2802 of this title. The plan shall be submitted for review to the House Committees on Environment and Energy and on Agriculture, Food Resiliency, and Forestry and the Senate Committee on Natural Resources and Energy.

(b) The plan shall include:

(1) a comprehensive strategy for achieving the vision and goals of section 2802 of this title while continuing to conserve and protect Vermont's agricultural land, working forests, historic properties, recreational lands, and surface waters;

- (2) the implementation methods for achieving the vision and goals of this chapter using Vermont Conservation Design as a guide;
- (3) recommendations to provide and increase equitable access to protected and conserved lands and land-based enterprises, including recreational access to and use of conserved lands; and
- (4) recommendations to implement the vision and goals of this chapter while also enhancing the State of Vermont's current investments and commitments to working lands enterprises, rural landowners, and the broad conservation mission implemented by the Secretary and VHCB, including conservation of agricultural land, working forests, historic properties, recreational lands, and surface waters.
- (c) In developing the plan, the Vermont Housing and Conservation Board, in consultation with the Secretary, shall hold 12 or more public meetings on the plan between July 1, 2023 and December 31, 2025 to solicit input from stakeholders. Stakeholders shall include private owners of forestlands and agricultural lands, land trusts, conservation organizations, environmental organizations, working lands enterprises, outdoor recreation groups and businesses, Indigenous groups and representatives from historically marginalized and disadvantaged communities, watershed groups, municipalities, regional planning commissions, conservation commissions, and relevant State and federal agencies. At least three of the meetings shall be designed to solicit comments from the general public.
- (d) The conserved land inventory established in 2803 of this title shall be updated biennially to track progress toward meeting the vision and goals of this chapter, which shall be publicly available, and the Secretary shall submit a report to the relevant committees on or before January 15 following each update.

Sec. 4. APPROPRIATIONS

- (a) The sum of \$75,000.00 is appropriated from the General Fund to the Vermont Housing and Conservation Board in fiscal year 2024 to support public education and outreach to inform the development of the statewide conservation plan.
- (b) The sum of \$150,000.00 is appropriated from the General Fund to the Agency of Natural Resources in fiscal year 2024 to hire a limited-service position to support the development of the statewide conservation plan.

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

An act relating to adult protective services

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

<u>First</u>: In Sec. 1, 33 V.S.A. chapter 69, subchapter 1, in section 6902, in subdivision (1)(A), by inserting the word <u>or</u> before the word "<u>recklessly</u>" and by striking out "<u>, or negligently</u>"

<u>Second</u>: In Sec. 1, 33 V.S.A. chapter 69, subchapter 1, in section 6902, in subdivision (21)(A), by inserting the word <u>or</u> before "reckless" and by striking out ", <u>or negligent</u>"

<u>Third</u>: In Sec. 1, 33 V.S.A. chapter 69, subchapter 1, in section 6902, by striking out subdivision (9) in its entirety and by inserting a new subdivision (9) to read as follows:

- (9) "Caregiver" means a person, agency, facility, or other organization with responsibility for providing subsistence or medical or other care to an adult who is an elder or has a disability, who has assumed the responsibility voluntarily, by contract, or by an order of the court; or a person providing care, including medical care, custodial care, personal care, mental health services, rehabilitative services, or any other kind of care provided that is required because of another's age or disability:
- (A) a worker or employee in a facility or program that provides care to an adult who is an elder or has a disability and who has assumed the responsibility voluntarily, by contract, or by an order of the court; or
- (B) a person with a designated responsibility for providing care to a person that is required because of the person's age or disability.

<u>Fourth</u>: In Sec. 1, 33 V.S.A. chapter 69, subchapter 1, in section 6902, in subdivision (34)(B), by inserting before the semicolon the phrase <u>or is determined to be clinically eligible to receive Long-Term Medicaid waiver services</u>

<u>Fifth</u>: In Sec. 1, 33 V.S.A. chapter 69, subchapter 1, in section 6902, in subdivision (34)(C), by inserting <u>or</u> before "<u>infirmities of aging</u>" and by striking out "; <u>or is determined to be clinically eligible to receive Long-Term Medicaid waiver services</u>"

<u>Sixth</u>: In Sec. 1, 33 V.S.A. chapter 69, subchapter 1, in section 6911, in subsection (a), in subdivision (1), in first sentence, after "<u>protections</u>," by inserting the following phrase <u>except those provided by the Health Insurance Portability and Accountability Act of 1996, its corresponding regulations, and 18 V.S.A. § 1881,</u>

H. 461

An act relating to making miscellaneous changes in education laws

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

* * * Shared School District Data Management System * * *

Sec. 1. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.500.1, as amended by 2019 Acts and Resolves No. 72, Sec. E.500.5, 2021 Acts and Resolves No. 66, Sec. 15, and 2022 Acts and Resolves No. 185, Sec. E.500.2, is further amended to read:

Sec. E.500.1. SHARED SCHOOL DISTRICT FINANCIAL DATA MANAGEMENT SYSTEM

(a) Not later than December 31, 2024, all Vermont supervisory unions, supervisory districts, school districts, and independent technical center districts shall utilize the same school finance and financial data management system. The system shall be selected by the Agency of Education per State procurement guidelines. [Repealed.]

* * *

Sec. 2. 2021 Acts and Resolves No. 66, Sec. 16, as amended by 2022 Acts and Resolves No. 185, Sec. E.500.3, is further amended to read:

Sec. 16. PAUSE SUSPENSION OF IMPLEMENTATION OF SHARED SCHOOL DISTRICT FINANCIAL DATA MANAGEMENT SYSTEM

Notwithstanding Sec. E.500.1 of 2018 (Sp. Sess.) Acts and Resolves No. 11, as amended, the <u>mandatory</u> implementation of the Shared School District Data Management System (SSDDMS) shall be paused until July 1, 2023 <u>permanently suspended</u>, provided that:

- (1) the Agency of Education and its contractor for implementation of the system shall continue to support existing users and any new adopters, as of the date of enactment of this act, of the system; and , within the confines of the existing contract.
- (2) a supervisory union, supervisory district, school district, or independent technical center district may implement or leave SSDDMS during the pause period after consultation with the Agency of Education and upon approval by its governing body. [Repealed.]

Sec. 3. REPEAL

2021 Acts and Resolves No. 66, Sec. 17, as amended by 2022 Acts and Resolves No. 185, Sec. E.500.4 (Agency of Education report on the implementation of the Shared School District Data Management System), is repealed.

* * * National Guard Tuition Benefit Program * * *

Sec. 4. 16 V.S.A. § 2857 is amended to read:

§ 2857. VERMONT NATIONAL GUARD TUITION BENEFIT PROGRAM

- (a) Program creation. The Vermont National Guard Tuition Benefit Program (Program) is created, under which a member of the Vermont National Guard (member) who meets the eligibility requirements in subsection (c) of this section is entitled to the following tuition benefit for up to full-time attendance:
- (1) For courses at any Vermont State College institution or the University of Vermont and State Agricultural College (UVM), the benefit shall be the in-state residence tuition rate for the relevant institution.
- (2) For courses at any eligible Vermont private postsecondary institution, the benefit shall be the in-state tuition rate charged by UVM.
- (3) For courses at an eligible training institution offering nondegree, certificate training, or continuing education programs, the benefit shall be the lower of the institution's standard tuition or the in-state tuition rate charged by UVM.
- (4) For courses at a non-Vermont approved postsecondary education institution approved for federal Title IV funding where the degree program is not available in Vermont, the benefit shall be the in-state tuition rate charged by UVM.

* * *

* * * Home Study Program * * *

Sec. 5. 16 V.S.A. § 166b is amended to read:

§ 166b. HOME STUDY PROGRAM

(a) Enrollment notice. A home study program shall send a written enrollment notice to the Secretary whenever it intends to enroll a child. Enrollments in home study programs shall expire on July 1. If a home study program intends to re-enroll a child for the following school year, a new notice under this section is required and may be submitted at any time after March 1. A parent or legal guardian shall send the Secretary annual notice of intent to enroll the parent's or legal guardian's child in a home study program at least

- 10 business days prior to commencing home study. Such notice shall be submitted via a form developed by the Agency of Education. A notice under this subsection shall include the following:
 - (1) The name₇; age₇; and date, month, and year of birth of the child.
- (2) The names, mailing addresses, <u>e-mail addresses</u>, town of legal residence, and telephone numbers of the <u>all</u> parents or guardians of the <u>child</u> with legal custody who are legally authorized to make educational decisions for the student.
- (3) For each child enrolled during the preceding year, any assessment of progress required under subsection (d) of this section. An attestation that the academic progress of each child enrolled in a home study program will be assessed at the end of each school year and that the parent or guardian will maintain the record of such assessments. Permitted means of assessment shall include:
- (A) a standardized assessment, which may be administered by the local school district or a testing service, or administered in a manner approved by the testing company;
- (B) a review of the student's progress by an individual who holds a current Vermont teacher's certificate;
- (C) a parent or guardian report and portfolio to include a summary of what the student learned during the school year and at least four samples of student work:
 - (D) grades from an online academy or school; or
 - (E) evidence of passing of the GED.
- (4) For each child not previously enrolled in a Vermont public school or Vermont home study program, independent professional evidence on regarding whether the child has a disability. A comprehensive evaluation to establish eligibilities for special education is not required, but may be ordered by a hearing officer after a hearing under this section documented disability and how the disability may affect the student's educational progress in a home study program.
- (5) Subject to the provisions of subsections (k) and (l) of this section, for each child being enrolled for the current year, a detailed outline or narrative that describes the content to be provided in each subject area of the minimum course of study, including any special services or adaptations to be made to accommodate any disability. Methods and materials to be used may be included but are not required. An attestation that each child being enrolled in

home study will be provided the equivalent of at least 175 days of instruction in the minimum course of study per year, specifically:

- (A) for a child who is younger than 13 years of age, the subject areas listed in section 906 of this title;
- (B) for a child who is 13 years of age or older, the subject areas listed in subdivisions 906(b)(1), (2), (4), and (5) of this title; or
- (C) for students with documented disabilities, a parent or guardian must attest to providing adaptations to support the student in the home study program.
- (6) The names, addresses, telephone numbers, and signatures of the persons who will provide ongoing instruction in each subject area of the minimum course of study, as defined in subsection (i) of this section. [Repealed.]
- (7) The signatures of all eustodial parents or guardians with legal custody who are legally authorized to make educational decisions for the student. In the alternative, the parent seeking enrollment may provide attestation of sole primary educational decision-making authority.
- (b) Notice to home study programs Enrollment. Within 14 10 business days of receiving an following submission of a complete enrollment notice, the Secretary or designee shall send the home study program a written acknowledgment of receipt, which shall constitute sufficient enrollment verification for purposes of section 1121 of this title. The acknowledgment shall include a determination:
- (1) either that the enrollment notice is complete and no further information is needed, or specifically identifying information required under subsection (a) of this section which is missing. If information is missing, the home study program shall provide the additional information in writing within 14 days; and [Repealed.]
- (2) either that the child may be enrolled immediately or that the child may be enrolled 45 days after the enrollment notice was received. At any time before the child may be enrolled, the Secretary may order that a hearing be held. After notice of such a hearing is received, the child shall not be enrolled until after an order has been issued by the hearing officer to that effect. [Repealed.]
- (c) Enrollment reports <u>Withdrawal</u>. Each home study program shall notify the Secretary within seven days of the day that any student ceases to be enrolled in the program. Within ten days of receiving any enrollment report, the Secretary shall notify the appropriate superintendent of schools <u>The parent</u>

- or guardian shall notify the Secretary in writing within 10 business days following the date that any student is withdrawn from the student's home study program.
- (d) Progress assessment. Each home study program shall assess annually the progress of each of its students. Progress shall be assessed in each subject area of the minimum course of study, as defined in subsection (i) of this section, by one or more of the following methods:
- (1) A report in a form designated by the Secretary, by a teacher licensed in Vermont. In determining the form of the report, the Secretary shall consult with parents who have provided home study programs for their children. Nothing in this section shall be construed to require the Secretary to consult with parents on an individual basis regarding the form of a teacher report.
- (2) A report prepared by the student's parents or instructor, or a teacher advisory service report from a publisher of a commercial curriculum, together with a portfolio of the student's work that includes work samples to demonstrate progress in each subject area in the minimum course of study.
- (3) The complete results of a standardized achievement test approved by the Secretary, administered in a manner approved by the testing company, and scored in accordance with this subdivision. In selecting the list of tests to be approved, the Secretary shall:
- (A) Consult with parents who have provided home study programs for their children. Nothing in this section shall be construed to require the Secretary to consult with parents on an individual basis regarding the test to be administered as a progress assessment for their own home study programs.
- (B) Select at least four tests to be scored by a testing company, and at least four tests to be administered and scored by a teacher licensed in Vermont who is not the parent or legal guardian of the student. [Repealed.]
- (e) Hearings before enrollment. If the Secretary has information that creates a significant doubt about whether a home study program can or will provide a minimum course of study for a student who has not yet enrolled, the Secretary may call a hearing. At the hearing, the home study program shall establish that it has complied with this section and will provide the student with a minimum course of study. [Repealed.]
- (f) Hearings after enrollment. If the Secretary has information that reasonably could be expected to justify an order of termination under this section, he or she may call a hearing. At the hearing, the Secretary shall establish one or more of the following:
 - (1) the home study program has substantially failed to comply with the

requirements of this section;

- (2) the home study program has substantially failed to provide a student with the minimum course of study;
- (3) the home study program will not provide a student with the minimum course of study. [Repealed.]
- (g) Notice and procedure. Notice of any hearing shall include a brief summary of the material facts and shall be sent to each parent or guardian and each instructor of the student or students involved who are known to the Secretary. The hearing shall occur within 30 days of the day that notice is given or sent. If a notice concerns a child not yet enrolled in a home study program, enrollment shall not occur until an order has been issued after the hearing. The hearing shall be conducted by an impartial hearing officer appointed by the Secretary from a list approved by the State Board. At the request of the child's parent or guardian, the hearing officer shall conduct the hearing at a location in the vicinity of the home study program. [Repealed.]
- (h) Order following hearing. After hearing evidence, the hearing officer shall enter an order within ten working days. If the child is not enrolled, the order shall provide that the child be enrolled or that enrollment be disallowed. If the child is enrolled, the order shall provide that enrollment be continued or that the enrollment be terminated. An order shall take effect immediately. Unless the hearing officer provides for a shorter period, an order disallowing or terminating enrollment shall extend until the end of the following school year, as defined in this title. If the order is to disallow or terminate the enrollment, a copy shall be given to the appropriate superintendent of schools, who shall take appropriate action to ensure that the child is enrolled in a school as required by this title. Following a hearing, the Secretary may petition the hearing officer to reopen the case only if there has been a material change in eircumstances. [Repealed.]
- (i) The minimum course of study required under this section shall be provided every school year, and the educational content provided shall be adapted in each area of study to the age and ability of each child and to any disability of the child. Nothing in this section requires that a home study program follow the program or methods used by the public schools. In this section, "minimum course of study" means:
- (1) For a child who is younger than 13 years of age, the subject areas listed in section 906 of this title.
- (2) For a child who is 13 years of age or older, the subject areas listed in subdivisions 906(b)(1), (2), (4), and (5) of this title, and other subject areas

selected by the home study program. The child's progress in the elective areas shall not be subject to the annual progress assessment. [Repealed.]

