

Senate Calendar

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ACTION CALENDAR

UNFINISHED BUSINESS OF WEDNESDAY, MAY 10, 2023

House Proposal of Amendment

S. 94.

An act relating to the City of Barre tax increment financing district.

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

* * * Vermont Economic Progress Council * * *

Sec. 1. 32 V.S.A. § 3325 is amended to read:

§ 3325. VERMONT ECONOMIC PROGRESS COUNCIL

(a) Creation. The Vermont Economic Progress Council is created to exercise the authority and perform the duties assigned to it, including its authority and duties relating to:

(1) the Vermont Employment Growth Incentive Program pursuant to subchapter 2 of this chapter; and

(2) tax increment financing districts pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title.

(b) Membership.

(1) The Council shall have 11 voting members:

(A) nine residents of the State appointed by the Governor with the advice and consent of the Senate who are knowledgeable and experienced in the subjects of community development and planning, education funding requirements, economic development, State fiscal affairs, property taxation, or entrepreneurial ventures and represent diverse geographical areas of the State and municipalities of various sizes;

(B) one member of the Vermont House of Representatives appointed by the Speaker of the House; and

(C) one member of the Vermont Senate appointed by the Senate Committee on Committees.

(2)(A) The Council shall have two regional members from each region of the State, one appointed by the regional development corporation of the region and one appointed by the regional planning commission of the region.

(B) A regional member shall be a nonvoting member and shall serve during consideration by the Council of an application from ~~his or her~~ the member's region.

(3) The Council shall provide not less than 30 days' notice of a vacancy to the relevant appointing authority, which shall appoint a replacement not later than 30 days after receiving notice.

* * *

(e) Operation.

(1) The Governor shall appoint a chair from the Council's members.

(2) The Council shall receive administrative support from the Agency of Commerce and Community Development and the Department of Taxes.

(3) The Council shall have:

(A) an executive director appointed by the Governor with the advice and consent of the Senate who is knowledgeable in subject areas of the Council's jurisdiction and who is an exempt State employee; and

(B) administrative staff.

(4) The Council shall adopt and make publicly available a policy governing conflicts of interest that meets or exceeds the requirements of the State Code of Ethics and shall include:

(A) clear standards for when a member of the Council may participate or must be recused when an actual or perceived conflict of interest exists; and

(B) a provision that requires a witness who is an officer of the State or its political subdivision or instrumentality to disclose a conflict of interest related to an application.

(5) Notwithstanding any provision of law to the contrary, the Council shall not enter an executive session to discuss applications or other matters pertaining to the Vermont Employment Growth Incentive Program under subchapter 2 of this chapter unless the Executive Branch State economist is present and has been provided all relevant materials concerning the session.

* * *

Sec. 2. 32 V.S.A. § 3326 is amended to read:

§ 3326. COST-BENEFIT MODEL

(a) The Council shall adopt and maintain a cost-benefit model for assessing and measuring the projected net fiscal cost and benefit to the State of proposed

economic development activities.

(b) The Council shall not modify the cost-benefit model without the prior approval of the Joint Fiscal Committee.

(c)(1) The Council shall contract with the Executive Branch State economist to perform the cost-benefit analysis using the cost-benefit model when considering an application for incentives under subchapter 2 of this chapter.

(2) The Executive Branch State economist shall consult with the Joint Fiscal Office or its agent concerning the performance of the cost-benefit analysis and the operation of the cost-benefit model for an application:

(A) in which the value of potential incentives an applicant may earn equals or exceeds \$1,000,000.00; or

(B) that qualifies for an enhanced incentive pursuant to section 3334 of this title for a business that is located in a qualifying labor market area.

Sec. 3. 32 V.S.A. § 3340 is amended to read:

§ 3340. REPORTING

(a) On or before September 1 of each year, the Vermont Economic Progress Council and the Department of Taxes shall submit a joint report on the incentives authorized in this subchapter to the House Committees on Ways and Means, on Commerce and Economic Development, and on Appropriations, to the Senate Committees on Finance, on Economic Development, Housing and General Affairs, and on Appropriations, and to the Joint Fiscal Committee.

(b) The Council and the Department shall include in the joint report:

(1) the total amount of incentives authorized during the preceding year;

(2) ~~with respect to~~ for each business with an approved application:

(A) the date and amount of authorization;

(B) the calendar year or years in which the authorization is expected to be exercised;

(C) whether the authorization is active; ~~and~~

(D) the date the authorization will expire; ~~and~~

(E) the number of new qualifying jobs anticipated to be created and the anticipated Vermont gross wages and salaries for each new qualifying job, sorted by the following annualized amounts:

- (i) less than \$38,380.00;
- (ii) \$38,380.00–\$43,863.00;
- (iii) \$43,864.00–\$50,000.00;
- (iv) \$50,001.00–\$60,000.00;
- (v) \$60,001.00–\$75,000.00;
- (vi) \$75,001.00–\$100,000.00; and
- (vii) more than \$100,000.00;

(F) the amount of new full-time payroll anticipated to be created; and

(G) NAICS code; and

(3) the following aggregate information:

(A) the number of claims and incentive payments made in the current and prior claim years and the amount of the incentive payment made to each business with an approved claim;

(B) for each approved claim, the number of qualifying jobs and the Vermont gross wages and salaries for each new qualifying job, sorted by the following annualized amounts:

- (i) less than \$38,380.00;
- (ii) \$38,380.00–\$43,863.00;
- (iii) \$43,864.00–\$50,000.00;
- (iv) \$50,001.00–\$60,000.00;
- (v) \$60,001.00–\$75,000.00;
- (vi) \$75,001.00–\$100,000.00; and
- (vii) more than \$100,000.00; and

(C) for each approved claim, the amount of new payroll and capital investment.

(c)(1) The Council and the Department shall present data and information in the joint report in a searchable format.

(2) Notwithstanding a provision of this section to the contrary, when reporting data and information pursuant to this section, the Council and Department shall take steps necessary to avoid disclosing any information that would enable the identification of an individual employee or the employee's compensation.

(d) Notwithstanding any provision of law to the contrary, an incentive awarded pursuant to this subchapter shall be treated as a tax expenditure for purposes of chapter 5 of this title.

Sec. 4. 32 V.S.A. § 3341 is amended to read:

§ 3341. CONFIDENTIALITY OF PROPRIETARY BUSINESS INFORMATION

(a) The Vermont Economic Progress Council and the Department of Taxes shall use measures to protect proprietary financial information, including reporting information in an aggregate form.

(b) Information and materials submitted by a business concerning its application, income taxes, and other confidential financial information shall not be subject to public disclosure under the State's public records law in 1 V.S.A. chapter 5, but shall be available to the Joint Fiscal Office or its agent upon authorization of the Joint Fiscal Committee or a standing committee of the General Assembly, and shall also be available to the Auditor of Accounts in connection with the performance of duties under section 163 of this title; provided, however, that the Joint Fiscal Office or its agent and the Auditor of Accounts shall not disclose, directly or indirectly, to any person any proprietary business information or any information that would identify a business except in accordance with a judicial order or as otherwise specifically provided by law.

(c) Nothing in this section shall be construed to prohibit the publication of statistical information, rulings, determinations, reports, opinions, policies, or other information so long as the data are disclosed in a form that cannot identify or be associated with a particular business.

* * * Tax Increment Financing Districts * * *

Sec. 5. 24 V.S.A. § 1891 is amended to read:

§ 1891. DEFINITIONS

~~When~~ As used in this subchapter:

* * *

(4) "Improvements" means the installation, new construction, or reconstruction of infrastructure that will serve a public purpose and fulfill the purpose of tax increment financing districts as stated in section 1893 of this subchapter, including utilities, transportation, public facilities and amenities, land and property acquisition and demolition, and site preparation. "Improvements" also means the funding of debt service interest payments for a period of up to two years, beginning on the date on which the first debt is

incurred.

* * *

(7) “Financing” means debt incurred, including principal, interest, and any fees or charges directly related to that debt, or other instruments or borrowing used by a municipality to pay for improvements in a tax increment financing district, only if authorized by the legal voters of the municipality in accordance with section 1894 of this subchapter. Payment for the cost of district improvements may also include direct payment by the municipality using the district increment. However, such payment is also subject to a vote by the legal voters of the municipality in accordance with section 1894 of this subchapter and, if not included in the tax increment financing plan approved under subsection 1894(d) of this subchapter, is also considered a substantial change and subject to the review process provided by subdivision 1901(2)(B) of this subchapter. If interfund loans within the municipality are used as the method of financing, no interest shall be charged. Bond anticipation notes may be used as a method of financing; provided, however, that bond anticipation notes shall not be considered a first incurrence of debt pursuant to subsection 1894(a) of this subchapter.

* * *

(9) “Active district” means a district that has been created pursuant to subsection 1892(a) of this subchapter, has not been terminated pursuant to subsection 1894(a) of this subchapter, and has not retired all district financing or related costs.