- (j) <u>Waiver</u>. After the filing of the enrollment notice or at a hearing, if the home study program is unable to comply with any specific requirements due to deep religious conviction shared by an organized group, the Secretary may waive such requirements if he or she the Secretary determines that the educational purposes of this section are being or will be substantially met.
- (k) A Vermont home study program that has successfully completed the last two consecutive school years of home study with any enrolled child, provided those two years fall within the most recent five years, shall not thereafter be required to submit an annual detailed outline or narrative describing the content of the minimum course of study. For the purposes of this subsection, successful completion of a home study program shall mean that, in each of the two consecutive years, the program has not been disallowed by order of a hearing officer, the previously enrolled student made progress commensurate with age and ability in all subject areas of the minimum course of study, and the home study program has otherwise complied with the requirements of this section. Annual notice. A parent or guardian who has provided a complete enrollment notice as described in subsection (a) of this section shall notify the Secretary on or before the start of each following year of the parent's or guardian's intention to continue to provide instruction through a home study program via a form provided by the Agency of Education. This notice shall be provided at least 10 business days prior to the intended start date of the home study program.
- (l) A home study program that has successfully completed two consecutive school years of home study as defined in subsection (k) of this section shall not be exempt from any other requirements of this section and shall annually submit a description of special services and adaptations to accommodate any disability of the child consistent with subsection (i) of this section. In addition, the program shall submit a detailed outline or narrative describing the content to be provided in each subject area of the minimum course of study as part of its enrollment notice for each child who is 12 years of age at the time the enrollment notice is submitted. [Repealed.]
 - * * * Vermont Ethnic and Social Equity Standards Advisory
 Working Group * * *

Sec. 6. 2019 Acts and Resolves No. 1, Sec. 1, as amended by 2021 Acts and Resolves No. 66, Sec. 12 and 2022 Acts and Resolves No. 185, Sec. E.500.6, is further amended to read:

Sec. 1. ETHNIC AND SOCIAL EQUITY STANDARDS ADVISORY

WORKING GROUP

* * *

(d) Appointment and operation.

* * *

- (D) The Working Group shall cease to exist on July 1, 2023 September 1, 2023.
 - (g) Duties of the Working Group.
- (1) The Working Group shall review standards for student performance adopted by the State Board of Education under 16 V.S.A. § 164(9) and, on or before December 31, 2022 June 30, 2023, recommend to the State Board updates and additional standards to recognize fully the history, contributions, and perspectives of ethnic groups and social groups. These recommended additional standards shall be designed to:

* * *

(i) Duties of the State Board of Education. The Board of Education shall, on or before December 31, 2022 December 31, 2023, consider adopting ethnic and social equity studies standards into standards for student performance adopted by the State Board under 16 V.S.A. § 164(9) for students in prekindergarten through grade 12, taking into account the report submitted by the Working Group under subdivision (g)(1) of this section.

Sec. 7. ACT 1 TECHNICAL ADVISORY GROUP

- (a) Creation. There is created the Act 1 Technical Advisory Group (Advisory Group) to provide ongoing assistance regarding the work of the Ethnic and Social Equity Standards Advisory Working Group (Working Group), created by 2019 Acts and Resolves No. 1, as amended.
- (b) Membership. The Technical Advisory Group shall be composed of the following 12 active members of the Working Group as of August 31, 2023, designated or appointed by the following organizations:
- (1) the Chairperson of the Working Group, the designee of the Vermont Human Rights Commission;
- (2) the Vice Chairperson of the Working Group, the designee of the Vermont-National Education Association;
 - (3) the designee of the Vermont School Boards Association;
 - (4) the designee of the Vermont Superintendents Association;
 - (5) the designee of the Vermont Principals' Association with expertise

in the development of school curriculum;

- (6) the designee of the Vermont Curriculum Leaders Association;
- (7) the Vermont Coalition for Ethnic and Social Equity in Schools appointee member from Outright Vermont;
 - (8) the Vermont-based, college-level faculty expert in ethnic studies;
 - (9) the designee of the Vermont Office of Racial Equity;
 - (10) the student appointee from Montpelier High School;
 - (11) the designee of the Vermont Independent Schools Association; and
 - (12) the designee of the Agency of Education.
- (c) Powers and duties. The Advisory Group shall provide assistance to the General Assembly, the Agency of Education, and the State Board of Education on the following recommendations made by the Working Group:
- (1) proposed revisions and comments to Agency of Education, State Board Rule 2000 Education Quality Standards (CVR 22-000-003);
- (2) recommended updates and additional standards for student performance proposed to the State Board of Education pursuant to 2019 Acts and Resolves No. 1, Sec. 1, subdivision (g)(1);
 - (3) policy recommendations submitted to the General Assembly; and
- (4) any other recommendations submitted to the General Assembly or State Board of Education.
- (d) Assistance. The Advisory Group shall have the assistance of the Agency of Education for the purposes of scheduling meetings.
 - (e) Meetings.
- (1) The Chair of the Advisory Group shall be the Chair of the Working Group as of August 31, 2023. If a member resigns before the Advisory Group ceases to exist, the organization impacted by the resignation shall have the authority to appoint a replacement member in consultation with the Advisory Group. The Advisory Group shall meet as needed.
 - (2) A majority of the membership shall constitute a quorum.
 - (3) The Advisory Group shall cease to exist on January 31, 2024.
- Sec. 8. [Deleted.]
 - * * *Union School District Board Member Nominating Petitions * * *
- Sec. 9. 16 V.S.A. § 711 is amended to read:

§ 711. VOTE TO ELECT INITIAL MEMBERS OF THE UNION SCHOOL DISTRICT BOARD

* * *

(d) Proposed unified union school district. Subject to the provisions of subsections 706(c) (existing union school districts) and 708(b) (necessary and advisable school districts) of this chapter, the voters of each school district identified as "necessary" or "advisable" shall vote whether to elect initial board members of a proposed unified union school district, as follows:

* * *

- (3) At-large representation. When representation on the board of a proposed unified union school district is not apportioned or allocated to the potential towns within the proposed district pursuant to subdivision (1) (proportional to town population) or (2) (modified at-large) of this subsection and the board member is elected at-large:
- (A) The voters of one or more school districts identified as "necessary" to formation of the proposed unified union school district shall file a petition nominating a candidate for the office of unified union school district board member at-large. A petition shall be valid only if:

* * *

(iii) the petition is signed by at least 60 voters residing in one or more school districts identified as "necessary" to the formation of the proposed unified union school district or one percent of the legal voters residing in the combined "necessary" school districts that would form the proposed unified union school district, whichever is less;

* * *

(e) Proposed union elementary or union high school district. Subject to the provisions of subsections 706(c) (existing union school districts) and 708(b) (necessary and advisable school districts) of this chapter, the voters of each school district identified as "necessary" or "advisable" shall vote whether to elect initial board members of the proposed union school district, as follows:

* * *

(3) At-large representation. When representation on the board of a proposed union elementary or union high school district board is not apportioned or allocated to the potential member districts pursuant to subdivision (1) (proportional to town population) or (2) (modified at large) of this subsection and the board member is elected at-large:

(A) The voters of one or more school districts identified as "necessary" to the formation of the proposed union school district shall file a petition nominating a candidate for the office of union school district board member at-large. A petition shall be valid only if:

* * *

(iii) the petition is signed by at least 60 voters residing in one or more school districts identified as "necessary" to the formation of the proposed union school district or one percent of the legal voters residing in the combined "necessary" school districts that would form the proposed union school district, whichever is less;

* * *

Sec. 10. 16 V.S.A. § 730 is amended to read:

§ 730. UNIFIED UNION SCHOOL DISTRICT BOARD MEMBERS; NOMINATION AND ELECTION; BOND

(a) If by Australian ballot. The provisions of this subsection (a) shall apply to a unified union school district that conducts elections for board membership by Australian ballot.

* * *

- (2) Modified at-large model: allocation to town; at-large representation.
- (A) When membership on the board of a unified union school district is allocated to each town within the district, but the allocation is not closely proportional to the town's relative population and the board member is elected at-large, the voters residing in any one or more of the towns within the district may file a petition nominating a candidate for board membership under the "modified at-large" model. A petition is valid only if:

* * *

(iii) the petition is signed by at least 60 voters residing in the unified union school district or one percent of the legal voters in the district, whichever is less;

- (3) At-large representation.
- (A) When membership on a unified union school district board is not apportioned or allocated pursuant to subdivision (1) (proportional to town population) or (2) (modified at-large) of this subsection (a) and the board member is elected at large, the voters residing in any one or more of the towns

within the district may file a petition nominating a candidate for at-large board membership. A petition is valid only if:

* * *

(iii) the petition is signed by at least 60 voters residing in the unified union school district or one percent of the legal voters in the district, whichever is less;

* * *

Sec. 11. 16 V.S.A. § 748 is amended to read:

§ 748. UNION ELEMENTARY AND UNION HIGH SCHOOL DISTRICT BOARD MEMBERS; NOMINATION AND ELECTION; BOND

(a) If by Australian ballot. The provisions of this subsection (a) shall apply to a union elementary or union high school district that conducts elections for board membership by Australian ballot.

* * *

- (2) Modified at-large model: allocation to town; at-large representation.
- (A) When membership on the board of a union elementary or union high school district is allocated to each member district, but the allocation is not closely proportional to the member district's population and the board member is elected at-large, the voters residing in any one or more of the member districts may file a petition nominating a candidate for board membership under the "modified at-large" model. A petition is valid only if:

* * *

(iii) the petition is signed by at least 60 voters residing in the union elementary or union high school district or one percent of the legal voters in the district, whichever is less;

* * *

(3) At-large representation.

(A) When membership on the board of a union elementary or union high school district is not apportioned or allocated pursuant to subdivision (1) (proportional to town population) or (2) (modified at-large) of this subsection (a) (Australian ballot) and the board member is elected at large, the voters residing in any one or more of the member districts may file a petition nominating a candidate for at-large board membership. A petition is valid only if:

(iii) the petition is signed by at least 60 voters residing in the union elementary or union high school district or one percent of the legal voters in the district, whichever is less;

* * *

* * * Effective Dates * * *

Sec. 12. EFFECTIVE DATES

- (a) Secs. 6 (Ethnic and Social Equity Standards Advisory Working Group) and this section shall take effect on passage.
- (b) Sec. 7 (Act 1 Technical Advisory Group) shall take effect on September 1, 2023.
 - (c) All other sections shall take effect on July 1, 2023.

H. 476

An act relating to miscellaneous changes to law enforcement officer training laws

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

- * * * Domestic Violence Involving Law Enforcement Model Policy * * *
- Sec. 1. 20 V.S.A. § 2365 is amended to read:

§ 2365. DOMESTIC VIOLENCE TRAINING; <u>DOMESTIC VIOLENCE</u> INVOLVING LAW ENFORCEMENT MODEL POLICY

- (d)(1) On or before July 1, 2024, every State, county, and municipal law enforcement agency shall adopt the Domestic Violence Involving Law Enforcement Model Policy issued by the Vermont Law Enforcement Advisory Board.
- (2) On or before July 1, 2024, every constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and is certified pursuant to section 2358 of this title shall adopt the Domestic Violence Involving Law Enforcement Model Policy issued by the Vermont Law Enforcement Advisory Board.
- (3) Agencies and constables referenced in subdivisions (1) and (2) of this subsection shall adopt any updated Domestic Violence Involving Law Enforcement Model Policy issued by Vermont Law Enforcement Advisory Board within six months following the issuance.

Sec. 2. DOMESTIC VIOLENCE INVOLVING LAW ENFORCEMENT MODEL POLICY REVISION

- (a) On or before January 1, 2024, the Vermont Law Enforcement Advisory Board, after receiving input from interested stakeholders, shall issue an updated Domestic Violence Involving Law Enforcement Model Policy.
- (b) The updated Domestic Violence Involving Law Enforcement Model Policy shall:
- (1) address domestic violence survivors' needs and leverage best practices in awareness, prevention, and investigation of domestic violence;
- (2) identify existing support offered to any law enforcement agency employee or officer who is the victim of or the person who committed domestic violence;
- (3) identify new means of supporting law enforcement agency employees or officers who are the victims of or the persons who committed domestic violence;
- (4) develop processes to protect the privacy of agency employees and officers who are the victims of domestic violence and to maintain the confidentiality of any information shared by these individuals; and
- (5) amend or replace language found in 2010 Domestic Violence Involving Law Enforcement Model Policy, section 3.8 (Member Responsibilities), subdivision (4) to require a law enforcement agency employee or officer subject to a final relief from abuse order pursuant to 15 V.S.A. § 1103 to immediately surrender all service weapons.
 - * * * Officer Misconduct and Transparency of Information * * *

Sec. 3. 20 V.S.A. § 2401 is amended to read:

§ 2401. DEFINITIONS

As used in this subchapter:

* * *

(2) "Category B conduct" means gross professional misconduct amounting to actions on duty or under authority of the State, or both, that involve willful failure to comply with a State-required policy, or substantial deviation from professional conduct as defined by the law enforcement agency's policy or if not defined by the agency's policy, then as defined by Council policy, and shall include:

- (H) while on duty or off duty, attempting to cause or causing physical harm to a family or household member, or placing a family or household member in fear of imminent serious physical harm; or
- (I) while on duty or off duty, a violation of the Domestic Violence Involving Law Enforcement Model Policy adopted pursuant to section 2365 of this title.

* * *

Sec. 4. 20 V.S.A. § 2407 is amended to read:

§ 2407. LIMITATION ON COUNCIL SANCTIONS FIRST OFFENSE OF CATEGORY B CONDUCT

(a) Category B conduct; first offense. If a law enforcement agency conducts a valid investigation of a complaint alleging that a law enforcement officer committed a first offense of Category B conduct, the Council shall take no action, except that the Council may take action for a first offense under subdivision 2401(2)(C) (excessive use of force under authority of the State), 2401(2)(F) (placing a person in a chokehold), or 2401(2)(G) (failing to intervene and report to a supervisor when an officer observes another officer placing a person in a chokehold or using excessive force) of this chapter.

Council sanctions; first offense of Category A and certain Category B conduct. After a valid investigation of Category A and Category B conduct made pursuant to section 2404 of this title concludes, the Council may impose a sanction for a first offense of:

- (1) Category A conduct as defined in subdivision 2401(1) of this title; or
- (2) the following instances of Category B conduct as defined in subdivision 2401(2) of this title:
- (A) sexual harassment involving physical contact pursuant to subdivision 2401(2)(A) of this title;
- (B) excessive use of force under authority of the State pursuant to subdivision 2401(2)(C) of this title;
- (C) placing a person in a chokehold pursuant to subdivision 2401(2)(F) of this title;
- (D) failing to intervene and report to a supervisor when an officer observes another officer placing a person in a chokehold or using excessive force pursuant to subdivision 2401(2)(G) of this title;
 - (E) attempting to cause or causing physical harm to a family or

household member, or placing a family or household member in fear of imminent serious physical harm pursuant to subdivision 2401(2)(H) of this title; or

- (F) a violation of the Domestic Violence Involving Law Enforcement Model Policy adopted pursuant to section 2365 of this title pursuant to subdivision 2401(2)(I) of this title.
- (b) Council action; second or subsequent offense of certain other Category B conduct. After a valid investigation of Category B conduct made pursuant to section 2404 of this title concludes, the Council may impose a sanction for an offense of Category B conduct not specified in subdivision (a)(2) of this section only for the second or subsequent offense.
- (c) "Offense" defined. As used in this section, an "offense" means any offense committed by a law enforcement officer during the course of his or her the law enforcement officer's certification, and includes any offenses committed during employment at a current or previous law enforcement agency.

Sec. 4a. VERMONT CRIMINAL JUSTICE COUNCIL AUTHORITY; REPORT

On or before December 15, 2023, the Vermont Criminal Justice Council, in consultation with the Department of Human Resources, the Office of Professional Regulation, and a nationally recognized organization that is a subject matter expert in the field of law enforcement professional regulation, shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations on the following:

- (1) whether the current statutes pertaining to unprofessional conduct in 20 V.S.A. §§ 2401–2411 should be amended to apply to all off-duty conduct of law enforcement officers:
- (2) whether the current statutes pertaining to unprofessional conduct in 20 V.S.A. §§ 2401–2411 should be amended to adjust the scope of Category B conduct that the Vermont Criminal Justice Council may take action on for a first offense; and
- (3) any other recommendations as deemed appropriate by the Vermont Criminal Justice Council.
- Sec. 5. 20 V.S.A. § 2409 is amended to read:
- § 2409. ACCESSIBILITY AND CONFIDENTIALITY

- (g)(1) The Council shall collect aggregate data on the number of:
- (A) complaints received that involve domestic or sexual violence; and
- (B) the number of complaints for Category A and B conduct involving domestic or sexual violence that resulted in the filing of charges or stipulations or the taking of disciplinary action.
- (2) The Council shall provide a report of the aggregate data collected pursuant to subdivision (1) of this subsection to the House Committees on Judiciary and on Government Operations and Military Affairs and the Senate Committees on Judiciary and on Government Operations annually on or before January 15.
- * * * Vermont Criminal Justice Council Domestic Violence Training Position Funding * * *

Sec. 5a. 20 V.S.A. § 2365 is amended to read:

§ 2365. DOMESTIC VIOLENCE TRAINING

* * *

(c) The Vermont Police Academy shall employ a domestic violence trainer for the sole purpose of training Vermont law enforcement and related practitioners on issues related to domestic violence. Funding for this position shall be transferred by the Center for Crime Victim Services from the Domestic and Sexual Violence Special Fund created by 13 V.S.A. § 5360.

Sec. 5b. 13 V.S.A. § 5360 is amended to read:

§ 5360. DOMESTIC AND SEXUAL VIOLENCE SPECIAL FUND

A Domestic and Sexual Violence Special Fund is established, to be managed in accordance with 32 V.S.A. chapter 7, subchapter 5 and administered by the Center for Crime Victim Services created in section 5361 of this title. The revenues of the Fund shall consist of that portion of the additional surcharge on penalties and fines imposed by section 7282 of this title deposited in the Domestic and Sexual Violence Special Fund and that portion of the town clerks' fee for issuing and recording civil marriage or civil union licenses in 32 V.S.A. § 1712(1) deposited in the Domestic and Sexual Violence Special Fund. The Fund may be expended by the Center for Crime Victim Services for budgeted grants to the Vermont Network against Domestic and Sexual Violence and for the Criminal Justice Training Council position dedicated to domestic violence training, pursuant to 20 V.S.A. § 2365(e).

* * * Effective Date * * *

Sec. 6. EFFECTIVE DATE

This act shall take effect on passage.

H. 488

An act relating to approval of the adoption of the charter of the Town of Ludlow

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

In Sec. 2, 24 App. V.S.A. chapter 125 (Town of Ludlow), in section 2, by striking out all after the section heading and inserting in lieu thereof the following:

Except as otherwise specifically provided by law or by a vote of the citizens of the Town at an annual or special meeting, the Select Board may determine the articles to be voted upon by Australian ballot at a special or annual Town meeting and shall indicate such in the warning.

H. 490

An act relating to approving the merger of the Village of Lyndonville with the Town of Lyndon

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

<u>First</u>: In Sec. 2, 24 App. V.S.A. chapter 126 (Town of Lyndon), in section 12 (adoption of ordinances by initiative), in subsection (a), by renumbering subdivisions (2), (3), and (4) to be subdivisions (3), (4), and (5), and by adding a new subdivision (2) to read as follows:

- (2) The proposed ordinance shall be examined by the Town attorney before being submitted to the special Town meeting. The Town attorney is authorized, subject to the approval of the Selectboard, to amend the petitioned ordinance to:
 - (A) correct repetitive, unlawful, or unconstitutional provisions; and
- (B) ensure accuracy, clarity, and precision in its text, legal references, and phrasing, provided that these technical corrections shall not change the meaning or effect of the proposed ordinance.

<u>Second</u>: In Sec. 2, 24 App. V.S.A. chapter 126 (Town of Lyndon), in section 42 (Town meetings), in subsection (b), following the word "<u>The</u>" by striking out the words "<u>ballot boxes</u>" and inserting in lieu thereof the words <u>polling places</u>

<u>Third</u>: In Sec. 2, 24 App. V.S.A. chapter 126 (Town of Lyndon), in section 82 (Board of Electric Commissioners), in subsection (f), by striking

out the word "and" following the semicolon at the end of subdivision (1); by striking out the period at the end of subdivision (2) and inserting in lieu thereof; and; and in subdivision (3), by striking out the word "Consistent" and inserting in lieu thereof the word consistent

Senate Proposal of Amendment to House Proposal of Amendment S. 89

An act relating to establishing a forensic facility

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

In Sec. 6, Working Group on Policies Pertaining to Individuals with Intellectual Disabilities Who Are Criminal-Justice Involved, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) as follows:

(b) Membership.

- (1) The Working Group shall be composed of the following members:
- (A) a representative, appointed by the Disability Law Project of Vermont Legal Aid;
- (B) a representative, appointed by the Developmental Disabilities Council;
- (C) a representative, appointed by the Green Mountain Self-Advocates;
 - (D) a representative, appointed by Vermont Care Partners;
- (E) a representative, appointed by the Vermont Crisis Intervention Network;
- (F) the Commissioner of Disabilities, Aging, and Independent Living or designee;
 - (G) the Commissioner of Mental Health or designee;
- (H) a representative, appointed by the Center for Crime Victim Services;
- (I) the President of the Vermont State Employees' Association or designee;
 - (J) the Executive Director of the Office of Racial Equity or designee;
 - (K) the Chief Superior Judge or designee;

- (L) two members of the House of Representatives, one of whom is from the House Committee on Human Services and one of whom is from the House Committee on Judiciary, appointed by the Speaker; and
- (M) two members of the Senate, one of whom is from the Senate Committee on Health and Welfare and one of whom is from the Senate Committee on Judiciary, appointed by the Committee on Committees.
- (2) In completing its duties pursuant to this section, the Working Group, to the extent feasible, shall consult with the following individuals:
- (A) a psychiatrist or psychologist with experience conducting competency evaluations under 1987 Acts and Resolves No. 248;
- (B) individuals with lived experience of an intellectual disability who have previous experience in the criminal justice system or civil commitment system, or both;
- (C) family members of individuals with an intellectual disability who have experience in the criminal justice system or with competency evaluations under 1987 Acts and Resolves No. 248;
- (D) the Executive Director of the Department of State's Attorneys and Sheriffs;
 - (E) the Defender General;
 - (F) the Commissioner of Corrections; and
- (G) the State Program Standing Committee for Developmental Services.

Committee of Conference Report

H. 479

An act relating to the Transportation Program and miscellaneous changes to laws related to transportation

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference, to which were referred the disagreeing votes of the two Houses upon House Bill, entitled:

H.479 An act relating to the Transportation Program and miscellaneous changes to laws related to transportation.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Transportation Program Adopted as Amended; Definitions;

Technical Corrections * * *

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS; TECHNICAL CORRECTIONS

- (a) Adoption. The Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program appended to the Agency of Transportation's proposed fiscal year 2024 budget (Revised January 27, 2023), as amended by this act, is adopted to the extent federal, State, and local funds are available.
 - (b) Definitions. As used in this act, unless otherwise indicated:
 - (1) "Agency" means the Agency of Transportation.
- (2) "Candidate project" means a project approved by the General Assembly that is not anticipated to have significant expenditures for preliminary engineering or right-of-way expenditures, or both, during the budget year and funding for construction is not anticipated within a predictable time frame.
- (3) "Development and evaluation (D&E) project" means a project approved by the General Assembly that is anticipated to have preliminary engineering expenditures or right-of-way expenditures, or both, during the budget year and that the Agency is committed to delivering to construction on a timeline driven by priority and available funding.
- (4) "Front-of-book project" means a project approved by the General Assembly that is anticipated to have construction expenditures during the budget year or the following three years, or both, with expected expenditures shown over four years.
 - (5) "Secretary" means the Secretary of Transportation.
- (6) "TIB funds" means monies deposited in the Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.
- Transportation Program referenced in subsection (a) of this section; the table heading "As Amended" means the amendments as made by this act; the table heading "Change" means the difference obtained by subtracting the "As Proposed" figure from the "As Amended" figure; the terms "change" or "changes" in the text refer to the project- and program-specific amendments, the aggregate sum of which equals the net "Change" in the applicable table heading; and "State" in any tables amending authorizations indicates that the

source of funds is State monies in the Transportation Fund, unless otherwise specified.

(c) Technical corrections.

- (1) In the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Municipal Mitigation, the value "\$7,685,523" is struck and the value "\$10,113,523" is inserted in lieu thereof to correct a typographic error; the value "\$3,355,523" is struck and the value "\$4,783,523" is inserted in lieu thereof to correct a typographic error; the value "\$4,000,000" is struck and the value "\$5,000,000" is inserted in lieu thereof to correct a typographic error; and the value "\$8,060,523" is struck twice and the value "\$10,488,523" is inserted in lieu thereof twice to correct two typographic errors.
- (2) In the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Aviation, in the summary chart, the value "\$11,335,874" is struck and the value "\$10,885,874" is inserted in lieu thereof to correct a typographic error; the value "\$4,759,078" is struck and the value "\$4,719,078" is inserted in lieu thereof to correct a typographic error; and the value "\$17,764,405" struck and the value "\$17,274,405" is inserted in lieu thereof to correct a typographic error.
- (3) In the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Rail, in the project details, the following projects are deleted:
 - (A) Rail Statewide Railroad Bridges; and
 - (B) Rail Statewide STRBMATN Various-Railroads.
 - * * * Summary of Transportation Investments * * *
- Sec. 2. FISCAL YEAR 2024 TRANSPORTATION INVESTMENTS
 INTENDED TO REDUCE TRANSPORTATION-RELATED
 GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL
 USE, AND SAVE VERMONT HOUSEHOLDS MONEY

This act includes the State's fiscal year 2024 transportation investments intended to reduce transportation-related greenhouse gas emissions, reduce fossil fuel use, and save Vermont households money in furtherance of the policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive Energy Plan and the Vermont Climate Action Plan and to satisfy the Executive and Legislative Branches' commitments to the Paris Agreement climate goals. In fiscal year 2024, these efforts will include the following:

- (1) Park and Ride Program. This act provides for a fiscal year expenditure of \$2,266,045.00, which will fund one construction project to create a new park-and-ride facility; the design and construction of improvements to one existing park-and-ride facility; the design of improvements to one existing park-and-ride facility scheduled for construction in future fiscal years; and paving projects for existing park-and-ride facilities. This year's Park and Ride Program will create 202 new State-owned spaces. Specific additions and improvements include:
 - (A) Manchester—construction of 50 new spaces;
 - (B) Sharon—design for 10 new spaces; and
 - (C) Williston—construction of 142 new spaces.
 - (2) Bike and Pedestrian Facilities Program.
- (A) This act provides for a fiscal year expenditure, including local match, of \$13,039,521.00, which will fund 33 bike and pedestrian construction projects; 18 bike and pedestrian design, right-of-way, or design and right-of way projects for construction in future fiscal years; 15 scoping studies; and three projects to improve signage. The construction projects include the creation, improvement, or rehabilitation of walkways, sidewalks, shared-use paths, bike paths, and cycling lanes. Projects are funded in Arlington, Bennington, Berlin, Bethel, Brattleboro, Bristol, Burke, Burlington, Castleton, Chester, Coventry, Dorset, Dover, Enosburg Falls, Fair Haven, Fairfax, Franklin, Hartford, Hartland, Hinesburg, Jericho, Lyndonville, Middlebury, Middlesex, Montpelier, Moretown, New Haven, Newfane, Newport City, Northfield, Pawlet, Proctor, Richford, Royalton, Rutland City, Rutland Town, Shaftsbury, Shelburne, South Burlington, South Hero, Springfield, St. Albans City, St. Albans Town, Sunderland, Swanton, Tunbridge, Vergennes, Wallingford, Waterbury, West Rutland, and Wilmington. This act also provides funding for:
- (i) some of Local Motion's operation costs to run the Bike Ferry on the Colchester Causeway, which is part of the Island Line Trail;
- (ii) the small-scale municipal bicycle and pedestrian grant program for projects to be selected during the fiscal year;
 - (iii) projects funded through the Safe Routes to School program;
- (iv) education and outreach to K-8 schools to encourage higher levels of walking and bicycling to school; and
- (v) community grants along the Lamoille Valley Rail Trail (LVRT).

- (B) Sec. 7 of this act also creates the Rail Trail Community Connectivity Grants, with the purpose to continue the build out and enhancement of LVRT amenities and improve visitor experience.
- (3) Transportation Alternatives Program. This act provides for a fiscal year expenditure of \$5,195,346.00, including local funds, which will fund 22 transportation alternatives construction projects; 19 transportation alternatives design, right-of-way, or design and right-of-way projects; and seven studies, including scoping, historic preservation, and connectivity. Of these 48 projects, 16 involve environmental mitigation related to clean water or stormwater concerns, or both clean water and stormwater concerns, and 29 involve bicycle and pedestrian facilities. Projects are funded in Bennington, Brandon, Bridgewater, Bristol, Burke, Burlington, Colchester, Derby, Duxbury, Enosburg, Fair Haven, Fairfax, Franklin, Hartford, Hinesburg, Hyde Park, Jericho, Johnson, Killington, Mendon, Milton, Montgomery, Moretown, Newfane, Norwich, Proctor, Putney, Rockingham, Rutland City, South Burlington, Stowe, Swanton, Tinmouth, Vergennes, Wardsboro, Warren, West Rutland, Williston, Wilmington, and Winooski.
- (4) Public Transit Program. This act provides for a fiscal year expenditure of \$49,645,330.00 for public transit uses throughout the State. Included in the authorization are:
- (A) Go! Vermont, with an authorization of \$405,000.00. This authorization supports transportation demand management (TDM) strategies, including the State's Trip Planner and commuter services, to promote the use of carpools and vanpools.
- (B) Mobility and Transportation Innovations (MTI) Grant Program, with an authorization of \$500,000.00. This authorization continues to support projects that improve both mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, and reduce greenhouse gas emissions.
- (5) Rail Program. This act provides for a fiscal year expenditure of \$43,008,320.00, including local funds, for intercity passenger rail service and rail infrastructure throughout the State, including the recent addition of New York City—Burlington passenger rail service.
- (6) Transformation of the State Vehicle Fleet. The Department of Buildings and General Services, which manages the State Vehicle Fleet, currently has 21 plug-in hybrid electric vehicles and 13 battery electric vehicles in the State Vehicle Fleet. In fiscal year 2024, the Commissioner of Buildings and General Services will continue to purchase and lease vehicles for State use in accordance with 29 V.S.A. § 903(g), which requires, to the

maximum extent practicable, that the Commissioner purchase or lease hybrid or plug-in electric vehicles (PEVs), as defined in 23 V.S.A. § 4(85), with not less than 75 percent of the vehicles purchased or leased being hybrid or PEVs.