Sec. 6. 24 V.S.A. 1892 is amended to read:

§ 1892. CREATION OF DISTRICT

* * *

~~(d) The following municipalities have been authorized to use education tax increment financing for a tax increment financing district:~~

- ~~(1) the City of Burlington, Downtown;~~
- ~~(2) the City of Burlington, Waterfront;~~
- ~~(3) the Town of Milton, North and South;~~
- ~~(4) the City of Newport;~~
- ~~(5) the City of Winooski;~~
- ~~(6) the Town of Colchester;~~
- ~~(7) the Town of Hartford;~~

~~(8) the City of St. Albans;~~

~~(9) the City of Barre;~~

~~(10) the Town of Milton, Town Core; and~~

~~(11) the City of South Burlington~~ There shall be not more than 14 active districts in the State at any time.

* * *

(h) Annually, based on the analysis and recommendations included in the reports required in this section, the General Assembly shall consider the amount of new long-term net debt that prudently may be authorized for TIF districts in the next fiscal year and determine whether to expand the number of active TIF districts or similar economic development tools in addition to the previously approved districts referenced in subsection (d) of this section and the six additional districts authorized by 32 V.S.A. § 5404a(f) in subsection (d) of this section.

Sec. 7. 24 V.S.A. § 1895 is amended to read:

§ 1895. ORIGINAL TAXABLE VALUE

(a) Certification. As of the date the district is created, the lister or assessor for the municipality shall certify the original taxable value and shall certify to the legislative body in each year thereafter during the life of the district the amount by which the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property located within the tax increment financing district has increased or decreased relative to the original taxable value.

(b) Boundary of the district. No adjustments to the physical boundary lines of a district shall be made after the approval of a tax increment financing district plan.

Sec. 8. 24 V.S.A. § 1896 is amended to read:

§ 1896. TAX INCREMENTS

(a) In each year following the creation of the district, the listers or assessor shall include ~~no~~ not more than the original taxable value of the real property in the assessed valuation upon which the treasurer computes the rates of all taxes levied by the municipality and every other taxing district in which the tax increment financing district is situated; but the treasurer shall extend all rates so determined against the entire assessed valuation of real property for that year. In each year ~~for which the assessed valuation exceeds the original taxable value,~~ the municipality shall hold apart, rather than remit to the taxing

districts, that proportion of all taxes paid that year on the real property in the district ~~which~~ that the excess valuation bears to the total assessed valuation. The amount held apart each year is the “tax increment” for that year. ~~No~~ Not more than the percentages established pursuant to section 1894 of this subchapter of the municipal and State education tax increments received with respect to the district and committed for the payment for financing for improvements and related costs shall be segregated by the municipality in a special tax increment financing account and in its official books and records until all capital indebtedness of the district has been fully paid. The final payment shall be reported to the treasurer, who shall thereafter include the entire assessed valuation of the district in the assessed valuations upon which municipal and other tax rates are computed and extended and thereafter no taxes from the district shall be deposited in the district’s tax increment financing account.

* * *

(e) In each year, a municipality shall remit not less than the aggregate tax due on the original taxable value to the Education Fund.

Sec. 9. 32 V.S.A. § 5404a is amended to read:

§ 5404a. TAX STABILIZATION AGREEMENTS; TAX INCREMENT FINANCING DISTRICTS

(a) A tax agreement or exemption shall affect the education property tax grand list of the municipality in which the property subject to the agreement is located if the agreement or exemption is:

* * *

(b)(1) An agreement affecting the education property tax grand list defined under subsection (a) of this section shall reduce the municipality’s education property tax liability under this chapter for the duration of the agreement or exemption without extension or renewal, and for a maximum of 10 years. A municipality’s property tax liability under this chapter shall be reduced by any difference between the amount of the education property taxes collected on the subject property and the amount of education property taxes that would have been collected on such property if its fair market value were taxed at the equalized nonhomestead rate for the tax year.

(2) Notwithstanding any other provision of law, if a municipality has entered into an agreement that reduces the municipality’s education property tax liability under this chapter and the municipality establishes a tax increment financing district under 24 V.S.A. chapter 53, subchapter 5, the municipality’s municipal and education tax increment shall be calculated based on the

assessed value of the properties in the municipality's grand list and not on the stabilized value.

* * *

(f) A municipality that establishes a tax increment financing district under 24 V.S.A. chapter 53, subchapter 5 shall collect all property taxes on properties contained within the district and apply not more than 70 percent of the State education property tax increment, and not less than 85 percent of the municipal property tax increment, to repayment of financing of the improvements and related costs for up to 20 years pursuant to 24 V.S.A. § 1894, if approved by the Vermont Economic Progress Council pursuant to this section, subject to the following:

(1) In a municipality with one or more approved districts, the Council shall not approve an additional district until the municipality retires the debt incurred for all of the districts in the municipality.

(2) The Council shall not approve more than six districts in the State, and not a district if it will result in the total number of active districts, as defined in 24 V.S.A. § 1891(9), exceeding the limit set forth in 24 V.S.A. § 1892(d) and shall not approve more than two per county, provided:

~~(A) The districts listed in 24 V.S.A. § 1892(d) shall not be counted against the limits imposed in this subdivision (2).~~

~~(B) The Council shall consider complete applications in the order they are submitted, except that if during any calendar month the Council receives applications for more districts than are actually available in a county, the Council shall evaluate each application and shall approve the application that, in the Council's discretion, best meets the economic development needs of the county.~~

~~(C) If, while the General Assembly is not in session, the Council receives applications for districts that would otherwise qualify for approval but, if approved, would exceed the six-district limit in the State, the Council shall make one or more presentations to the Emergency Board concerning the applications, and the Emergency Board may, in its discretion, increase the six-district limit.~~

* * *

(j)(1) Authority to adopt rules. The Vermont Economic Progress Council is hereby granted authority to adopt rules in accordance with 3 V.S.A. chapter 25 for the purpose of providing clarification and detail for administering the provisions of 24 V.S.A. chapter 53, subchapter 5 and the tax increment financing district provisions of this section. A single rule shall be adopted for

all tax increment financing districts that will provide further clarification for statutory construction and include a process whereby a municipality may distribute excess increment to the Education Fund as allowed under 24 V.S.A. § 1900. The rule shall not permit the Council to approve any substantial change request that results in a municipality needing to extend the period to incur debt or retain education property tax increment. From the date the rules are adopted, the municipalities with districts in existence prior to 2006 are required to abide by the governing rule and any other provisions of the law in force; provided, however, that the rule shall indicate which specific provisions are not applicable to those districts in existence prior to January 2006.

* * *

Sec. 10. VERMONT ECONOMIC PROGRESS COUNCIL; TAX
INCREMENT FINANCING DISTRICTS; RULE

(a) Pursuant to 32 V.S.A. § 5405(j), on or before October 1, 2024, the Vermont Economic Progress Council shall adopt an amended rule (Vermont Economic Progress Council, Tax Increment Financing Districts Rule (CVR 11-030-022)) to require that the Council shall only approve a municipality's substantial change request if approval does not result in the municipality needing to extend the period to incur debt or retain education property tax increment for its tax increment financing district.

(b) Prior to the amendment of the rule described in subsection (a) of this section, the Vermont Economic Progress Council shall not approve a municipality's substantial change request if approval results in the municipality needing to extend the period to incur debt or retain education property tax increment for its tax increment financing district.

* * * Study of Vermont Economic Growth Incentives * * *

Sec. 11. ECONOMIC DEVELOPMENT INCENTIVES; STUDY

(a) Creation. There is created the Task Force on Economic Development Incentives composed of the following five members:

(1) one member of the House Committee on Commerce and Economic Development and one at-large member with experience in business and economic development appointed by the Speaker of the House of Representatives;

(2) one member of the Senate Committee on Economic Development, Housing and General Affairs and one at-large member with experience in business and economic development appointed by the Senate Committee on Committees; and

(3) one at-large member appointed jointly by the Speaker of the House of Representatives and the Senate Committee on Committees.

(b) Powers and duties. The Task Force shall conduct hearings, receive testimony, and review and consider:

(1) the purpose and performance of current State-funded economic development incentive programs; and

(2) models and features of economic development incentive programs from other jurisdictions, including:

(A) the structure, management, and oversight features of the program;

(B) the articulated purpose, goals, and benefits of the program, and the basis of measuring success; and

(C) the mechanism for providing an economic incentive, whether through a loan, grant, equity investment, or other approach.

(c) Assistance.

(1) The Task Force shall have the administrative, fiscal, and legal assistance of the Office of Legislative Operations, the Joint Fiscal Office, and the Office of Legislative Counsel.

(2) The Task Force may direct the Joint Fiscal Office to issue a request for proposals and enter into one or more agreements for consulting services.