- (7) Electric vehicle supply equipment (EVSE). This act provides for a fiscal year expenditure of \$7,625,000.00 to increase the presence of EVSE in Vermont in accordance with the State's federally approved National Electric Vehicle Infrastructure (NEVI) Plan, which will lead to the installation of Direct Current Fast Charging (DC/FC) along designated alternative fuel corridors. This is in addition to monies that were previously appropriated, but not yet expended, for EVSE at multiunit dwellings, workplaces, and public venues and attractions.
 - (8) Vehicle incentive programs and expansion of the PEV market.
- (A) Incentive Program for New PEVs, MileageSmart, and Replace Your Ride Program. No additional monies are authorized for the State's vehicle incentive programs in this act, but it is estimated that approximately the following prior appropriations will be available in fiscal year 2024:
 - (i) \$8,200,000.00 for the Incentive Program for New PEVs;
 - (ii) \$2,250,000.00 for MileageSmart; and
 - (iii) \$3,200,000.00 for the Replace Your Ride Program.
- (B) Electrify Your Fleet Program. Sec. 21 of this act creates the Electrify Your Fleet Program, which will provide incentives to Vermont municipalities and business entities in Vermont that maintain a fleet of motor vehicles to incentivize a transition to PEVs and reduce greenhouse gas emissions, including a limited number of increased incentives to nonprofit mobility services organizations, and authorizes \$500,000.00 in incentives under the Electrify Your Fleet Program.
- (C) eBike Incentive Program. Sec. 22 of this act authorizes an additional \$50,000.00 in incentives under the eBike Incentive Program.
- (9) Carbon Reduction Formula Program and Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Formula Program. This act provides for a fiscal year expenditure of \$12,771,029.00 in State and federal monies under the Carbon Reduction Formula Program and the PROTECT Formula Program.

* * * Highway Maintenance * * *

Sec. 3. HIGHWAY MAINTENANCE

(a) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Maintenance, authorized spending is amended as follows:

<u>FY24</u>	As Proposed	As Amended	<u>Change</u>
Person. Svcs.	42,637,277	42,637,277	0
Operat. Exp.	65,893,488	65,043,488	-850,000
Total	108,530,765	107,680,765	-850,000
Sources of funds			
State	107,784,950	106,934,950	-850,000
Federal	645,815	645,815	0
Inter Unit	100,000	100,000	0
Total	108,530,765	107,680,765	-850,000

- (b) Restoring the fiscal year 2024 Maintenance Program appropriation and authorization to the level included in the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program shall be the Agency's top fiscal priority.
- (1) If there are unexpended State fiscal year 2023 appropriations of Transportation Fund monies then, at the close of State fiscal year 2023, an amount up to \$850,000.00 of any unencumbered Transportation Fund monies appropriated in 2022 Acts and Resolves No. 185, Secs. B.900–B.922, as amended by 2023 Acts and Resolves No. 3, Secs. 43–44a, that would otherwise be authorized to carry forward is reappropriated for the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Maintenance 30 days after the Agency sends written notification of the request for the unencumbered Transportation Fund monies to be reappropriated to the Joint Transportation Oversight Committee, provided that the Joint Transportation Oversight Committee does not send written objection to the Agency.
- (2) If the Agency utilizes available federal monies in lieu of one-time Transportation Fund monies for Green Mountain Transit pursuant to Sec. 14(c) of this act, then the one-time Transportation Fund monies authorized for expenditure pursuant to Sec. 14(b) of this act that are not required for public transit may instead go towards restoring the Highway Maintenance budget.

- (3) If any unencumbered Transportation Fund monies are reappropriated pursuant to subdivision (1) of this subsection or made available pursuant to subdivision (2) of this subsection, then, within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Maintenance, authorized spending is further amended to increase operating expenses by not more than \$850,000.00 in Transportation Fund monies.
- (4) Notwithstanding subdivisions (1)–(3) of this subsection, the Agency may request further amendments to the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Maintenance through the State fiscal year budget adjustment act.

Sec. 4. PAVING; STATEWIDE DISTRICT LEVELING

(a) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Paving, authorized spending for STATEWIDE District Leveling TBD is amended as follows:

<u>FY24</u>	As Proposed	As Amended	Change
Const.	3,150,000	3,150,000	0
Total	3,150,000	3,150,000	0
Sources of fur	<u>nds</u>		
State	3,150,000	150,000	-3,000,000
Other	0	3,000,000	3,000,000
Total	3,150,000	3,150,000	0

(b) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Paving, the following footnote is added: "Other funds of \$3,000,000 are Cash Fund for Capital and Essential Investments (21952) funds, drawn from the Other Infrastructure, Essential Investments, and Reserves subaccount."

* * * One-Time Appropriations * * *

Sec. 5. ONE-TIME APPROPRIATIONS

(a) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for One-Time Appropriations, authorized spending is amended as follows:

<u>FY24</u>	As Proposed	As Amended	<u>Change</u>
Operating	3,500,000	3,500,000	0

Grants	3,000,000	1,000,000	-2,000,000
Total	6,500,000	4,500,000	-2,000,000
Sources of funds			
General	3,000,000	0	-3,000,000
Capital	3,500,000	0	-3,500,000
Other	0	4,500,000	4,500,000
Total	6,500,000	4,500,000	-2,000,000

- (b) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for One-Time Appropriations, "St. Albans District Maintenance Facility \$3.5M Capital Fund Operating" is struck and "St. Albans District Maintenance Facility \$3.5M Cash Fund for Capital and Essential Investments funds (21952, Other Infrastructure, Essential Investments, and Reserves subaccount)" is inserted in lieu thereof.
- (c) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for One-Time Appropriations, "Rail Trail Community Connectivity Grants \$3M General Fund Grants" is struck and "Rail Trail Community Connectivity Grants \$1M Cash Fund for Capital and Essential Investments funds (21952, Other Infrastructure, Essential Investments, and Reserves subaccount)" is inserted in lieu thereof.
 - * * * St. Albans District Maintenance Facility * * *

Sec. 6. ST. ALBANS DISTRICT MAINTENANCE FACILITY

The following project is added to the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Transportation Buildings: St. Albans District Maintenance Facility.

* * * Rail Trail Community Connectivity Grants * * *

Sec. 7. RAIL TRAIL COMMUNITY CONNECTIVITY GRANTS

- (a) Project addition. The following project is added to the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Rail Program: Rail Trail Community Connectivity Grants.
- (b) Purpose. The purpose of the Rail Trail Community Connectivity Grants is to continue the build-out and enhancement of Lamoille Valley Rail Trail (LVRT) amenities and improve visitor experience, which shall be consistent with the priorities outlined in the recently completed LVRT Management Plan.

- (c) Eligible projects. Projects may include trail infrastructure improvements, such as trailheads, picnic areas, kiosks, and connections to towns; signage; and interpretive panel installations.
- (d) Match. Grant recipients shall be required to provide a 20 percent match toward any projects that are awarded a grant.

* * * State Airports * * *

Sec. 8. SALE OR LEASE OF CALEDONIA COUNTY STATE AIRPORT

- (a)(1) The Agency of Transportation is authorized to issue a request for proposals for the purchase or lease of the Caledonia County State Airport, located in the Town of Lyndon, and the Agency shall consult with the Town of Lyndon on any requests for proposals related to the purchase or lease of the Airport prior to the issuance of any requests for proposals related to the purchase or lease of the Airport.
- (2) The request for proposal shall include a request for a business plan, which shall, at a minimum, include the prospective purchaser's or lessor's plans for investments in the Airport and the surrounding communities and may include plans for partnerships with secondary and post-secondary institutions in the surrounding communities.
- (b) Subject to obtaining any necessary approvals from the U.S. Federal Aviation Administration, the Vermont Secretary of Transportation, as agent for the State, is authorized to convey the Airport property by warranty deed according to the terms of a purchase and sale agreement or through a long-term lease.

(c) Any such conveyance shall:

- (1) include assignment of the State's interest in easements, leases, licenses, and other agreements pertaining to the Airport and the acceptance of the State's obligations under such easements, leases, licenses, and other agreements that requires, at a minimum, that any leases and terms of leases that are in effect at the time of the conveyance of the Airport are fully honored for the balance of the lease term;
- (2) ensure that there are investments in the Airport to address current deficiencies and necessary repairs;
- (3) ensure that the Airport continues to be a public-use airport and that the public continues to have access to the Airport for general aviation uses in perpetuity;

- (4) ensure that the Airport continues to be identified as a public-use airport within the National Plan of Integrated Airport Systems until at least 2050, subject to federal determination;
- (5) include, if the Airport is conveyed through a purchase and sale agreement, a six-month right of first refusal, running from the date that the owner of the Airport provides notice to the State of an intent to sell the Airport, for the State to repurchase the Airport at fair market value before the Airport is resold or transferred to a new owner; and
- (6) include, if the Airport is leased, that the lease cannot be either assigned or the lessor cannot sub-lease all or substantially all of the Airport without the written approval of the Vermont Secretary of Transportation.
 - (d) The Agency shall not proceed with a sale or lease of the Airport unless:
- (1) there is a fair market value offer, as required under 19 V.S.A. § 10k(b) or 26a(a), that meets the requirements of subsection (c) of this section; and
- (2) the Town of Lyndon is given the opportunity to review and comment on the final purchase and sale agreement or lease as applicable.
- (e) This section shall constitute specific prior approval, including of any sale or lease terms, by the General Assembly for purposes of 5 V.S.A. § 204.

Sec. 9. REPEAL OF AUTHORITY FOR SALE OR LEASE OF

CALEDONIA COUNTY STATE AIRPORT

Sec. 8 of this act shall be repealed on May 1, 2026.

* * * Project Cancellations; Project Addition * * *

Sec. 10. PROJECT CANCELLATIONS; PROJECT ADDITION

- (a) Town of Bennington.
- (1) Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of projects), the General Assembly approves cancellation of the following project within the Roadway Program: Bennington Bypass South NH F 019-1(4) Southern Segment of the Bennington Bypass.
- (2) The Agency shall engage with the Town of Bennington to understand the planned municipal transportation projects or potential municipal transportation projects, or both, within the right-of-way purchased for the Bennington Bypass South NH F 019-1(4) Southern Segment of the Bennington Bypass project.
 - (b) Town of Sheldon.

- (1) Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of projects), the General Assembly approves cancellation of the following project within the Town Highway Bridge Program: Sheldon BO 1448(47) Scoping for Bridge #20 on TH #22.
- (2) The following project is added to the Town Highway Bridge Program: Sheldon BO 1448(48) Scoping for Bridge #11 on Bridge Street, which will replace the existing Sheldon BO TRUS(11) as a Development and Evaluation project.
 - * * * Transportation Alternatives Grant Program * * *

Sec. 11. TRANSPORTATION ALTERNATIVES GRANT PROGRAM AWARDS IN STATE FISCAL YEARS 2024 TO 2027

Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant Program awards in State fiscal years 2024 to 2027 shall not exceed \$600,000.00 per grant allocation.

- * * * Central Garage Fund * * *
- * * * Amendments Effective July 1, 2023 * * *

Sec. 12. 19 V.S.A. § 13 is amended to read:

§ 13. CENTRAL GARAGE FUND

- (a) There is created the Central Garage Fund, which shall be used to:
- (1) to furnish equipment on a rental basis to the districts and other sections of the Agency for construction, maintenance, and operation of highways or other transportation activities; and
- (2) to provide a general equipment repair and major overhaul service, inclusive of any assets, supplies, labor, or use of contractors necessary to provide that service, as well as to furnish necessary supplies for the operation of the equipment.
- (b) To In order to maintain a safe, and reliable equipment fleet, the Agency shall use Central Garage Fund monies to acquire new or replacement highway maintenance equipment shall be acquired using Central Garage Fund monies. The Agency is authorized to acquire replacement pieces for existing highway equipment or new, additional equipment equivalent to equipment already owned; however, the Agency shall not increase the total number of permanently assigned or authorized motorized or self-propelled vehicles without approval by the General Assembly.

- (c)(1) For the purpose specified in subsection (b) of this section, the following amount shall be transferred from the Transportation Fund to the Central Garage Fund:
 - (A) in fiscal year 2021, \$1,355,358.00; and
- (B) in subsequent fiscal years, at a minimum, the amount specified in subdivision (A) of this subdivision (1) as adjusted annually by increasing the previous fiscal year's amount by the percentage increase in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) during the two most recently closed State fiscal years.
- (2) Each fiscal year, the sum of the following shall be appropriated from the Central Garage Fund exclusively for the purpose specified in subsection (b) of this section:
- (A) the amount transferred pursuant to subdivision (1) of this subsection (c);
- (B) the amount of the equipment depreciation expense from the prior fiscal year; and
 - (C) the amount of the net equipment sales from the prior fiscal year.
- (d) In each fiscal year, net income of the Fund earned during that fiscal year shall be retained in the Fund.
- (e) For the purposes of computing net worth and net income, the fiscal year shall be the year ending June 30.
- (f) As used in this section, "equipment" means registered motor vehicles and highway maintenance equipment assigned to necessary assets required by the Central Garage in order to fulfill the objectives established in subsection (a) of this section.
 - (g) [Repealed.]
 - * * * Appropriation for Acquisition of New or Replacement Equipment in State Fiscal Years 2024–2026 * * *
- Sec. 13. CALCULATION OF APPROPRIATION FROM CENTRAL GARAGE FUND FOR ACQUISITION OF NEW OR REPLACEMENT EQUIPMENT IN STATE FISCAL YEARS 2024–2026

Notwithstanding 19 V.S.A. § 13(c)(2)(B), the amount appropriated from the Central Garage Fund exclusively for the purposes specified in 19 V.S.A. § 13(b) in State fiscal years 2024–2026 shall be:

- (1) the amount transferred pursuant to 19 V.S.A. § 13(c)(1);
- (2) the amount of the equipment depreciation expense from the prior fiscal year or, for equipment that is fully depreciated and still actively in service, an amount equal to the depreciation on that piece of equipment from the prior year; and
 - (3) the amount of the net equipment sales from the prior fiscal year.

* * * Public Transit * * *

Sec. 14. ONE-TIME PUBLIC TRANSIT MONIES; GREEN MOUNTAIN TRANSIT; PLAN FOR TIERED-FARE SERVICE; REPORT

- (a) Project addition. The following project is added to the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program: Increased One-Time Monies for Public Transit for Fiscal Year 2024.
- (b) Authorization. Spending authority for Increased One-Time Monies for Public Transit for Fiscal Year 2024 is authorized as follows:

<u>FY24</u>	As Proposed	As Amended	Change
Other	0	850,000	850,000
Total	0	850,000	850,000
Sources of fu	<u>nds</u>		
State	0	850,000	850,000
Total	0	850,000	850,000

- (c) Federal monies. The Agency shall utilize available federal monies in lieu of the authorization in subsection (b) of this section to the greatest extent practicable, provided that there is no negative impact on any local public transit providers.
- (d) Implementation. The Agency of Transportation shall distribute the authorization in subsection (b) of this section to Green Mountain Transit for the following during fiscal year 2024:
- (1) to operate routes on a zero-fare basis, with a return to the collection of fares from some passengers not later than January 1, 2024; and
- (2) to prepare for the transition to tiered-fare service in accordance with the plan prepared pursuant to subsection (e) of this section, which may include the acquisition and maintenance of fare-collection systems.
 - (e) Plan for tiered-fare service.

(1) Green Mountain Transit shall, in consultation with community action agencies and other relevant entities, such as those that represent the migrant and refugee populations, develop and implement, not later than January 1, 2024, a plan to establish tiered-fare service on urban Green Mountain Transit routes.

(2) At a minimum, the plan to establish tiered-fare service shall:

- (A) incorporate a low-income transit program to provide certain passengers with service at no cost or a reduced cost to the passenger through digital methods, such as a handheld device, and nondigital methods, such as an electronic benefits transfer (EBT) card or a transit card; and
- (B) be designed, based on reasonable revenue estimates, to generate fare revenue of at least 10 percent of projected operational costs on urban Green Mountain Transit routes.
- (3) Green Mountain Transit shall advise the House and Senate Committees on Transportation of its plan to establish tiered-fare service by filing the final version of the plan to establish tiered-fare service with the House and Senate Committees on Transportation Committees on or before December 1, 2023.

Sec. 15. RECOMMENDATIONS ON FUNDING SOURCE FOR NONFEDERAL MATCH; PUBLIC TRANSIT; REPORT

The Vermont Public Transportation Association, in consultation with the Agency of Transportation and the Vermont League of Cities and Towns, shall provide, not later than January 15, 2024, the House and Senate Committees on Transportation with a written recommendation on one or more funding sources for the nonfederal match required of public transit providers operating in the statewide transit system.

Sec. 16. STATEWIDE PUBLIC TRANSIT SYSTEM;

RECOMMENDATIONS; REPORT

- (a) The Agency of Transportation, in consultation with the Agency of Human Services, Division of Vermont Health Access, and the Vermont Public Transportation Association, shall conduct a benefit and risk assessment of the current systems for delivering public transit and nonemergency medical transportation services in Vermont, known as the "braided service model."
- (b) The assessment shall also include a review of other public transit service approaches implemented in the United States and make recommendations on modifications to the management of Vermont's statewide mobility service design to make Vermont's public transit system as efficient,

robust, and resilient as possible and fully maximize all available federal funding.

(c) The Agency of Transportation shall file the written assessment with the House and Senate Committees on Transportation, the House Committee on Human Services, and the Senate Committee on Health and Welfare not later than January 15, 2024.

Sec. 17. SEPARATING THE MOBILITY AND TRANSPORTATION INNOVATIONS (MTI) GRANT PROGRAM FROM GO! VERMONT

(a) Go! Vermont. Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Public Transit, authorized spending for Go! Vermont STPG GOVT() is amended as follows:

<u>FY24</u>	As Proposed	As Amended	<u>Change</u>
Other	905,000	405,000	-500,000
Total	905,000	405,000	-500,000
Sources of fund	<u>ds</u>		
State	30,000	30,000	0
Federal	875,000	375,000	-500,000
Total	905,000	405,000	-500,000

- (b) Mobility and Transportation Innovations (MTI) Grant Program.
- (1) Project addition. The following project is added to the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Public Transit: Mobility and Transportation Innovations (MTI) Grant Program.
- (2) Authorization. Spending authority for MTI Grant Program is authorized as follows:

<u>FY24</u>	As Proposed	As Amended	<u>Change</u>
Other	0	500,000	500,000
Total	0	500,000	500,000
Sources of fund	<u>s</u>		
Federal	0	500,000	500,000
Total	0	500,000	500,000

^{* * *} Vehicle Incentive Programs * * *

* * * Repeal of Existing Vehicle Incentive Programs * * *

Sec. 18. REPEALS

- (a) 2019 Acts and Resolves No. 59, Sec. 34, as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, 2021 Acts and Resolves No. 3, Sec. 56, 2021 Acts and Resolves No. 55, Secs. 18, 19, and 21–24, and 2022 Acts and Resolves No. 184, Sec. 6, is repealed.
- (b) 2021 Acts and Resolves No. 55, Sec. 27, as amended by 2022 Acts and Resolves No. 184, Sec. 22, is repealed.
 - * * * Codification of Vehicle Incentive Programs * * *
- Sec. 19. 19 V.S.A. chapter 29 is added to read:

CHAPTER 29. VEHICLE INCENTIVE PROGRAMS

§ 2901. DEFINITIONS

As used in this chapter:

- (1) "Adaptive electric cycle" means an electric bicycle or an electric cargo bicycle that has been modified to meet the physical needs or abilities of the operator or a passenger.
 - (2) "Electric bicycle" has the same meaning as in 23 V.S.A. § 4(46)(A).
- (3) "Electric cargo bicycle" means a motor-assisted bicycle, as defined in 23 V.S.A. § 4(45)(B)(i), with an electric motor, as defined under 23 V.S.A. § 4(45)(B)(i)(II), that is specifically designed and constructed for transporting loads, including at least one or more of the following: goods; one or more individuals in addition to the operator; or one or more animals. A motor-assisted bicycle that is not specifically designed and constructed for transporting loads, including a motor-assisted bicycle that is only capable of transporting loads because an accessory rear or front bicycle rack has been installed, is not an electric cargo bicycle.
- (4) "Plug-in electric vehicle (PEV)," "battery electric vehicle (BEV)," and "plug-in hybrid electric vehicle (PHEV)" have the same meanings as in 23 V.S.A. § 4(85).

§ 2902. INCENTIVE PROGRAM FOR NEW PLUG-IN ELECTRIC

VEHICLES

- (a) Creation; administration.
- (1) There is created the Incentive Program for New Plug-In Electric Vehicles (PEVs), which shall be administered by the Agency of Transportation.

- (2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of the Program.
- (b) Program structure. The Incentive Program for New PEVs shall structure PEV purchase and lease incentive payments by income to help all Vermonters benefit from electric driving, including Vermont's most vulnerable. Specifically, the Incentive Program for New PEVs:
- (1) shall apply to both purchases and leases of new PEVs with an emphasis on incentivizing the purchase and lease of battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs) with an electric range of 20 miles or greater per complete charge as rated by the Environmental Protection Agency when the vehicle was new;
- (2) shall provide not more than one incentive of not more than \$3,000.00 for a PEV, per individual per year, to:
- (A) an individual domiciled in the State whose federal income tax filing status is single with an adjusted gross income under the laws of the United States greater than \$60,000.00 and at or below \$100,000.00;
- (B) an individual domiciled in the State whose federal income tax filing status is head of household with an adjusted gross income under the laws of the United States greater than \$75,000.00 and at or below \$125,000.00;
- (C) an individual domiciled in the State whose federal income tax filing status is surviving spouse with an adjusted gross income under the laws of the United States greater than \$90,000.00 and at or below \$150,000.00;
- (D) an individual who is part of a married couple with at least one spouse domiciled in the State whose federal income tax filing status is married filing jointly with an adjusted gross income under the laws of the United States greater than \$90,000.00 and at or below \$150,000.00; or
- (E) an individual who is part of a married couple with at least one spouse domiciled in the State and at least one spouse whose federal income tax filing status is married filing separately with an adjusted gross income under the laws of the United States greater than \$60,000.00 and at or below \$100,000.00;
- (3) shall provide not more than one incentive of not more than \$6,000.00 for a PEV, per individual per year, to:
- (A) an individual domiciled in the State whose federal income tax filing status is single with an adjusted gross income under the laws of the United States at or below \$60,000.00;

- (B) an individual domiciled in the State whose federal income tax filing status is head of household with an adjusted gross income under the laws of the United States at or below \$75,000.00;
- (C) an individual domiciled in the State whose federal income tax filing status is surviving spouse with an adjusted gross income under the laws of the United States at or below \$90,000.00;
- (D) an individual who is part of a married couple with at least one spouse domiciled in the State whose federal income tax filing status is married filing jointly with an adjusted gross income under the laws of the United States at or below \$90,000.00; or
- (E) an individual who is part of a married couple with at least one spouse domiciled in the State and at least one spouse whose federal income tax filing status is married filing separately with an adjusted gross income under the laws of the United States at or below \$60,000.00;
- (4) shall, as technology progresses, establish a minimum electric range in order for a PHEV to be eligible for an incentive;

(5) shall apply to:

- (A) manufactured PEVs with any base Manufacturer's Suggested Retail Price (MSRP) that will be issued a special registration plate by the Commissioner of Motor Vehicles pursuant to 23 V.S.A. § 304a or will predominately be used to provide accessible transportation for the incentive recipient or a member of the incentive recipient's household, provided that the incentive recipient or the member of the incentive recipient's household has a removable windshield placard issued by the Commissioner of Motor Vehicles pursuant to 23 V.S.A. § 304a;
- (B) manufactured PHEVs with a base MSRP as determined by the Agency of Transportation and meeting the following requirements:
 - (i) shall not exceed a base MSRP of \$55,000.00;
- (ii) shall phase out incentives for PHEVs with an electric range of less than 20 miles as rated by the Environmental Protection Agency when the vehicle was new; and
- (iii) shall be benchmarked to a base MSRP of the equivalent of approximately \$50,000.00 or less in model year 2023; and
- (C) manufactured BEVs with a base MSRP as determined by the Agency of Transportation and meeting the following requirements:
 - (i) shall not exceed a base MSRP of \$55,000.00; and

- (ii) shall be benchmarked to a base MSRP of the equivalent of approximately \$50,000.00 or less in model year 2023; and
- (6) shall provide incentives that may be in addition to any other available incentives, including through another program funded by the State, provided that not more than one incentive under the Incentive Program for New PEVs is used for the purchase or lease of any one PEV.
- (c) Administrative costs. Up to 15 percent of any appropriations for the Incentive Program for New PEVs may be used for any costs associated with administering and promoting the Incentive Program for New PEVs.
- (d) Outreach and marketing. The Agency, in consultation with any retained contractors, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of the Incentive Program for New PEVs so that Vermonters who are eligible for an incentive can easily learn how to secure as many different incentives as are available, and such costs shall be considered administrative costs for purposes of subsection (c) of this section.

§ 2903. MILEAGESMART

- (a) Creation; administration.
- (1) There is created a used high fuel efficiency vehicle incentive program, which shall be administered by the Agency of Transportation and known as MileageSmart.
- (2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of MileageSmart.
- (b) Program structure. MileageSmart shall structure high fuel efficiency purchase incentive payments by income to help all Vermonters benefit from more efficient driving and reduced greenhouse gas emissions, including Vermont's most vulnerable. Specifically, MileageSmart shall:
- (1) apply to purchases of used high fuel-efficient motor vehicles, which for purposes of this program shall be pleasure cars with a combined city/highway fuel efficiency of at least 40 miles per gallon or miles-per-gallon equivalent as rated by the Environmental Protection Agency when the vehicle was new; and
- (2) provide not more than one point-of-sale voucher worth up to \$5,000.00 to an individual who is a member of a household with an adjusted gross income that is at or below 80 percent of the State median income.

- (c) Administrative costs. Up to 15 percent of any appropriations for MileageSmart may be used for any costs associated with administering and promoting MileageSmart.
- (d) Outreach and marketing. The Agency, in consultation with any retained contractors, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of MileageSmart so that Vermonters who are eligible for an incentive can easily learn how to secure as many different incentives as are available, and such costs shall be considered administrative costs for purposes of subsection (c) of this section.

§ 2904. REPLACE YOUR RIDE PROGRAM

(a) Creation; administration.

- (1) There is created the Replace Your Ride Program, which shall be administered by the Agency of Transportation.
- (2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of the Program.
- (b) Program structure. The Replace Your Ride Program shall structure incentive payments by income to help all Vermonters benefit from replacing lower efficient modes of transportation with modes of transportation that reduce greenhouse gas emissions. The Agency may apply a sliding scale incentive based on electric range, with larger incentives being available for PEVs with a longer electric range.
- (c) Incentive amount. The Replace Your Ride Program shall provide up to a \$2,500.00 incentive for those who qualify under subdivision (d)(1)(A) of this section and up to a \$5,000.00 incentive for those who qualify under subdivision (d)(1)(B) of this section, either of which may be in addition to any other available incentives, including through a program funded by the State, to individuals who qualify based on both income and the removal of an internal combustion vehicle. Only one incentive per individual is available under the Replace Your Ride Program.
- (d) Eligibility. Applicants must qualify through both income and the removal of an eligible vehicle with an internal combustion engine.

(1) Income eligibility.

(A) The lower incentive amount of up to \$2,500.00 is available to the following, provided that all other eligibility requirements are met:

- (i) an individual domiciled in the State whose federal income tax filing status is single with an adjusted gross income under the laws of the United States greater than \$60,000.00 and at or below \$100,000.00;
- (ii) an individual domiciled in the State whose federal income tax filing status is head of household with an adjusted gross income under the laws of the United States greater than \$75,000.00 and at or below \$125,000.00;
- (iii) an individual domiciled in the State whose federal income tax filing status is surviving spouse with an adjusted gross income under the laws of the United States greater than \$90,000.00 and at or below \$150,000.00;
- (iv) an individual who is part of a married couple with at least one spouse domiciled in the State whose federal income tax filing status is married filing jointly with an adjusted gross income under the laws of the United States greater than \$90,000.00 and at or below \$150,000.00; or
- (v) an individual who is part of a married couple with at least one spouse domiciled in the State and at least one spouse whose federal income tax filing status is married filing separately with an adjusted gross income under the laws of the United States greater than \$60,000.00 and at or below \$100,000.00.
- (B) The higher incentive amount of up to \$5,000.00 is available to the following, provided that all other eligibility requirements are met:
- (i) an individual domiciled in the State whose federal income tax filing status is single with an adjusted gross income under the laws of the United States at or below \$60,000.00;
- (ii) an individual domiciled in the State whose federal income tax filing status is head of household with an adjusted gross income under the laws of the United States at or below \$75,000.00:
- (iii) an individual domiciled in the State whose federal income tax filing status is surviving spouse with an adjusted gross income under the laws of the United States at or below \$90,000.00;
- (iv) an individual who is part of a married couple with at least one spouse domiciled in the State whose federal income tax filing status is married filing jointly with an adjusted gross income under the laws of the United States at or below \$90,000.00;
- (v) an individual who is part of a married couple with at least one spouse domiciled in the State and at least one spouse whose federal income tax filing status is married filing separately with an adjusted gross income under the laws of the United States at or below \$60,000.00; or

(vi) an individual who is a member of a household with an adjusted gross income that is at or below 80 percent of the State median income.