(d) Report. On or before January 15, 2024, the Task Force shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action, including whether and how any proposed program addition, revision, or other legislative action would:

(1) integrate with and further advance the current workforce development and economic development systems in this State; and

(2) advance the four principles of economic development articulated in 10 V.S.A. § 3.

(e) Meetings.

(1) The member of the House Committee on Commerce and Economic Development shall call the first meeting of the Task Force to occur on or before September 1, 2023.

(2) The Committee shall select a chair from among its members at the

first meeting.

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

(4) The Task Force shall cease to exist on January 15, 2024.

(f) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Task Force 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 six meetings.

(2) Other members of the Task Force shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than six meetings.

Sec. 11a. TASK FORCE ON ECONOMIC DEVELOPMENT
INCENTIVES; IMPLEMENTATION

The work of the Task Force on Economic Development Incentives described in Sec. 11 of this act shall be subject to a general fund appropriation in FY 2024 for per diem compensation and reimbursement of expenses for members of the Task Force and for consulting services approved by the Task Force.

* * * Study of Financing Public Infrastructure Improvements * * *

Sec. 12. FINANCING PUBLIC INFRASTRUCTURE IMPROVEMENTS;
STUDY COMMITTEE; REPORT

(a) Creation. There is created the Study Committee on Financing Public Infrastructure Improvements to study and make recommendations for new long-term programs or methods to finance infrastructure improvements that will serve a public purpose, incentivize community development, facilitate development of housing, and reverse declining grand list values in Vermont municipalities.

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

(1) two current members of the House of Representatives, appointed by the Speaker of the House;

(2) two current members of the Senate, appointed by the President Pro Tempore;

(3) the Secretary of Administration or designee;

(4) the Secretary of Natural Resources or designee;

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

(6) the Commissioner of Taxes or designee;

(7) the State Executive Economist;

(8) a member, appointed by the Vermont League of Cities and Towns;

(9) a member, appointed by the Vermont Economic Development Authority;

(10) a member, appointed by the Municipal Bond Bank;

(11) the State Treasurer or designee;

(12) one member appointed by the Vermont Association of Planning and Development Agencies;

(13) one member appointed by vote of the regional development corporations; and

(14) one member appointed by the Vermont Council on Rural Development.

(c) Powers and duties.

(1) The Committee shall solicit testimony from a wide range of stakeholders, including representatives from municipalities of a variety of sizes; persons with expertise in planning, rural economic development, and successful infrastructure programs in other parts of the country; persons with expertise in implementing infrastructure projects; and persons with expertise in related incentive programs.

(2) The Committee shall review and consider:

(A) how to align various State and federal funding sources into one streamlined rural infrastructure assistance program or fund; and

(B) the harmonization or expansion of existing infrastructure improvement programs and the best method for distributing funding, including whether to use a formula-based distribution model, a competitive grant program, or another process identified by the Committee.

(d) Report. On or before December 15, 2023, the Committee shall submit a report to the General Assembly and the Governor with its findings and any recommendations for action concerning the following:

(1) program design;

(2) eligible uses of funding;

(3) sources of revenue to fund the program;

(4) strategies to combine or leverage existing funding sources for infrastructure improvements;

(5) a streamlined and minimal application that is easily accessible to municipalities of all sizes;

(6) selection criteria to ensure funds are targeted to the geographic communities or regions with the most pressing infrastructure needs; and

(7) outreach, technical assistance, and education methods to raise awareness about the program.

(e) Meetings.

(1) The Speaker of the House and the President Pro Tempore shall jointly appoint from among the legislative members of the Committee a person to serve as Chair, who shall call the first meeting of the Committee to occur on or before September 1, 2023.

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

(3) The Committee shall cease to exist on January 15, 2024.

(f) Assistance. The Committee shall have the administrative, fiscal, and legal assistance of the Office of Legislative Operations, the Joint Fiscal Office, and the Office of Legislative Counsel.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the 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 five meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than five meeting. These payments shall be made from monies appropriated to the Agency of Commerce and Community Development.

* * * City of Barre Tax Increment Financing District * * *

Sec. 13. TAX INCREMENT FINANCING DISTRICT; CITY OF BARRE;
EXTENSION; INCREMENT

(a) Notwithstanding 2021 Acts and Resolves No. 73, Sec. 26a, amending

2020 Acts and Resolves No. 175, Sec. 29, or any other provision of law, the authority of the City of Barre to incur indebtedness is hereby extended to March 31, 2026.

(b) Notwithstanding any other provision of law, the authority of the City of Barre to retain municipal and education tax increment is hereby extended until December 31, 2039.

* * * Town of Hartford Tax Increment Financing District * * *

Sec. 14. 2020 Acts and Resolves No. 111, Sec. 1 is amended to read:

Sec. 1. TAX INCREMENT FINANCING DISTRICT; TOWN OF
HARTFORD

Notwithstanding any other provision of law, the authority of the Town of Hartford to:

(1) incur indebtedness for its tax increment financing district is hereby extended for three years beginning on March 31, 2021. This extension does not extend any period that municipal or education tax increment may be retained until March 31, 2026; and

(2) retain municipal and education tax increment is hereby extended until December 31, 2036.

* * * Vermont Economic Growth Incentive; Sunset * * *

Sec. 15. 2016 Acts and Resolves No. 157, Sec. H.12, as amended by 2022 Acts and Resolves No. 164, Sec. 5, is further amended to read:

Sec. H.12. VEGI; REPEAL OF AUTHORITY TO AWARD
INCENTIVES

Notwithstanding any provision of law to the contrary, the Vermont Economic Progress Council shall not accept or approve an application for a Vermont Employment Growth Incentive under 32 V.S.A. chapter 105, subchapter 2 on or after January 1, ~~2024~~ 2025.

* * * Open Meeting Law; Notice of Executive Session * * *

Sec. 16. 1 V.S.A. § 312 is amended to read:

§ 312. RIGHT TO ATTEND MEETINGS OF PUBLIC AGENCIES

* * *

(d)(1) At least 48 hours prior to a regular meeting, and at least 24 hours prior to a special meeting, a meeting agenda shall be:

* * *

(4) When a public body knows or reasonably anticipates that the public body will hold an executive session during a meeting, the executive session shall be included in the agenda posted pursuant to subdivision (1) of this subsection.

* * *

* * * Effective Date * * *

Sec. 17. EFFECTIVE DATE

This act shall take effect on passage.

and that after passage the title of the bill be amended to read: “An act relating to miscellaneous changes to the Vermont Economic Progress Council, the Vermont Employment Growth Incentive Program, and tax increment financing district provisions”

NEW BUSINESS

Second Reading

Favorable with Proposal of Amendment

H. 429.

An act relating to miscellaneous changes to election laws.

Reported favorably with recommendation of proposal of amendment by Senator Hardy for the Committee on Government Operations.

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

* * * Sore Loser Law * * *

Sec. 1. 17 V.S.A. § 2381(c) is added to read:

(c) In no event shall a candidate who loses a major party primary be nominated to appear on the general election ballot pursuant to this subchapter by a committee of any party other than the party for which the candidate appeared on the primary ballot.

Sec. 2. 17 V.S.A. § 2401 is amended to read:

§ 2401. APPLICABILITY OF SUBCHAPTER

(a) A person may be nominated and have ~~his or her~~ the person's name printed on the general election ballot for any office by filing a consent similar in form to the consent prescribed by section 2361 of this title and a statement of nomination with the Secretary of State. In the case of a nomination for

justice of the peace, the consent form and statement of nomination shall be filed with the town clerk.

(b) A candidate who loses a major party primary for any office shall not appear on the general election ballot as an independent candidate for the same office for which the candidate lost in the primary election.

* * * Campaign Finance Limits for Statewide Candidates * * *

Sec. 3. 17 V.S.A. § 2941(a) is amended to read:

§ 2941. LIMITATIONS OF CONTRIBUTIONS

(a) In any election cycle:

* * *

(5)(A) A political party shall not accept contributions totaling more than:

(A)(i) \$10,000.00 from a single source;

(B)(ii) \$10,000.00 from a political committee; or

(C)(iii) \$60,000.00 from a political party.

(B) Notwithstanding subdivision (A) of this subdivision (a)(5), a political party shall accept not more than \$20,000.00 from a candidate for State office.

* * *

* * * Biennial Committee Reorganization Reporting * * *

Sec. 4. 17 V.S.A. § 2313 is amended to read:

§ 2313. FILING OF CERTIFICATE OF ORGANIZATION

* * *

(f) At the same time of filing the certificate of organization, the chair and secretary shall file with the Secretary of State a single machine-readable electronic document containing a list of the names and addresses of the town and county committee members from those towns and counties that have organized pursuant to this chapter.

(g) A committee is not considered organized until the material required by this section has been filed and accepted.

Sec. 5. [Deleted.]