(2) Vehicle removal.

- (A) In order for an individual to qualify for an incentive under the Replace Your Ride Program, the individual must remove an older low-efficiency vehicle from operation and switch to a mode of transportation that produces fewer greenhouse gas emissions. The entity that administers the Replace Your Ride Program, in conjunction with the Agency of Transportation, shall establish Program guidelines that specifically provide for how someone can show that the vehicle removal eligibility requirement has been, or will be, met.
 - (B) For purposes of the Replace Your Ride Program:
 - (i) An "older low-efficiency vehicle":
- (I) is currently registered, and has been for two years prior to the date of application, with the Vermont Department of Motor Vehicles;
- (II) is currently titled in the name of the applicant and has been for at least one year prior to the date of application;
 - (III) has a gross vehicle weight rating of 10,000 pounds or less;
 - (IV) is at least 10 model years old;
 - (V) has an internal combustion engine; and
- (VI) passed the annual inspection required under 23 V.S.A. § 1222 within the prior year.
- (ii) Removing the older low-efficiency vehicle from operation must be done by disabling the vehicle's engine from further use and fully dismantling the vehicle for either donation to a nonprofit organization to be used for parts or destruction.
- (iii) The following qualify as a switch to a mode of transportation that produces fewer greenhouse gas emissions:
 - (I) purchasing or leasing a new or used PEV;
- (II) purchasing a new or used bicycle, electric bicycle, electric cargo bicycle, adaptive electric cycle, or motorcycle that is fully electric, and the necessary safety equipment; and
 - (III) utilizing shared-mobility services.

- (e) Administrative costs. Up to 15 percent of any appropriations for the Replace Your Ride Program may be used for any costs associated with administering and promoting the Replace Your Ride Program.
- (f) Outreach and marketing. The Agency, in consultation with any retained contractors, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of the Replace Your Ride Program so that Vermonters who are eligible for an incentive can easily learn how to secure as many different incentives as are available and such costs shall be considered administrative costs for purposes of subsection (e) of this section.

§ 2905. ANNUAL REPORTING

(a) The Agency shall annually evaluate the programs established under this chapter to gauge effectiveness and shall submit a written report on the effectiveness of the programs to the House and Senate Committees on Transportation, the House Committee on Environment and Energy, and the Senate Committee on Finance on or before the 31st day of January in each year following a year that an incentive was provided through one of the programs.

(b) The report shall also include:

- (1) any intended modifications to program guidelines for the upcoming fiscal year along with an explanation for the reasoning behind the modifications and how the modifications will yield greater uptake of PEVs and other means of transportation that will reduce greenhouse gas emissions; and
- (2) any recommendations on statutory modifications to the programs, including to income and vehicle eligibility, along with an explanation for the reasoning behind the statutory modification recommendations and how the modifications will yield greater uptake of PEVs and other means of transportation that will reduce greenhouse gas emissions.
- (c) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this section shall continue to be required if an incentive is provided through one of the programs unless the General Assembly takes specific action to repeal the report requirement.
 - * * * Vehicle Incentive Program; Fiscal Year 2023 Authorizations * * *
- Sec. 20. 2022 Acts and Resolves No. 184, Sec. 5 is amended to read:

Sec. 5. VEHICLE INCENTIVE PROGRAMS

(a) Incentive Program for New PEVs. The Agency is authorized to spend up to \$12,000,000.00 as appropriated in the fiscal year 2023 budget on the

Incentive Program for New PEVs established in 2019 Acts and Resolves No. 59, Sec. 34, as amended, and subsequently codified in 19 V.S.A. chapter 29.

- (b) MileageSmart. The Agency is authorized to spend up to \$3,000,000.00 as appropriated in the fiscal year 2023 budget on MileageSmart as established in 2019 Acts and Resolves No. 59, Sec. 34, as amended, and subsequently codified in 19 V.S.A. chapter 29.
- (c) Replace Your Ride Program. The Agency is authorized to spend up to \$3,000,000.00 as appropriated in the fiscal year 2023 budget on the Replace Your Ride Program established in 2021 Acts and Resolves No. 55, Sec. 27, as amended, and subsequently codified in 19 V.S.A. chapter 29.

* * *

- * * * Electrify Your Fleet Program and eBike Incentive Program * * *
- * * * Creation of Electrify Your Fleet Program and Authorization * * *

Sec. 21. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION

- (a) Creation; administration.
- (1) There is created the Electrify Your Fleet Program, which shall be administered by the Agency of Transportation.
- (2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of the Program.
- (b) Authorization. The Agency is authorized to spend up to \$500,000.00 in one-time General Fund monies on the Electrify Your Fleet Program established pursuant to subdivision (a)(1) of this section.
- (c) Definitions. The definitions in 19 V.S.A. § 2901, as added by Sec. 19 of this act, shall apply to this section.
- (d) Program structure. The Electrify Your Fleet Program shall reduce the greenhouse gas emissions of persons operating a motor vehicle fleet in Vermont by structuring purchase and lease incentive payments on a first-come, first-served basis to replace vehicles other than a plug-in electric vehicle (PEV) cycled out of a motor vehicle fleet or avoid the purchase of vehicles other than a PEV for a motor vehicle fleet. Specifically, the Electrify Your Fleet Program shall:
- (1) provide incentives to Vermont municipalities and business entities registered in Vermont that maintain a fleet of motor vehicles that are registered in Vermont with no single applicant being eligible for more than 20 incentives over the existence of the Program;

- (2) provide \$2,500.00 purchase and lease incentives for:
- (A) BEVs with a base Manufacturer's Suggested Retail Price (MSRP) of \$60,000.00 or less;
- (B) PHEVs with an electric range of 20 miles or greater per complete charge as rated by the Environmental Protection Agency when the vehicle was new and a base MSRP of \$60,000.00 or less;
- (C) electric bicycles and electric cargo bicycles with a base MSRP of \$6,000.00 or less;
 - (D) adaptive electric cycles with any base MSRP;
- (E) electric motorcycles with a base MSRP of \$30,000.00 or less; and
 - (F) electric snowmobiles with a base MSRP of \$20,000.00 or less;
- (3) require a showing that the incentive will be used to electrify the applicant's motor vehicle fleet; and
- (4) require a showing of any other requirements implemented by the Agency of Transportation that are designed to maximize the impact of State-funded Electrify Your Fleet Program incentives by ensuring that, as applicable, other incentives, subsidies, and credits are fully taken advantage of.
- (e) Increased incentives for nonprofit mobility services organizations. Nonprofit mobility services organizations incorporated in the State of Vermont for the purpose of providing Vermonters with transportation alternatives to personal vehicle ownership shall be entitled to:
- (1) up to 15 \$2,500.00 incentives available under subsection (d) of this section on a first-come, first-served basis amongst all applicants for incentives under the Electrify Your Fleet Program over the existence of the Program, provided that the requirements of subsection (d) of this section are met; and
- (2) notwithstanding subdivisions (d)(1) and (2) of this section, up to five increased incentives at the incentive amount available to individuals who purchase or lease a BEV and who qualify for an incentive under 19 V.S.A. § 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs), as added by Sec. 19 of this act, for BEVs with a base MSRP of \$55,000.00 or less, provided that the requirements of subdivisions (d)(3) and (4) of this section are met.
- (f) Administrative costs. Up to 15 percent of any appropriations for the Electrify Your Fleet Program may be used for any costs associated with administering and promoting the Electrify Your Fleet Program.

- (g) Outreach and marketing. The Agency, in consultation with any retained contractors, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of the Electrify Your Fleet Program so that persons who are eligible for an incentive can easily learn how to secure an incentive and such costs shall be considered administrative costs for purposes of subsection (f) of this section.
- (h) Reporting. The reporting requirements of 19 V.S.A. § 2905, as added by Sec. 19 of this act, shall, notwithstanding 2 V.S.A. § 20(d), apply to the Electrify Your Fleet Program if an incentive is provided through the Electrify Your Fleet Program unless the General Assembly takes specific action to repeal the report requirement.
 - * * * eBike Incentive Program; Authorization * * *

Sec. 22. MODIFICATIONS TO EBIKE INCENTIVE PROGRAM; REPORT

- (a) Definitions. The definitions in 19 V.S.A. § 2901, as added by Sec. 19 of this act, shall apply to this section.
- (b) Authorization and modifications. The Agency is authorized to spend up to \$50,000.00 in one-time General Fund monies on the continuation of the eBike Incentive Program established pursuant to 2021 Acts and Resolves No. 55, Sec. 28, as amended by 2022 Acts and Resolves No. 184, Sec. 23, with the following modifications:
- (1) incentives shall be provided in the form of a voucher redeemable as a point-of-sale rebate at participating retail shops;
 - (2) vouchers shall be provided to applicants that self-certify as to both:
- (A) meeting income eligibility requirements under 19 V.S.A. § 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs), as added by Sec. 19 of this act; and
- (B) that the incentivized electric bicycle, electric cargo bicycle, or adaptive electric cycle shall be used in a way that reduces greenhouse gas emissions, such as a substitute for trips that would have been taken in a vehicle other than a plug-in electric vehicle;
- (3) only electric bicycles with a base Manufacturer's Suggested Retail Price (MSRP) of \$4,000.00 or less shall be eligible for an incentive;
- (4) only electric cargo bicycles with a base MSRP of \$5,000.00 or less shall be eligible for an incentive;

- (5) an adaptive electric cycle with any base MSRP shall be eligible for an incentive; and
- (6) only electric bicycles, electric cargo bicycles, and adaptive electric cycles that meet one or more of the following standards shall be eligible for an incentive:
- (A) American National Standard (ANSI)/Controller Area Network (CAN)/Underwriters Laboratories (UL) 2849 Standard for Electrical Systems for eBikes, as amended, and any standards incorporated by reference in ANSI/CAN/UL 2849;
- (B) Europäische Norm (EN) 15194 Electrically Power Assisted Cycles (EPAC Bicycles), as amended; or
- (C) another applicable standard designed to reduce the serious risk of dangerous fires, as determined by the Agency of Transportation, if neither of the standards in subdivisions (A) and (B) of this subdivision (6) are applicable.
- (c) Administrative costs. Up to 15 percent of the authorization in subsection (b) of this section may be used for any costs associated with administering and promoting the eBike Incentive Program.
- (d) Reporting. The Agency of Transportation shall address incentives for electric bicycles, electric cargo bicycles, and adaptive electric cycles provided pursuant to this section in the January 31, 2024 report required under 19 V.S.A. § 2905, as added by Sec. 19 of this act, including:
- (1) the demographics of who received an incentive under the eBike Incentive Program;
 - (2) a breakdown of where vouchers were redeemed;
- (3) a breakdown, by manufacturer and type, of electric bicycles, electric cargo bicycles, and adaptive electric cycles incentivized;
- (4) a detailed summary of information provided in the self-certification forms; and
- (5) a detailed summary of information collected through participant surveys.
- Sec. 23. AGENCY OF TRANSPORTATION AUTHORITY TO MODIFY INCOME ELIGIBILITY REQUIREMENTS FOR EBIKE INCENTIVE PROGRAM ON PASSAGE; LEGISLATIVE INTENT
- (a) Notwithstanding 2022 Acts and Resolves No. 55, Sec. 28(a)(3), the Agency of Transportation may choose to only provide incentives under an

eBike Incentive Program to individuals who self-certify as to meeting income eligibility requirements under 19 V.S.A. § 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs), as added by Sec. 19 of this act.

(b) It is the intent of the General Assembly that:

- (1) the \$100,000.00 made available for the eBike Incentive Program under 2023 Acts and Resolves No. 3, Secs. 83 and 85, less administrative costs allowed under 2022 Acts and Resolves No. 184, Sec. 5(f), be expeditiously distributed under the first eBike Incentive Program established pursuant to 2022 Acts and Resolves No. 55, Sec. 28(a)(3) while the Agency works with its contractor to establish the modified eBike Incentive Program in accordance with Sec. 22 of this act; and
- (2) the balance of the \$100,000.00 made available for the eBike Incentive Program under 2023 Acts and Resolves No. 3, Secs. 83 and 85, less administrative costs allowed under 2022 Acts and Resolves No. 184, Sec. 5(f), that is not yet expended as of the implementation of the modified eBike Incentive Program in accordance with Sec. 22 of this act and the \$50,000.00 made available for the eBike Incentive Program under Sec. 22(b) of this act, less administrative costs allowed under Sec. 22(c) of this act, shall be distributed under the modified eBike Incentive Program, which shall launch not later than July 1, 2023.

* * * Reallocation of Funding * * *

- Sec. 24. 2022 Acts and Resolves No. 184, Sec. 2(8)(C), as amended by 2023 Acts and Resolves No. 3, Sec. 83, is further amended to read:
- (C) Replace Your Ride Program. Sec. 5(c) of this act authorizes \$2,900,000.00 \$2,350,000.00 for incentives under Replace Your Ride, which will be the State's program to incentivize Vermonters to remove older low-efficiency vehicles from operation and switch to modes of transportation that produce fewer greenhouse gas emissions, and capped administrative costs.
- Sec. 25. 2022 Acts and Resolves No. 184, Sec. 5(c), as amended by 2023 Acts and Resolves No. 3, Sec. 84, is further amended to read:
- (c) Replace Your Ride Program. The Agency is authorized to spend up to \$2,900,000.00 \$2,350,000.00 as appropriated in the fiscal year 2023 budget on the Replace Your Ride Program established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.
- Sec. 26. 2022 Acts and Resolves No. 185, Sec. G.600(b)(5), as amended by 2023 Acts and Resolves No. 3, Sec. 85, is further amended to read:

(5) \$2,900,000.00 \$2,350,000.00 to the Agency of Transportation for the Replace Your Ride Program, established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.

* * * Mileage-Based User Fee (MBUF) * * *

Sec. 27. MILEAGE-BASED USER FEE LEGISLATIVE INTENT

It is the intent of the General Assembly for the State:

- (1) to start collecting a mileage-based user fee from all battery-electric vehicles registered in Vermont starting on July 1, 2025, which is expected to be the first day of the first fiscal year when more than 15 percent of new pleasure car registrations in the State are plug-in electric vehicles (PEVs);
- (2) to start subjecting plug-in hybrid electric vehicles (PHEVs) that are a pleasure car to an increased annual or a biennial registration fee starting on July 1, 2025, and that PHEVs shall not be subject to a mileage-based user fee;
- (3) to work towards collecting a fee on kWhs that are dispensed through certain electric vehicle supply equipment available to the public so as to supplant lost gas tax revenue from PEVs; and
- (4) to not commence collecting a mileage-based user fee until such authorizing language is codified in statute and becomes effective.

Sec. 28. MILEAGE-BASED USER FEE AUTHORIZATION

- (a) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Environmental Policy and Sustainability, the Agency of Transportation, including the Department of Motor Vehicles, is authorized to apply for and accept a competitive federal Strategic Innovation for Revenue Collection grant established pursuant to the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (IIJA), Sec. 13001, with up to \$350,000.00 in Transportation Fund monies authorized for the nonfederal match in fiscal year 2024 and a to-be-determined amount for the nonfederal match in subsequent fiscal years.
- (b) As permitted under federal regulations and grant terms, the Agency shall utilize grant monies to design a mileage-based user fee that is consistent with Secs. 27 and 29 of this act.
- (c) Subject to State procurement requirements, the Agency may retain one or more contractors or consultants, or both, to assist with the design of a process to commence collecting a mileage-based user fee on July 1, 2025.

Sec. 29. MILEAGE-BASED USER FEE DESIGN

(a) Definitions. As used in Secs. 27–30 of this act:

- (1) "Account manager" means a person under contract with the Agency of Transportation or Department of Motor Vehicles to administer and manage the mileage-based user fee.
- (2) "Annual vehicle miles traveled" means the total number of miles that a BEV is driven between annual inspections as reported by an inspection mechanic to the Department of Motor Vehicles.
- (3) "Mileage-based user fee" means the total amount that an owner or lessee of a BEV registered in Vermont owes the State and is calculated by multiplying the mileage-based user fee rate by the annual vehicle miles traveled or, in the case of a terminating event, by multiplying the mileage-based user fee rate by the vehicle miles traveled between the last Vermont annual inspection and the terminating event.
- (4) "Mileage-based user fee rate" means the per-mile usage fee charged to the owner or lessee of a BEV registered in Vermont.
- (5) "Mileage reporting period" means the time between annual inspections or the time between an annual inspection and a terminating event.
 - (6) "Pleasure car" has the same meaning as in 23 V.S.A. § 4(28).
- (7) "Plug-in electric vehicle (PEV)" has the same meaning as in 23 V.S.A. § 4(85) and includes battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs), which have the same meaning as in 23 V.S.A. § 4(85)(A) and (B).
- (8) "Terminating event" means either the registering of a BEV that had been registered in Vermont in a different state or a change in ownership or lesseeship of the BEV, or both.
- (b) Commencement date. The Agency shall design a process to collect a mileage-based user fee for miles driven by a BEV registered in Vermont to commence collecting revenue on July 1, 2025.
- (c) Covered vehicles. The Agency shall design a process to collect a mileage-based user fee based on the annual vehicle miles traveled by BEVs registered in the State.
- (d) Imposition of a mileage-based user fee. The Agency shall design a process to collect a mileage-based user fee from the owner or lessee of a BEV registered in Vermont for each mileage reporting period within 60 days after the Vermont annual inspection or terminating event that closes the mileage reporting period.

Sec. 30. REPORTS

The Secretary of Transportation and the Commissioner of Motor Vehicles shall file a written report not later than January 31, 2024 with the House and Senate Committees on Transportation, the House Committee on Ways and Means, and the Senate Committee on Finance that provides the following:

- (1) a comprehensive implementation plan to commence collecting, on July 1, 2025, a mileage-based user fee for miles driven by a BEV registered in Vermont;
- (2) a recommendation on what language should be codified in statute to enable the State to commence collecting, on July 1, 2025, a mileage-based user fee for miles driven by a BEV registered in Vermont, which shall include a recommendation for the mileage-based user fee rate and that includes, for that recommendation:
- (A) an explanation for how the recommended mileage-based user fee rate was calculated;
- (B) what the recommended mileage-based user fee rate is estimated to yield in revenue for the State in total per year; and
- (C) how the anticipated mileage-based user fee for a pleasure car is expected to compare to the amount collected by the State in gas tax revenue from the use of a non-PEV pleasure car registered in Vermont and the amount collected by the State in gas tax revenue and increased registration fee from the use of a PHEV pleasure car registered in Vermont based on estimates of low, medium, and high annual vehicle miles traveled;
- (3) a recommendation on what should be required in annual reporting on the mileage-based user fee starting in 2026 for fiscal year 2025, which shall, at a minimum, address whether the following should be reported on:
- (A) the total amount of revenue collected in mileage-based user fees for the prior fiscal year and an estimate of the total amount of revenue anticipated to be collected in mileage-based user fees during the subsequent fiscal year;
- (B) the average mileage-based user fee collected for a BEV with low, medium, and high annual vehicle miles traveled in the prior fiscal year;
- (C) an estimate of the average amount in motor fuel revenue that was collected for a pleasure car that is not a PEV with low, medium, and high annual vehicle miles traveled in the prior fiscal year;
- (D) an estimate of the average amount in motor fuel revenue and increased registration fee that was collected for a pleasure car that is a PHEV

with low, medium, and high annual vehicle miles traveled in the prior fiscal year;

- (E) the total number of delinquent mileage-based user fees in the prior fiscal year;
- (F) the total number of outstanding payment plans for delinquent mileage-based user fees; and
- (G) the cost to collect the mileage-based user fees in the prior fiscal year;
- (4) an outline of what the Agency intends to adopt, if authorized, as rule in order to commence collecting, on July 1, 2025, a mileage-based user fee for miles driven by a BEV registered in Vermont, which shall, at a minimum, establish:
- (A) a process to calculate and report the annual vehicle miles traveled by a BEV registered in Vermont;
- (B) payment periods and other payment methods and procedures for the payment of the mileage-based user fee, which shall include the option to prepay the anticipated mileage-based user fee in installments on a monthly, quarterly, or annual basis;
- (C) standards for mileage reporting mechanisms for an owner or lessee of a BEV to report vehicle miles traveled throughout the year;
- (D) procedures to provide security and protection of personal information and data connected to a mileage-based user fee;
- (E) penalty and appeal procedures necessary for the collection of a mileage-based user fee, which, to the extent practicable, shall duplicate and build upon existing Department of Motor Vehicles processes; and
- (F) Agency oversight of any account manager, including privacy protection of personal information and access and auditing capability of financial and other records related to administration of the process to collect a mileage-based user fee; and
- (5) an update on what other states and the federal government are doing to address lost gas tax revenue from the adoption of PEVs along with any applicable suggestions for opportunities for regional collaboration and an explanation of the source of the information provided under this subdivision.
 - * * * Transportation Programs; Federal Carbon Reduction Program; PROTECT Formula Program; Prioritization; Equity * * *
- Sec. 31. AGENCY OF TRANSPORTATION EFFORTS TO IMPLEMENT

THE FEDERAL CARBON REDUCTION PROGRAM AND PROTECT FORMULA PROGRAM; PRIORITIZATION; EQUITY

- (a) The Agency of Transportation, through its development of the State's Carbon Reduction Strategy, shall:
 - (1) develop a methodology to:
- (A) quantify the emissions reductions the Agency will achieve from the State's Transportation Program;
- (B) measure the gap between the emissions reductions calculated under subdivision (A) of this subdivision (a)(1) and the emissions reductions required under the Global Warming Solutions Act, as codified in 10 V.S.A. § 578; and
- (C) evaluate what additional emissions reductions are possible through the implementation of additional policies and programs within the State's Transportation Program;
- (2) articulate the ongoing investments, particularly under the Carbon Reduction Program, established through the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (IIJA) and codified as 23 U.S.C. § 175, that the Agency intends to implement through the State's annual Transportation Program in order to reduce emissions from activities within the control of the Agency;
- (3) identify and evaluate the effectiveness of other policies and programs to reduce transportation sector greenhouse gas emissions as required by the Global Warming Solutions Act, as codified in 10 V.S.A. § 578, and as identified in the Vermont Climate Action Plan, as amended, which shall include:
- (A) an analysis of the potential to generate revenue sources sufficient for ongoing greenhouse gas emissions reduction implementation; and
- (B) recommendations regarding additional policy or revenue sources to close any implementation gaps identified in subdivision (a)(1)(B) of this section;
 - (4) engage in public outreach through the following:
- (A) establishing an advisory committee with a broad group of stakeholders, including representatives of the Vermont Climate Council, to help guide the identification and evaluation of policies and programs to reduce transportation sector greenhouse gas emissions;

- (B) working with stakeholders, including environmental groups; community-based organizations that represent equity and environmental justice interests; business community groups, including chambers of commerce; transportation industry associations, including those representing rail and trucking; municipalities; regional planning commissions; and elected officials on ways to reduce transportation sector greenhouse gas emissions; and
- (C) hosting not less than two public meetings, with at least one to gather input on proposed policies and programs to reduce transportation sector greenhouse gas emissions and at least one to address the evaluation of the anticipated outcomes of the draft of the State's Carbon Reduction Strategy; and
- (5) coordinate with the Climate Action Office within the Agency of Natural Resources to track and report progress towards achieving the State's greenhouse gas emissions as required by the Global Warming Solutions Act and codified in 10 V.S.A. § 578.
- (b) The Agency shall develop the State's Resilience Improvement Plan to establish how it will use federal monies available under the Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Formula Program, established through the IIJA and codified as 23 U.S.C. § 176, and existing tools and processes to address transportation resilience, specifically for:
- (1) resilience planning, predesign, design, or the development of data tools to simulate transportation disruption scenarios, including vulnerability assessments, community response strategies, or evacuation planning and preparation;
- (2) resilience projects to improve the ability of an existing surface transportation asset to withstand one or more elements of a weather event or natural disaster; and
- (3) community resilience and evacuation route activities that strengthen and protect routes that are essential for providing and supporting evacuations caused by emergency events.
- (c) The Agency shall develop recommendations for the integration of carbon reduction, resilience, and equity factors into its project prioritization system through the Agency's existing prioritization process and the development of the Equity Framework Project.

Sec. 32. REPORT ON TRANSPORTATION POLICY STATUTES

The Agency of Transportation shall provide a written report summarizing the work completed pursuant to Sec. 31 of this act and written recommendations on how to amend statute, including 19 V.S.A. §§ 10b and 10i, to reflect the work completed pursuant to Sec. 31 of this act to the House and Senate Committees on Transportation on or before November 15, 2023.

* * * Complete Streets * * *

Sec. 33. 19 V.S.A. § 10b is amended to read:

§ 10b. STATEMENT OF POLICY; GENERAL

- (a) The Agency shall be the responsible agency of the State for the development of transportation policy. It shall develop a mission statement to reflect:
- (1) that State transportation policy shall be to encompass, coordinate, and integrate all modes of transportation and to consider "complete streets", as defined in section 2401 of this title, principles, which are principles of safety and accommodation of all transportation system users, regardless of age, ability, or modal preference; and
- (2) the need for transportation projects that will improve the State's economic infrastructure, as well as the use of resources in efficient, coordinated, integrated, cost-effective, and environmentally sound ways, and that will be consistent with the recommendations of the Comprehensive Energy Plan (CEP) issued under 30 V.S.A. § 202b.
- (b) The Agency shall coordinate planning and, education, and training efforts with those of the Vermont Climate Change Oversight Committee and those of local and regional planning entities to:
- (1) to ensure that the transportation system as a whole is integrated; that access to the transportation system as a whole is integrated; and that statewide, local, and regional conservation and efficiency opportunities and practices are integrated; and
- (2) to support employer-led or local or regional government-led conservation, efficiency, rideshare, and bicycle programs and other innovative transportation advances, especially employer-based incentives.
- (c) In developing the State's annual Transportation Program, the Agency shall, consistent with the planning goals listed in 24 V.S.A. § 4302 as amended by 1988 Acts and Resolves No. 200 and with appropriate consideration to local, regional, and State agency plans:

- (1) Develop develop or incorporate designs that provide integrated, safe, and efficient transportation and that are consistent with the recommendations of the CEP-;
- (2)(A) Consider the safety and accommodation of all transportation system users, including motorists, bicyclists, public transportation users, and pedestrians of all ages and abilities, consider complete streets principles in all State- and municipally managed transportation projects and project phases, including planning, development, construction, and maintenance, except in the case of projects or project components involving unpaved highways. If, after the consideration required under this subdivision, a State-managed project does not incorporate complete streets principles, the project manager shall make a written determination, supported by documentation and available for public inspection at the Agency, that one or more of the following circumstances exist:
- (i) Use of the transportation facility by pedestrians, bicyclists, or other users is prohibited by law.
- (ii) The cost of incorporating complete streets principles is disproportionate to the need or probable use as determined by factors including land use, current and projected user volumes, population density, crash data, historic and natural resource constraints, and maintenance requirements. The Agency shall consult local and regional plans, as appropriate, in assessing these and any other relevant factors.
- (iii) Incorporating complete streets principles is outside the scope of a project because of its very nature.
- (B) The written determination required under subdivision (A) of this subdivision (2) shall be final and shall not be subject to appeal or further review.;
- (3) Promote promote economic opportunities for Vermonters and the best use of the State's environmental and historic resources.; and
 - (4) Manage manage available funding to:

* * *

Sec. 34. REPEAL

19 V.S.A. § 309d (policy for municipally managed transportation projects) is repealed.

CHAPTER 24. COMPLETE STREETS

§ 2401. DEFINITION

As used in this chapter, "complete streets" means streets that provide safe and accessible options for multiple travel modes for individuals of all ages and abilities, including walking, cycling, public transportation, and motor vehicles.

§ 2402. STATE POLICY

- (a) Agency of Transportation funded, designed, or funded and designed projects shall seek to increase and encourage more pedestrian, bicycle, and public transit trips, with the State goal to promote intermodal access to the maximum extent feasible, which will help the State meet the transportation-related recommendations outlined in the Comprehensive Energy Plan (CEP) issued under 30 V.S.A. § 202b and the recommendations of the Vermont Climate Action Plan (CAP) issued under 10 V.S.A. § 592.
- (b) Except in the case of projects or project components involving unpaved highways, for all transportation projects and project phases managed by the Agency or a municipality, including planning, development, construction, or maintenance, it is the policy of this State for the Agency and municipalities, as applicable, to incorporate complete streets principles that:
- (1) serve individuals of all ages and abilities, including vulnerable users as defined in 23 V.S.A. § 4(81);
 - (2) follow state-of-the-practice design guidance; and
- (3) are sensitive to the surrounding community, including current and planned buildings, parks, and trails and current and expected transportation needs.

§ 2403. PROJECTS NOT INCORPORATING COMPLETE STREETS

PRINCIPLES

- (a) State projects. A State-managed project shall incorporate complete streets principles unless the project manager makes a written determination, supported by documentation, that one or more of the following circumstances exist:
- (1) Use of the transportation facility by pedestrians, bicyclists, or other users is prohibited by law.
- (2) The cost of incorporating complete streets principles is disproportionate to the need or probable use as determined by factors including

land use, current and projected user volumes, population density, crash data, historic and natural resource constraints, and maintenance requirements. The Agency shall consult local and regional plans, as appropriate, in assessing these and any other relevant factors. If the project manager bases the written determination required under this subsection in whole or in part on this subdivision then the project manager shall provide a supplemental written determination with specific details on costs, needs, and probable uses, as applicable.