* * * Candidate Demographic Information * * *

Sec. 6. 17 V.S.A. § 2359 is amended to read:

§ 2359. NOTIFICATION TO SECRETARY OF STATE

(a) Within three days after the last day for filing petitions, all town and county clerks who have received petitions shall ~~notify~~ file with the Secretary of State ~~of the names of all candidates, a list containing the name, gender, age, race or ethnicity, mailing address, and e-mail address of all candidates, to the extent this information is provided by candidates; the offices for which they the candidates have filed;~~ and whether each candidate has submitted a sufficient number of valid signatures to comply with the requirements of section 2355 of this title. Town and county clerks shall also notify the Secretary of State of any petitions found not to conform to the requirements of this chapter and returned to a candidate under section 2358 of this title, and shall notify the Secretary of State of the status of such ~~petition~~ petitions not later than two days after the last day for filing supplementary petitions.

(b) Information of a candidate's gender, age, or race or ethnicity collected pursuant to subsection (a) of this section is exempt from public inspection and copying under the Public Records Act and shall be kept confidential, except that the Secretary of State may publish information pertaining to candidates' gender, age, or race or ethnicity in aggregate form.

Sec. 7. 17 V.S.A. § 2361(b) is amended to read:

(b)(1) The consent shall set forth the ~~name of the candidate,~~ candidate's name as the candidate wishes to have it printed on the ballot, the candidate's gender, age, or race or ethnicity, town of residence, and correct mailing address, and e-mail address. A candidate who does not provide information pertaining to gender, age, or race or ethnicity may still appear on the ballot if all other requirements are met.

* * *

Sec. 8. 17 V.S.A. § 2665 is amended to read:

§ 2665. NOTIFICATION TO SECRETARY OF STATE

The town clerk shall file with the Secretary of State a list ~~of the names and addresses of the selectboard members elected and~~ containing the name, gender, age, race or ethnicity, street address, and e-mail address, to the extent the information is provided by the candidate, and the end date of the term of office of each selectboard member, city councilor, village trustee, and mayor elected. The town clerk shall not be required to ask the candidate for information pertaining to gender, age, or race or ethnicity if this information is not

provided to the town clerk. The town clerk shall notify the Secretary of State of any changes in the list as filed. Information of a candidate's gender, age, or race or ethnicity collected pursuant to this subsection is exempt from public inspection and copying under the Public Records Act and shall be kept confidential, except that the Secretary of State may publish information pertaining to candidates' gender, age, or race or ethnicity in aggregate form.

* * * Write-in Candidate Registration and Minimum Thresholds in Primary Elections * * *

Sec. 9. 17 V.S.A. § 2370 is amended to read:

§ 2370. WRITE-IN CANDIDATES

(a)(1) In order to have votes listed for a write-in candidate under subdivision 2587(e)(3) of this title, not later than 5:00 p.m. on the second Friday preceding the primary election, a write-in candidate for the General Assembly, any county office, any State office, or any federal office shall file with the Secretary of State a form consenting to candidacy for office as set forth in subsection 2587(e) of this title. The Secretary of State shall notify the town clerks of any filings made in accordance with this subsection not later than the Friday before the election.

(b) A write-in candidate shall not qualify as a primary winner unless ~~he or she~~ the candidate receives at least one-half the higher of:

(1) 10 percent of the votes cast for candidates plus one additional vote;
or

(2) the same number of votes as the number of signatures required for ~~his or her~~ the candidate's office on a primary petition, except that if a write-in candidate receives more votes than a candidate whose name is printed on the ballot, ~~he or she may~~ the write-in candidate shall qualify as a primary winner.

(b)(c) The write-in candidate who qualifies as a primary winner under this section must still be determined a winner under section 2369 of this chapter before ~~he or she~~ the candidate becomes the party's candidate in the general election.

Sec. 9a. 17 V.S.A. § 2472(b)(6) is added to read:

(6) In order to have votes listed for a write-in candidate under subdivision 2587(e)(3) of this title, not later than 5:00 p.m. on the second Friday preceding the general election, a write-in candidate for the General Assembly, any county office, any State office, or any federal office shall file with the Secretary of State a form consenting to candidacy for office as set forth in subsection 2587(e) of this title. The Secretary of State shall notify the

town clerks of any filings made in accordance with this subsection not later than the Friday before the election.

Sec. 9b. 17 V.S.A. § 2587(e) is amended to read:

(e)(1) In the case of “write-in” votes, the act of writing in the name of a candidate, or pasting a label containing a candidate’s name upon the ballot, without other indications of the voter’s intent, shall constitute a vote for that candidate, even though the voter did not fill in the square or oval after the name.

(2)(A) A vote for a write-in candidate shall be counted as a write-in vote that is without consent of candidate unless the write-in candidate filed a consent of candidate form with the Secretary of State in accordance with section 2370 of this title in the primary election, subsection 2472(b) of this title for the general election, and subsection § 2702(f) of this title for the presidential primary. The consent form shall set forth the name of the candidate, the name of the office for which the candidate consents to be a candidate, the candidate’s town of residence, and the candidate’s correct mailing address. The clerk shall record the name and vote totals of a write-in candidate who has filed in accordance with section 2370 of this title in the primary election, subsection 2472(b) of this title for the general election, and subsection § 2702(f) of this title for the presidential primary.

(B) The Secretary of State shall prepare and furnish forms for candidate consent purposes.

(3) The election officials counting ballots and tallying results shall only list every person who receives a “write-in” vote and the number of votes received the names and votes received of those write-in candidates who consented to candidacy for the office pursuant to section 2370 of this title in the primary election, subsection 2472(b) of this title for the general election, and subsection 2702(f) of this title for the presidential primary. Any write-in votes for candidates who have not consented to the write-in candidacy shall be listed as “write-ins.”

* * *

Sec. 9c. 17 V.S.A. § 2702(f) is added to read:

(f) In order to have votes counted for a write-in candidate under section 2587 of this title, not later than 5:00 p.m. on the second Friday preceding the presidential primary election, a write-in candidate for nomination by any major political party shall file with the Secretary of State a form consenting to candidacy for office as set forth in subsection 2361(b) of this title. The Secretary of State shall notify the town clerks of any filings made in

accordance with this subsection not later than the Friday before the election.

* * * Electronic Ballot Returns * * *

Sec. 9d. 17 V.S.A. § 2539 is amended to read:

§ 2539. DELIVERY OF EARLY VOTER ABSENTEE BALLOTS

* * *

(c) Military or overseas voters.

* * *

(3) “Overseas voters,” as used in this section, means a person who is qualified to vote in Vermont and resides outside the United States, meaning the several states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, and American Samoa, and military voters who by reason of active military duty are absent from the United States.

Sec. 10. 17 V.S.A. § 2542 is amended to read:

§ 2542. SIGNING CERTIFICATE

(a) There shall be printed on the face of the envelope provided for use in returning early voter absentee ballots, or provided in an electronic format if a ballot is electronically delivered pursuant to subsection 2539(b) or (c) of this title, a certificate in substantially the following form:

“Early or Absentee Voter Ballots of _____”

(print your name)

I, _____, solemnly swear or affirm that I am a resident of the town (city) of _____, State of Vermont, and that I am a legal voter in this town (city).

(your signature)

(b) The early or absentee voter, except a voter returning a ballot electronically pursuant to subsection 2543(d) of this title, must sign the certificate on the outside of the envelope in order for the ballot to be valid. When an early or absentee voter is physically unable to sign ~~his or her~~ the voter’s name, ~~he or she~~ the voter may mark an “X” or take an oath swearing or affirming to the statement on the certificate. The officers who deliver the ballots shall witness the mark or oath and sign their names with a statement attesting to this fact on the envelope.

Sec. 11. 17 V.S.A. § 2543 is amended to read:

§ 2543. RETURN OF BALLOTS

* * *

(d)(1) All early voter absentee ballots returned as follows shall be counted:

(A) by any means, to the town clerk's office before the close of business on the day preceding the election;

(B) to any secure ballot drop box provided by the town or city in which the voter is registered pursuant to section 2543a of this subchapter before the close of business on the day before the election;

(C) by mail to the town clerk's office before the close of the polls on the day of the election; and

(D) by hand delivery to the presiding officer at the voter's polling place before the closing of the polls at 7:00 p.m.

(2)(A) All ballots electronically delivered pursuant to subsection 2539(b) or (c) of this title to voters with disabilities, as defined in 9 V.S.A. 4501(2), and overseas voters, as defined in subdivision 2539(c)(3) of this title, and returned as follows shall be counted:

(i) by means of a secure online portal administered by the Secretary of State, directly to the clerk before the close of business on the last day the clerk's office is open prior to the election; and

(ii) with electronic signature on the certificate required pursuant to section 2542 of this title prior to submitting the ballot to the clerk.

(B) A ballot electronically delivered pursuant to subsection 2539(b) or (c) of this title to voters with disabilities, as defined in 9 V.S.A. 4501(2), and overseas voters, as defined in subdivision 2539(c)(3) of this title, and then returned pursuant to subdivision (A) of this subdivision (d)(2) shall be printed by the clerk and processed in the same manner as all other early or absentee ballots and in accordance with the procedures prescribed by this subchapter.

(C) The voter shall be notified when a ballot electronically delivered pursuant to subsection 2539(b) or (c) of this title to voters with disabilities, as defined in 9 V.S.A. 4501(2), and overseas voters, as defined in subdivision 2539(c)(3) of this title, and then returned pursuant to subdivision (A) of this subdivision (d)(2) is received and printed by the clerk pursuant to subdivision (B) of this subdivision (d)(2).

(3) An early voter absentee ballot returned in a manner other than those set forth in subdivision (1) or (2)(A) of this subsection shall not be counted.

* * *

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

Sec. 11a. 17 V.S.A. chapter 49, subchapter 4 is amended to read:

Subchapter 4. Miscellaneous Provisions

* * *

§ 2414. CANDIDATES FOR STATE, COUNTY, AND LEGISLATIVE
OFFICE; DISCLOSURE FORM

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

* * *

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

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

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

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

(4) the candidate's street address; and

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

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

(2)(A) The Secretary of State shall post a copy of any disclosure forms and tax returns ~~he or she~~ the Secretary receives under this section on ~~his or her~~ the Secretary's official State website. The forms shall remain posted on the Secretary's website until the date of the filing deadline for petition and consent

forms for major party candidates for the statewide primary in the following election cycle.

* * *

(e) As used in this section:

(1) “County office” means the office of assistant judge, probate judge, sheriff, high bailiff, and State’s Attorney.

(2) “Domestic partner” means an individual with whom the candidate has an enduring domestic relationship of a spousal nature, as long as the candidate and the domestic partner:

* * *

(2)(3) “Lobbyist” and “lobbying firm” shall have the same meanings as in 2 V.S.A. § 261.

§ 2415. FAILURE TO FILE; PENALTIES

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

(1) The State Ethics Commission shall issue a notice of delinquency to the candidate for State office, county office, State Senator, or State Representative for any disclosure required of a candidate for State office, county office, State Senator, or State Representative by section 2414 of this title that is not filed by the time frames set forth in sections 2356, 2361, and 2402 of this title.

(2) Following notice of delinquency sent by the State Ethics Commission to the candidate for State office, county office, State Senator, or State Representative, the candidate shall have five working days from the date of the issuance of the notice to cure the delinquency.

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

(4) The State Ethics Commission may reduce or waive any penalty imposed under this section if the candidate for State office, county office, State Senator, or State Representative demonstrates good cause, as determined by

the State Ethics Commission and in the sole discretion of the State Ethics Commission.

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

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

(d)(1) A candidate for State office, county office, State Senator, or State Representative who files a disclosure with intent to defraud, falsify, conceal, or cover up by any trick, scheme, or device a material fact, or with intent to defraud make any false, fictitious, or fraudulent claim or representation as to a material fact, or with intent to defraud make or use any writing or document knowing the same to contain any false, fictitious, or fraudulent claim or entry as to a material fact shall be considered to have made a false claim for the purposes of 13 V.S.A. § 3016.

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

* * * Electronic Ballots Return Report * * *

Sec. 11b. ELECTRONIC BALLOTS RETURN; REPORT

On or before January 15, 2025, the Secretary of State, in consultation with the Secretary of Digital Services, the Vermont Municipal Clerks' and Treasurers' Association, and other relevant stakeholders as determined by the Secretary of State, shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations with an assessment of the electronic ballot return system as modified by 2023 amendments to 17 V.S.A. §§ 2542 and 2543, including any identified issues and recommendations for correcting any issues or improving related voting processes.

* * * Opt-in Ranked-Choice Voting System for Town, Cities,
and Villages * * *

Sec. 11c. 17 V.S.A. chapter 55, subchapter 4 is added to read:

Subchapter 4. Ranked-Choice Voting

§ 2691a. DEFINITIONS

As used in this subchapter:

(1) “Active candidate” means a candidate who has not been eliminated and who is not a withdrawn candidate.

(2) “By lot” means a method, determined by the Secretary of State, for randomly choosing between two or more active candidates.

(3) “Highest-ranked active candidate” means the active candidate assigned a higher ranking than any other active candidate.

(4) “Inactive ballots” means ballots that do not count as votes for any candidate due to one or more of the reasons listed in subdivision 2691d(c)(2) of this title.

(5) “Overvote” means an instance in which a voter assigned the same ranking to more than one candidate.

(6) “Ranking” means the number available to be assigned by a voter to a candidate to express the voter’s choice for that candidate. The number “1” is the highest ranking, followed by “2” and then “3” and so on.

(7) “Round” means an instance of the sequence of voting tabulation in accordance with section 2691d of this title.

(8) “Skipped ranking” means a voter does not assign a certain available ranking to any candidate but does assign a subsequent available ranking to a candidate.

(9) “Undervote” means a ballot on which a voter does not assign any ranking to any candidate in a particular contest.

(10) “Withdrawn candidate” means any candidate who has submitted a declaration of withdrawal in writing to the presiding officer, the effectiveness of which begins when filed with the presiding officer.

§ 2691b. RANKED-CHOICE VOTING SYSTEM; APPLICATION

(a) Application.

(1) The provisions of the ranked-choice voting system described in this subchapter shall only apply to the election of a candidate running for an office

in a town, city, or village if:

(A) a town, city, or village has voted to elect officers by the Australian ballot system pursuant to section 2680 of this title and is using the Australian ballot system in accordance with subsection 2680 of this title;

(B) that town, city, or village uses vote tabulators for the registering and counting of votes in local elections pursuant to section 2491 of this title; and

(C) that town, city, or village has adopted the ranked-choice voting system described in this subchapter by a vote of the town, city, or village at its annual meeting or at a special meeting called for that purpose.

(2) Notwithstanding subdivision (1)(B) of this subsection, if the Secretary of State suspends the use of vote tabulators and requires the hand count of votes in an election pursuant to subdivision 2491(d)(1) of this title after 60 days prior to an election, the provisions of the ranked-choice voting system described in this subchapter shall still apply to the election of a candidate running for an office in a town, city, or village who otherwise meets the requirements of subdivisions (1)(A) and (1)(C) of this subsection.

(b) Duration. Once a town, city, or village votes to adopt the ranked-choice voting system described in this subchapter, this ranked-choice voting system shall be used in that manner until the town, city, or village votes to discontinue use of the system.

§ 2691c. RANKED-CHOICE VOTING SYSTEM; BALLOTS

Notwithstanding any contrary provisions in section 2681a of this title, a ballot for an election using the ranked-choice system in a town, city, or village shall allow voters to rank candidates in order of ordinal preference.

(1) The names of all candidates on the ballot shall be listed in alphabetical order.

(2) The ballot shall allow voters to assign rankings to candidates that are equal to the number of printed candidate names and blank write-in lines.

§ 2691d. RANKED-CHOICE VOTING TABULATION

(a) Tabulation rounds. In any election of a candidate running for an office in a town, city, or village, each ballot shall count as one vote for the highest-ranked active candidate on that ballot. Tabulation shall proceed in rounds, as follows:

(1) Elections with one winner.

(A) If there are two or fewer active candidates, then tabulation is

complete, and the candidate with the most votes is declared the winner of the election.

(B) If there are more than two active candidates, the active candidate with the fewest votes is eliminated, the votes for the eliminated candidate are transferred to each ballot's next-ranked active candidate, and a new round begins.

(2) Elections with multiple winners.

(A) If the number of active candidates is equal to the number of seats available plus one, then tabulation is complete, and the candidates with the most votes are declared the winners of the election.

(B) If the number of active candidates is more than the number of seats available plus one, then the active candidate with the fewest votes is eliminated, the votes for the eliminated candidate are transferred to each ballot's next-ranked active candidate, and a new round begins.

(3) Ties.

(A) If there is a tie between two active candidates with the fewest votes, the tie shall be resolved by lot to determine which candidate is defeated. The result of the tie resolution must be recorded and reused in the event of a recount.

(B) If there is a tie between the final active candidates, the presiding officer shall notify each active candidate involved in the tie, or the candidate's designee, to be present at the presiding officer's office or at the polling place at a certain time. At that time, the presiding officer shall select the winner of the tabulation by lot.

(b) Withdrawn candidates. Ranking orders containing withdrawn candidates shall be treated the same as ranking orders containing candidates who have been eliminated from tabulation.

(c) Inactive ballots and undervotes.

(1) In any round of tabulation, an inactive ballot does not count for any candidate and is not considered a vote for the purposes of determining which active candidate has the majority of the active votes in the final round of tabulation pursuant to subsection (a) of this section.