- (3) Incorporating complete streets principles is outside the limited scope of a project as defined in the latest version of the Agency's Complete Streets Guidance.
- (b) Municipal projects. A municipally managed project shall incorporate complete streets principles unless the municipality managing the project makes a written determination, supported by documentation, that one or more of the following circumstances exist:
- (1) Use of the transportation facility by pedestrians, bicyclists, or other users is prohibited by law.
- (2) The cost of incorporating complete streets principles is disproportionate to the need or probable use as determined by factors such as land use, current and projected user volumes, population density, crash data, historic and natural resource constraints, and maintenance requirements. The municipality shall consult local and regional plans, as appropriate, in assessing these and any other relevant factors. If the municipality managing the project bases the written determination required under this subsection in whole or in part on this subdivision then the project manager shall provide a supplemental written determination with specific details on costs, needs, and probable uses, as applicable.
- (3) Incorporating complete streets principles is outside the limited scope of a project as defined in the latest version of the Agency's Complete Streets Guidance.
- (c) Finality of determinations. The written determinations required by subsections (a) and (b) of this section shall be final and shall not be subject to appeal or further review.
- (d) Posting and availability of determinations. The written determinations required by subsections (a) and (b) of this section shall be posted to a web page on the Agency of Transportation's website dedicated to complete streets, in the case of a State-managed project, and made available for public

inspection at the office of the municipal clerk, in the case of a municipally managed project.

§ 2404. ANNUAL REPORT; PUBLIC DATA SOURCE

(a) Annual report. Notwithstanding 2 V.S.A. § 20(d), the Agency shall annually, on or before September 1 starting in 2025, submit a report detailing the State's efforts in following the complete streets policy established in section 2402 of this chapter during the previous fiscal year to the House and Senate Committees on Transportation.

(b) Public data source.

- (1) The Agency of Transportation shall maintain a web-accessible and web-searchable data source dedicated to complete streets on the Agency's website that shall contain information on all State-managed transportation projects that have been bid since January 1, 2023, including a description of the project, the location of the project, which complete streets principles were incorporated in the project, as applicable, and an explanation as to which circumstance or circumstances contained in subsection 2403(a) of this chapter existed in the case of projects not incorporating complete streets principles.
- (2) The web-accessible and web-searchable data source required under this subsection shall be updated on at least an annual basis.

Sec. 36. IMPLEMENTATION; PUBLIC DATA SOURCE

The Agency shall create and make accessible to the general public the web-accessible and web-searchable data source required under 19 V.S.A. § 2404(b), as added by Sec. 35 of this act, on or before January 1, 2024.

Sec. 37. MUNICIPAL TRAINING ON COMPLETE STREETS

The Agency of Transportation, in consultation with the Vermont League of Cities and Towns and regional planning commissions, shall design and implement a program to provide training on complete streets to municipalities.

Sec. 38. REPLACEMENT OF THE CURRENT VERMONT STATE

STANDARDS

- (a) The Agency of Transportation will be preparing replacements to the current Vermont State Standards and related documents, standards, guidance, and procedures in accordance with the plan required pursuant to 2022 Acts and Resolves No. 184, Sec. 19.
- (b) The Agency shall provide an oral update on the process to replace the current Vermont State Standards and related documents, standards, guidance,

and procedures to the House and Senate Committees on Transportation on or before February 15, 2024.

* * * Municipal and Regional Support for a Route 5 Bicycle Corridor * * *

Sec. 39. SUPPORT FOR A ROUTE 5 BICYCLE CORRIDOR; SURVEY REPORT

- (a) The Agency of Transportation, in partnership with regional planning commissions through the annual Transportation Planning Initiative, shall conduct a survey of municipal support for the creation of a bicycle corridor—consisting of one or more segments of bicycle lanes or bicycle paths, or both—to provide a safe means of travel via bicycle on or along a route that is roughly adjacent to U.S. Route 5 for the approximately 190 miles spanning between the State border with Massachusetts and the State border with Quebec, Canada.
- (b) The survey shall address the level of interest of municipalities and regional planning commissions in prioritizing the creation of a bicycle corridor along some or all of U.S. Route 5, including the consideration of the costs of creation and benefits to the tourism industry in Vermont in general and to the municipalities along U.S. Route 5 in particular.
- (c) The Agency shall provide a report on outcome of the survey to the House and Senate Committees on Transportation on or before January 15, 2024.
 - * * * Micromobility Safety Education Program; Report * * *

Sec. 40. MICROMOBILITY SAFETY EDUCATION PROGRAM; REPORT

- (a) The Agency, in consultation with stakeholders identified by the Agency, shall develop a comprehensive micromobility safety education program that enhances and expands on current efforts to increase safety for individuals who use roads, sidewalks, corridors, and paths in Vermont, with an emphasis on bicycle safety.
- (b) The Agency shall provide an oral report on micromobility safety program design, recommended modifications to current efforts to increase micromobility safety throughout the State, and any recommendations for statutory changes, including how, if at all, the State's driving under the influence statutes should be amended to address utilizing micromobility while under the influence, needed to support expanded micromobility safety in the State to the House and Senate Committees on Transportation on or before January 31, 2024.
- (c) As used in this section, "micromobility" includes the following, as defined in 23 V.S.A. § 4:

- (1) bicycles;
- (2) electric bicycles;
- (3) electric personal assistive mobility devices,
- (4) motor-driven cycles, which includes scooters; and
- (5) motor-assisted bicycles.

* * * Sunset Extension * * *

Sec. 41. 2018 Acts and Resolves No. 158, Sec. 21 is amended to read:

Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

19 V.S.A. §§ 2613 (Agency of Transportation's P3 authority) and 2614 (legislative approval of P3 proposals) chapter 26, subchapter 2 shall be repealed on July 1, 2023 2026.

* * * Repeals * * *

Sec. 42. REPEALS

- (a) 5 V.S.A. § 3616 (connection of passenger trains; Board may determine) is repealed.
- (b) 19 V.S.A. § 314 (covered bridges restrictions; vote at town meeting) is repealed.

* * * Effective Dates * * *

Sec. 43. EFFECTIVE DATES

- (a) This section and Secs. 22 (eBike Incentive Program), 23 (authority to modify eBike Incentive Program eligibility requirements and legislative intent), 24–26 (reallocation of funding for incentive programs), and 41 (extension of sunset for Agency of Transportation's P3 authority) shall take effect on passage.
 - (b) All other sections shall take effect on July 1, 2023.

SARA E COFFEY

TIMOTHY R. CORCORAN

MOLLIE SULLIVAN BURKE

Committee on the part of the House

RICHARD T. MAZZA

THOMAS I. CHITTENDEN

RUSSELL H. INGALLS

Committee on the part of the Senate

CONSENT CALENDAR

Concurrent Resolutions for Adoption Under Joint Rules 16a - 16d

The following concurrent resolutions have been introduced for approval by the Senate and House and will be adopted automatically unless a Senator or Representative requests floor consideration in that member's chamber prior to adjournment of the next legislative day. Requests for floor consideration in either chamber should be communicated to the Senate Secretary's Office or the House Clerk's Office, as applicable. For text of resolutions, see Addendum to House Calendar and Senate Calendar.

H.C.R. 115

House concurrent resolution congratulating the University of Vermont Catamounts women's basketball team on winning the 2023 America East Conference championship

H.C.R. 116

House concurrent resolution honoring the youth division snowboarders and skiers who represented Vermont with distinction at the 2023 United States of America Snowboard and Freeski Association National Championships

H.C.R. 117

House concurrent resolution congratulating the University of Vermont Catamounts men's basketball team on winning the 2023 America East Conference championship

H.C.R. 118

House concurrent resolution congratulating the Northfield Junior Rifle team on completing a memorable and successful 2022–2023 competitive season

H.C.R. 119

House concurrent resolution congratulating the 2023 St. Johnsbury Academy Hilltoppers Science Olympiad team on its multi-medal-winning achievements

H.C.R. 120

House concurrent resolution congratulating Thetford Town Clerk and Treasurer Tracy Borst as the first Vermont and New England recipient of the International Institute of Municipal Clerks' Institute Directors Award of Excellence

H.C.R. 121

House concurrent resolution congratulating the 2023 Burlington High School Seahorses championship Vermont-NEA Scholars' Bowl team and wishing the students every success in their forthcoming national competitions

H.C.R. 122

House concurrent resolution in memory of University of Vermont Professor Emeritus Samuel B. Feitelberg of Shelburne

H.C.R. 123

House concurrent resolution honoring William Boyd Davies for more than four decades of insightfully moderating the Northeast Kingdom Legislative Breakfast Series in Newport

H.C.R. 124

House concurrent resolution congratulating St. Peter Roman Catholic Church of Rutland on the 150th anniversary of the construction of its home

H.C.R. 125

House concurrent resolution recognizing May 2023 as Jewish American Heritage Month in Vermont

H.C.R. 126

House concurrent resolution in memory of clinical psychologist and social justice activist Dr. Ann Ellis Raynolds of Pomfret

H.C.R. 127

House concurrent resolution recognizing May as Mental Health Awareness Month in Vermont

S.C.R. 6

Senate concurrent resolution honoring Vanessa Davison for her extraordinary dedication as a staff member of the General Assembly

S.C.R. 7

Senate concurrent resolution honoring Stephanie Barrett for more than a quarter-century of public service excellence as a member of the Joint Fiscal Office staff

For Informational Purposes

NOTICE OF JFO GRANTS AND POSITIONS

Grants and Positions that have been submitted to the Joint Fiscal Committee by the Administration, under 32 V.S.A. §5(b)(3)(D):

JFO #3149: One (1) limited-service position, Recreational Boating Safety Administrator, to the Vermont State Police, Department of Public Safety to administer the Recreational Boating Safety program. Funded through the ongoing and annually awarded Recreational Boating Safety grant from the United States Coast Guard.

[Received April 18, 2023]

JFO #3148: \$7,797,240.00 to the VT Department of Health from the Centers for Disease Control and Prevention. The majority of funds, \$7,346,379.00, will be used to reinforce the public health workforce and the remainder, \$450,861.00, will support strengthening of systems, policies and processes.

[Note: A supplemental award to this grant for data modernization is expected.]

[Note: A supplemental award to this grant for data modernization is expected, but not yet funded.] [Received April 18, 2023]

JFO #3147 - \$2,00,000.00 to the VT Department of Children and Families, Office of Economic Development from the U.S. Department of Energy. Funds will be used to launch a VT Weatherization Training Center to support weatherization of Vermont households. This facility will be operationalized via contract to a provider and sub-grants to several community partners. The performance period ends on 2/28/2026 with an end goal of over one thousand trained specialists. This program will work in conjunction with the ARPA funded \$45M Weatherization project currently in the Office of Economic Development.

[Received April 18, 2023]

JFO #3146: \$737,685.00 to the Vermont Department of Corrections from the U.S. Department of Justice. This grant was awarded to Vermont State Colleges who will sub-grant to the VT Department of Corrections. This grant includes two (2) limited-service positions, Post-Secondary Program Coordinators, to engage Vermont's correctional facility staff in post-secondary educational opportunities and improved employment opportunities, both within and without the Department and State government. Positions are fully funded through 8/31/2025 with a potential one-year extension. [Received April 3, 2023]

JFO #3145: \$250,000.00 to the Vermont Agency of Human Services Department of Mental Health from the National Association of State Mental Health Program Directors. Funds will support direct services to be provided to the public through the Crisis Assistance Helping Out on the Street (CAHOOTS) program. The VT Department of Health will collaborate with the City of Burlington, Burlington Police Department and local area health providers to support this pilot. The goal is to establish a trauma-informed approach that will only utilize system components that are necessary for individual situations. [Received April 3, 2023]

JFO #3144: \$173,973.00 to the Vermont Attorney General's Office from the Vermont Network Against Domestic and Sexual Violence. The Firearm Technical Assistant Project serves to improve Vermont's statewide responses to the intersection of firearms and domestic violence. The Attorney General's office will lead the management team and provide project oversight including communication with the project partners: Vermont Network, Defender General's Office, Vermont State Police, Vermont Judiciary, Disability Rights Vermont, AALV-VT and the Abenaki Nation. [Received April 3, 2023]

JFO #3143: \$514,694.00 to the Agency of Human Services, Department of Vermont Health Access from the DHHS/ONC via Passthrough from the Association of State and Territorial Health Officials. Funds will be used to support Vermont's participation in the COVID-19 Immunization Data Exchange, Advancement and Sharing learning community with the aim of advancing immunization information and health information exchange sharing. [Received March 23, 2023]

JFO #3142: \$15,000.00 to Agency of Natural Resources, Department of Environmental Conservation from the Maine Geological Society. Funds will be used to identify contradictions in mapped geological formations across state lines in New England. [Received March 23, 2023]

JFO #3141: Donation of Alexander Twilight portrait, commissioned from artist Katie Runde to the Vermont State Curator's Office from the Friends of the Vermont State House. The donation is valued at \$32,923.27. Twilight was the first person of African descent to be elected to a state legislature and served one term in Vermont. The portrait is currently displayed in the main lobby of the Vermont State House. [Received March 23, 2023]

JFO #3140: \$241,208.00 to Building and General Services, Vermont State Curator's Office from the Institute of Museum and Library Services. The

FY2020 Save America's Treasures grant will restore and conserve Sculpture on the Highway, an outdoor collection of sixteen monumental marble and concrete sculptures created at two international sculpture symposia held in Vermont during the summers of 1968 and 1971. [Received March 23, 2023]

JFO #3139: \$644,469.00 to the Vermont Judiciary, Court Administrator's Office from the U.S. Department of Justice. The grant will support the VT Judiciary Commission on Mental Health, established in July 2022. The Commission is focused on addressing the needs of court-involved individuals with behavioral health issues. Funds will help develop training activities and materials for VT Judiciary staff. [Received March 22, 2023]

JFO #3138: One (1) limited-service position, Statewide Grants Administrator, to the Agency of Administration, Department of Finance and Management to cover increased grant activity due to the Covid-19 pandemic. The position is funded through Act 185 of 2022. Sec G.801of the Act appropriates ARPA funds for administrative costs related to the pandemic. This position is funded through 12/31/2026. The grant packet can be found at: https://ljfo.vermont.gov/assets/grants-documents/ec01b0bea7/JFO-3138-packet.pdf
[Received February 9, 2023]

JFO #3137: One (1) limited-service position to the Vermont Department of Health, Senior Health Asbestos and Lead Engineer, to perform senior professional level work to educate, advise on and enforce Vermont asbestos and lead control regulations. The position is funded through 9/30/2024 through an existing Environmental Protection Agency grant. The grant packet can be found at: https://ljfo.vermont.gov/assets/grants-documents/a44b7c8cac/JFO-3137-packet-v2.pdf [Received 1/23/2023]

JFO #3136: \$5,000,000.00 to the Agency of Administration, Public Service Department, VT Community Broadband Board (VCBB) from the National Telecommunications and Information Administration, Broadband Equity, Access and Deployment Program to deliver broadband to unserved and underserved areas in Vermont. This is a 5-year grant and will fill in the technical gaps existing in the VCBB's program of broadband deployment. The grant packet can be found at: https://ljfo.vermont.gov/assets/grants-documents/3d7b96fcb1/JFO-3136-packet.pdf [Received 1/23/2023]