(2) A ballot is an inactive ballot if any of the following is true:

(A) The ballot does not rank any active candidates and is not an undervote.

(B) The ballot has reached an overvote.

(C) The ballot has reached two consecutive skipped rankings.

(3) An undervote does not count as either an active or inactive ballot in any round of tabulation.

§ 2691e. RANKED-CHOICE VOTING RESULTS REPORTING

In addition to any other information required by law to be reported with final results, the following shall be made public:

(1) the total number of votes each candidate received in each round of the official tabulation, including votes for withdrawn candidates; and

(2) the total number of ballots that became inactive in each round because they did not contain any active candidates, reached an overvote, or reached two consecutive skipped rankings, reported as separate figures.

§ 2691f. MUNICIPAL ORDINANCES

Municipalities shall have the power to adopt ordinances pursuant to 24 V.S.A. chapter 59 for the purpose of the proper and efficient administration of the ranked-choice voting system in towns, cities, and villages, provided such ordinances do not controvert the provisions of this subchapter.

Sec. 11d. FIRST PERMISSIBLE ELECTION USING RANKED-CHOICE VOTING SYSTEM

A town, city, or village may only use the ranked-choice voting system described in 17 V.S.A. chapter 55, subchapter 4 beginning at the 2024 annual meeting of that town, city, or village and then thereafter. A town, city, or village may nevertheless adopt pursuant to 17 V.S.A. § 2691b(a) a ranked-choice voting system in advance of the 2024 annual meeting.

* * * Voter and Presiding Officer Education * * *

Sec. 11e. VOTER AND PRESIDING OFFICER EDUCATION;
SECRETARY OF STATE'S OFFICE

The Secretary of State shall make available to voters in a town, city, or village that has adopted ranked-choice voting pursuant to 17 V.S.A. § 2691b information regarding the ranked-choice process and provide to presiding officers in those towns, cities, and villages training in order to assist them in implementing that process.

* * * Ranked-Choice Voting Study Committee * * *

Sec. 11f. RANKED-CHOICE VOTING; RANKED-CHOICE VOTING
STUDY COMMITTEE; REPORT

(a) Creation. There is created the Ranked-Choice Voting Study Committee

to examine issues in implementing ranked-choice voting in Vermont across all elections for State and federal office.

(b) Membership. The Ranked-Choice Voting Study Committee shall be composed of the following members:

(1) two current members of the House of Representatives, not from the same political party, who shall be appointed by the Speaker of the House;

(2) two current members of the Senate, not from the same political party, who shall be appointed by the Committee on Committees;

(3) one designee, appointed by the Secretary of State;

(4) three designees, appointed by the Vermont Municipal Clerks' and Treasurers' Association, from different-sized towns, cities, and villages, different regions, and at least one shall be from a town, city, or village that use a hand count in elections;

(5) one designee, appointed by the Vermont League of Cities and Towns;

(6) a member of an organization focused on the conduct of elections, who shall be appointed by the Speaker of the House; and

(7) a member of a different organization focused on the conduct of elections, who shall be appointed by the Senate Committee on Committees.

(c) Powers and duties. The Ranked-Choice Voting Study Committee shall study ranked-choice voting systems with the goals of having recommendations, if any, for the implementation of ranked-choice voting for all primary or general elections for state or federal office occurring in 2026, including the following issues:

(1) education of voters;

(2) training of town clerks, presiding officers, and election staff;

(3) election integrity, security, and transportation of ballots;

(4) technological requirements in tabulators, hardware, and software;

(5) methodology of ranked-choice voting systems;

(6) canvassing of votes and roles of canvassing committees;

(7) post-election processes and reporting; and

(8) other items relating to the design and implementation of ranked-choice voting systems.

(d) Assistance. The Ranked-Choice Voting Study Committee shall have

the administrative, technical, and legal assistance of the Vermont Office of Legislative Counsel and the Vermont Legislative Joint Fiscal Office.

(e) Report. On or before January 15, 2024, the Ranked-Choice Voting Study Committee shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations with its findings and any recommendations for legislative action.

(f) Meetings.

(1) A member of the House of Representatives designated by the Speaker of the House shall call the first meeting of the Ranked-Choice Voting Study Committee to occur on or before August 1, 2023.

(2) The Ranked-Choice Voting Study Committee shall select a chair from among its legislative members at the first meeting.

(3) A majority of the members of the Ranked-Choice Voting Study Committee shall constitute a quorum.

(4) The Ranked-Choice Voting Study Committee shall cease to exist on November 1, 2024.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Ranked-Choice Voting Study Committee serving in the legislator's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than four meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Ranked-Choice Voting Study Committee who are not paid for their services by the organization for which the member is representing on the Ranked-Choice Voting Study Committee shall be entitled to per diem compensation as permitted under 32 V.S.A. § 1010 for not more than four meetings. These payments shall be made from monies appropriated to the Office of the Secretary of State.

(h) Appropriation. The sum of \$1,000.00 is appropriated to the Office of the Secretary of State from the General Fund in fiscal year 2024 for per diem compensation for members of the Committee.

* * * Ranked-Choice Voting for Presidential Primary Elections * * *

Sec. 11g. REDESIGNATION

17 V.S.A. §§ 2705 and 2706 are redesignated as 17 V.S.A. §§ 2710 and 2711.

Sec. 11h. 17 V.S.A. chapter 57, subchapter 1 is amended to read:

Subchapter 1. Presidential Primary

§ 2700. DEFINITIONS

As used in this subchapter:

(1) “Active candidate” means a candidate who has not been eliminated and who is not a withdrawn candidate as set forth in subdivision (12) of this section.

(2) “By lot” means a method, determined by the Secretary of State, for randomly choosing between two or more active candidates.

(3) “Highest-ranked active candidate” means the active candidate assigned a higher ranking than any other active candidate.

(4) “Inactive ballots” means ballots that do not count as votes for any candidate due to one or more of the reasons listed in subdivision 2706(c)(2) of this title.

(5) “Major political party” has the same meaning as in subdivision 2103(23)(A) of this title.

(6) “Overvote” means an instance in which a voter assigned the same ranking to more than one candidate.

(7) “Ranking” means the number available to be assigned by a voter to a candidate to express the voter’s choice for that candidate. The number “1” is the highest ranking, followed by “2,” and then “3,” and so on.

(8) “Round” means an instance of the sequence of voting tabulation in accordance with section 2706 of this title.

(9) “Skipped ranking” means a voter does not assign a certain available ranking to any candidate but does assign a subsequent available ranking to a candidate.

(10) “Threshold for receiving delegates” means the number of votes necessary for a candidate to receive delegates in a presidential primary election conducted in accordance with subdivision 2705(a)(2) of this title.

(11) “Undervote” means a ballot on which a voter does not assign any ranking to any candidate in a particular contest.

(12) “Withdrawn candidate” means any candidate who has submitted a declaration of withdrawal in writing to the Secretary of State, the effectiveness of which begins when filed with the Secretary of State.

§ 2701. PRESIDENTIAL PRIMARY; TIME OF HOLDING; FORM OF BALLOT

In presidential election years, a presidential primary for each major political party shall be held in all municipalities on the first Tuesday in March. The Secretary of State shall prepare and distribute for use at the primary an official ranked-choice ballot for each party for which one or more candidates qualify for the placing of their names on the ballot under section 2702 of this title. Ballots shall be printed on index stock and configured to be readable by vote tabulators.

* * *

§ 2704. RANKED-CHOICE VOTING; BALLOTS

(a) A presidential primary election for a major political party shall be conducted by ranked-choice voting.

(b) A person voting at the primary shall be required to ask for the ranked-choice ballot of the party in which the voter wishes to vote, and an election official shall record the voter’s choice of ballot by marking the entrance checklist with a letter code, as designated by the Secretary of State, to indicate the voter’s party choice.

(1) The ballot shall allow voters to rank candidates in order of choice. The names of all candidates on the ballot shall be listed in alphabetical order. Each voter may vote for one candidate for the presidential nomination of one party, either by placing a mark opposite the printed name of a candidate as in other primaries, or by writing in the name of the candidate of the voter’s choice.

(2) The ballot shall allow voters to assign rankings to candidates that are equal to the number of printed candidate names and blank write-in lines, except to the extent established by the Secretary pursuant to section 2709 of this title.

§ 2705. TYPE OF RANKED-CHOICE VOTING

(a) At least 150 days before the date of the presidential primary election, the State committee of each major political party shall confirm in writing with the Secretary of State whether the party will award delegates either:

(1) on a winner-take-all basis in accordance with subsection 2706(d) of this title; or

(2) on a proportional basis in accordance with subsection 2706(e) of this title, in which case the party shall also indicate the applicable threshold or thresholds for receiving delegates.

(b) If a party fails to provide notice, or its notice does not specify how the party will award its delegates, the presidential primary election for that party shall be tabulated on a winner-take-all basis in accordance with subsection 2706(d) of this title.

(c) At least 120 days before the date of the presidential primary election, the Secretary of State shall confirm with the State committee of each political party that the State is capable of implementing the party's preferences as declared under subsection (a) of this section or shall notify the State committee of any feasibility constraints that could prevent the State from implementing the party's preferences.

§ 2706. RANKED-CHOICE VOTING TABULATION

(a) Tabulation rounds. In any presidential primary election for a major political party, each ballot shall count as one vote for the highest-ranked active candidate on that ballot. Tabulation shall proceed in rounds. Each round proceeds sequentially as described in subsection (d) or (e) of this section, as applicable.

(b) Withdrawn candidates. Ranking orders containing withdrawn candidates shall be treated the same as ranking orders containing candidates who have been eliminated from tabulation.

(c) Inactive ballots and undervotes.

(1) In any round of tabulation, an inactive ballot does not count for any candidate and is not considered a vote for the purposes of determining either which active candidate has majority of the active votes in the final round of tabulation pursuant to subsection (d) of this section or which active candidates possess a vote total above the threshold for receiving delegates pursuant to subsection (e) of this section.

(2) A ballot is an inactive ballot if any of the following is true:

(A) The ballot does not rank any active candidates and is not an undervote.

(B) The ballot has reached an overvote.

(C) The ballot has reached two consecutive skipped rankings.

(3) An undervote does not count as either an active or inactive ballot in any round of tabulation.

(d) Award of delegates on winner-take-all basis. If a major political party awards all of the State's delegates to a single candidate on a winner-take-all basis, tabulation shall proceed as follows:

(1) If there are two or fewer active candidates, then tabulation is complete and the candidate with the most votes is declared the winner of the election.

(2) If there are more than two active candidates, the active candidate with the fewest votes is eliminated, the votes for the eliminated candidate are transferred to each ballot's next-ranked active candidate, and a new round begins.

(3) If there is a tie between two active candidates with the fewest votes, the tie shall be resolved by lot to determine which candidate is defeated. The result of the tie resolution must be recorded and reused in the event of a recount.

(4) If there is a tie between the final two active candidates, the Secretary of State shall notify each active candidate involved in the tie, or the candidate's designee, to be present at the Secretary of State's office at a certain time. At that time, the Secretary of State shall select the winner of the tabulation by lot.

(e) Award of delegates on proportional basis. If a major political party awards the State's delegates to multiple candidates on a proportional basis, tabulation shall proceed as follows:

(1) If the vote total of every active candidate is above the threshold for receiving delegates as confirmed by the major political party pursuant to subdivision 2705(a)(2) of this title, then tabulation is complete.

(2) If any active candidate is below the threshold for receiving delegates, then the active candidate with the fewest votes is eliminated, votes for the eliminated candidate are transferred to each ballot's next-ranked active candidate, and a new round begins.

(3) If there is a tie between two active candidates with the fewest votes and tabulation is not yet complete, the tie shall be resolved by lot to determine which candidate is defeated. The result of the tie resolution must be recorded and reused in the event of a recount.

(f) Certification of tabulation rounds. The Secretary of State shall certify the results of each round tabulated pursuant to subsection (d) or (e) of this section, as applicable, along with any other information required under section 2707 of this title, to the State chairperson and the national committee of each political party that had at least one candidate on the State-administered

presidential primary election ballot to allocate national delegate votes in accordance with the party's State and national rules.

(g) Nothing in this act shall be construed to preclude a political party from allocating delegates according to its own rules for allocating such delegates.

§ 2707. RANKED-CHOICE VOTING RESULTS REPORTING

(a) Unofficial preliminary round-by-round results shall be released as soon as feasible after the polls close and at regular intervals thereafter until the counting of ballots is complete. Unofficial preliminary round-by-round results shall be clearly labeled as preliminary and, to the extent feasible, shall include the percent of ballots counted to date.

(b) In addition to any other information required by law to be reported with final results, the following shall be made public:

(1) the total number of votes each candidate received in each round of the official tabulation, including votes for withdrawn candidates; and

(2) the total number of ballots that became inactive in each round because they did not contain any active candidates, reached an overvote, or reached two consecutive skipped rankings, reported as separate figures.

(c) If a major political party allocates delegates by geographical unit or district, round-by-round results by geographical unit or district shall be made public in addition to state-wide results.

§ 2708. CANVASSING COMMITTEE CERTIFICATES

When the canvassing committee provided for in section 2592 of this title prepares its certificate of election for a presidential primary election for a major political party, the canvass shall state the number of final round votes received by each candidate who has received votes in the final round of tabulation.

Sec. 11i. 17 V.S.A. § 2709 is added to read:

§ 2709. RULEMAKING

The Secretary of State shall adopt rules pursuant to 3 V.S.A. chapter 25 for the proper and efficient administration of presidential primary elections, including procedures for ensuring that voting tabulators, voting tabulator memory cards, and related software are able to tabulate rank-choice voting when necessary; procedures for ensuring that the number of rankings allowed to voters be uniform across the State for any given contest, that the number of rankings allowed in any given contest be the maximum number allowed by the equipment, and that the number of rankings allowed be not fewer than three in

any event; procedures for the release of round-by-round results; procedures for requesting and conducting recounts of the results of presidential primary elections for major candidates; and procedures for filing returns in accordance with section 2588 of this title.

* * * Vote Tabulators; Returns * * *

Sec. 11j. TALLY SHEETS; SUMMARY SHEETS; RETURNS

The Secretary of State shall ensure that on or before January 1, 2028, all tally sheets, summary sheets, and returns described in 17 V.S.A. § 2586 are designed to record ranked-choice voting results in accordance with this act.

* * * Effective Date * * *

Sec. 12. EFFECTIVE DATES

This act shall take effect on July 1, 2023, except that Secs. 11g (redesignation) and 11h (amending 17 V.S.A. chapter 57, subchapter 1) shall take effect on January 1, 2027, and Secs. 11i (rulemaking) and 11j (tally sheets; summary sheets; returns) shall take effect on January 1, 2025.

(Committee vote: 4-2-0)

(For House amendments, see House Journal for March 2, 2023, page 381 and March 3, 2023, page 402.)

Reported favorably by Senator Perchlik for the Committee on Appropriations.

(Committee vote: 7-0-0)

Report of Committee of Conference

H. 494.

An act relating to making appropriations for the support of government.

(For report of Committee of Conference, see Addendum to Senate Calendar for Thursday, May 11, 2023)

NOTICE CALENDAR

House Proposal of Amendment

S. 100.

An act relating to housing opportunities made for everyone.

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

* * * Municipal Zoning * * *

Sec. 1. 24 V.S.A. § 4414 is amended to read:

§ 4414. ZONING; PERMISSIBLE TYPES OF REGULATIONS

* * *

(4) Parking and loading facilities. A municipality may adopt provisions setting forth standards for permitted and required facilities for off-street parking and loading, which may vary by district and by uses within each district. In any district that is served by municipal sewer and water infrastructure that allows residential uses, a municipality shall not require more than one parking space per dwelling unit. However, a municipality may require 1.5 parking spaces for duplexes and multi-unit dwellings in areas not served by sewer and water and in areas that are located more than one-quarter mile away from public parking rounded up to the nearest whole number when calculating the total number of spaces. These bylaws may also include provisions covering the location, size, design, access, landscaping, and screening of those facilities. In determining the number of parking spaces for nonresidential uses and size of parking spaces required under these regulations, the appropriate municipal panel may take into account the existence or availability of employer “transit pass” and rideshare programs, public transit routes, and public parking spaces in the vicinity of the development. ~~However, a municipality shall not require an accessory dwelling unit to have more than one parking space per bedroom.~~

* * *

Sec. 2. 24 V.S.A. § 4412 is amended to read:

§ 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

Notwithstanding any existing bylaw, the following land development provisions shall apply in every municipality:

(1) Equal treatment of housing and required provisions for affordable housing.

* * *

(D) Bylaws shall designate appropriate districts and reasonable regulations for multiunit or multifamily dwellings. No bylaw shall have the effect of excluding these multiunit or multifamily dwellings from the municipality. In any district that allows year-round residential development, duplexes shall be an allowed use with the same dimensional standards as a single-unit dwelling. In any district that is served by municipal sewer and water infrastructure that allows residential development, multiunit dwellings

with four or fewer units shall be a permitted use, unless that district specifically requires multiunit structures to have more than four dwelling units.

(E) Except for flood hazard and fluvial erosion area bylaws adopted pursuant to section 4424 of this title, no bylaw shall have the effect of excluding as a permitted use one accessory dwelling unit that is located within or appurtenant to a single-family dwelling on an owner-occupied lot. A bylaw may shall require a single-family dwelling with an accessory dwelling unit to be subject to the same review, dimensional, or other controls as required for a single-family dwelling without an accessory dwelling unit. ~~An accessory dwelling unit means a distinct unit that is clearly subordinate to a single-family dwelling, and has facilities and provisions for independent living, including sleeping, food preparation, and sanitation, provided there is compliance with all the following:~~ The criteria for conversion of an existing detached nonresidential building to habitable space for an accessory dwelling unit shall not be more restrictive than the criteria used for a single-family dwelling without an accessory dwelling unit.

~~(i) The property has sufficient wastewater capacity.~~

~~(ii) The unit does not exceed 30 percent of the total habitable floor area of the single-family dwelling or 900 square feet, whichever is greater.~~

* * *

(H) No bylaw shall have the effect of prohibiting or penalizing a hotel from renting rooms to provide housing assistance through the State of Vermont's General Assistance program, or to any person whose room is rented with public funds. In this subsection, the term "hotel" has the same meaning as in 32 V.S.A. 9202(3).

* * *

(12) In any area served by municipal sewer and water infrastructure that allows residential development, bylaws shall establish lot and building dimensional standards that allow five or more dwelling units per acre for each allowed residential use, and density standards for multiunit dwellings shall not be more restrictive than those required for single-family dwellings.

(13) In any area served by municipal sewer and water infrastructure that allows residential development, bylaws shall permit any affordable housing development, as defined in subdivision 4303(2) of this title, including mixed-use development, to exceed density limitations for residential developments by an additional 40 percent, which shall include exceeding maximum height limitations by one floor, provided that the structure complies with the Vermont Fire and Building Safety Code.

Sec. 3. 24 V.S.A. § 4413 is amended to read:

§ 4413. LIMITATIONS ON MUNICIPAL BYLAWS

(a)(1) The following uses may be regulated only with respect to location, size, height, building bulk, yards, courts, setbacks, density of buildings, off-street parking, loading facilities, traffic, noise, lighting, landscaping, and screening requirements, and only to the extent that regulations do not have the effect of interfering with the intended functional use:

(A) State- or community-owned and ~~operated~~ -operated institutions and facilities;

(B) public and private schools and other educational institutions certified by the Agency of Education;

(C) churches and other places of worship, convents, and parish houses;

(D) public and private hospitals;

(E) regional solid waste management facilities certified under 10 V.S.A. chapter 159;

(F) hazardous waste management facilities for which a notice of intent to construct has been received under 10 V.S.A. § 6606a; and

(G) emergency shelters.

(2) Except for State-owned and -operated institutions and facilities, a municipality may regulate each of the land uses listed in subdivision (1) of this subsection for compliance with the National Flood Insurance Program and for compliance with a municipal ordinance or bylaw regulating development in a flood hazard area or river corridor, consistent with the requirements of subdivision 2291(25) and section 4424 of this title. These regulations shall not have the effect of interfering with the intended functional use.

(3) For purposes of this subsection, regulating the daily or seasonal hours of operation of an emergency shelter shall constitute interfering with the intended functional use.

* * *

Sec. 4. 24 V.S.A. § 4303 is amended to read:

§ 4303. DEFINITIONS

The following definitions shall apply throughout this chapter unless the context otherwise requires:

* * *

(38) “Accessory dwelling unit” means a distinct unit that is clearly subordinate to a single-family dwelling and has facilities and provisions for independent living, including sleeping, food preparation, and sanitation, provided there is compliance with all the following:

(A) the property has sufficient wastewater capacity; and

(B) the unit does not exceed 30 percent of the total habitable floor area of the single-family dwelling or 900 square feet, whichever is greater.

(39) “Duplex” means a residential building that has two dwelling units in the same building and neither unit is an accessory dwelling unit.

(40) “Emergency shelter” means any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and that does not require occupants to sign leases or occupancy agreements.

(41) “Multiunit or multifamily dwelling” means a building that contains three or more dwelling units in the same building.

(42)(A) An area “served by municipal sewer and water infrastructure” means:

(i) an area where residential connections and expansions are available to municipal water and direct and indirect discharge wastewater systems and not prohibited by:

(I) State regulations or permits;

(II) identified capacity constraints; or

(III) municipally adopted service and capacity agreements; or

(ii) an area established by the municipality by ordinance or bylaw where residential connections and expansions are available to municipal water and direct and indirect discharge wastewater systems and which may exclude:

(I) flood hazard or inundation areas as established by statute, river corridors or fluvial erosion areas as established by statute, shorelands, areas within a zoning district or overlay district the purpose of which is natural resource protection, and wherever year-round residential development is not allowed;

(II) areas with identified service limits established by State regulations or permits, identified capacity constraints, or municipally adopted service and capacity agreements;

(III) areas served by sewer and water to address an identified

community-scale public health hazard or environmental hazard;

(IV) areas serving a mobile home park that is not within an area planned for year-round residential growth;

(V) areas serving an industrial site or park;

(VI) areas where service lines are located to serve the areas described in subdivisions (III)–(V) of this subdivision (ii), but no connections or expansions are permitted; or

(VII) areas that, through an approved Planned Unit Development under section 4417 of this title or Transfer of Development Rights under section 4423 of this title, prohibit year-round residential development.

(B) Municipally adopted areas served by municipal sewer and water infrastructure that limit sewer and water connections and expansions shall not result in the unequal treatment of housing by discriminating against a year-round residential use or housing type otherwise allowed in this chapter.

Sec. 5. 24 V.S.A. § 4441 is amended to read:

§ 4441. PREPARATION OF BYLAWS AND REGULATORY TOOLS;
AMENDMENT OR REPEAL

* * *

(c) When considering an amendment to a bylaw, the planning commission shall prepare and approve a written report on the proposal. A single report may be prepared so as to satisfy the requirements of this subsection concerning bylaw amendments and subsection 4384(c) of this title concerning plan amendments. ~~The Department of Housing and Community Development shall provide all municipalities with a form for this report.~~ The report shall provide a brief explanation of the proposed bylaw, amendment, or repeal and shall include a statement of purpose as required for notice under section 4444 of this title; and shall include findings regarding how the proposal:

(1) ~~Conforms~~ conforms with or furthers the goals and policies contained in the municipal plan, including the effect of the proposal on the availability of safe and affordable housing; and sections 4412, 4413, and 4414 of this title;

(2) Is ~~is~~ compatible with the proposed future land uses and densities of the municipal plan; and

(3) ~~Carries~~ carries out, as applicable, any specific proposals for any planned community facilities.

* * *

(h) Upon adoption or amendment of a bylaw, the planning commission shall prepare an adoption report in form and content provided by the Department of Housing and Community Development that:

(1) confirms that zoning districts' GIS data has been submitted to the Department and that the data complies with the Vermont Zoning GIS Data Standard adopted pursuant to 10 V.S.A. § 123;

(2) confirms that the complete bylaw has been uploaded to the Municipal Plan and Bylaw Database;

(3) demonstrates conformity with sections 4412, 4413, and 4414 of this title; and

(4) provides information on the municipal application of subchapters 7 (bylaws), 9 (administration), and 10 (panels) of this chapter for the Municipal Planning Data Center and the prospective development of a statewide zoning atlas.

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

§ 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

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

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

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

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

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

or terms of the plan or bylaw of that municipality.

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

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

* * *

* * * Subdivisions * * *

Sec. 7. 24 V.S.A. § 4463 is amended to read:

§ 4463. SUBDIVISION REVIEW

(a) Approval of plats. Before ~~any~~ a plat for a major subdivision is approved, a public hearing on the plat shall be held by the appropriate municipal panel after public notice. A bylaw may provide for the administrative officer to approve minor subdivisions. A copy of the notice shall be sent to the clerk of an adjacent municipality, in the case of a plat located within 500 feet of a municipal boundary, at least 15 days prior to the public hearing.

(b) Plat; record. The approval of the appropriate municipal panel or administrative officer, if the bylaws provide for their approval of minor subdivisions, shall expire 180 days from that approval or certification unless, within that 180-day period, that plat shall have been duly filed or recorded in the office of the clerk of the municipality. After an approved plat or certification by the clerk is filed, no expiration of that approval or certification shall be applicable.

(1) The bylaw may allow the administrative officer to extend the date for filing the plat by an additional 90 days, if final local or State permits or approvals are still pending.

(2) No plat showing a new street or highway may be filed or recorded in the office of the clerk of the municipality until it has been approved by the appropriate municipal panel, or administrative officer if allowed under the bylaws, pursuant to subsection (a) of this section, and that approval is endorsed in writing on the plat, or the certificate of the clerk of the municipality showing the failure of the appropriate municipal panel to take action within the 45-day period is attached to the plat and filed or recorded with the plat. After that filing or recording, the plat shall be a part of the official map of the municipality.

* * *

Sec. 8. 24 V.S.A. § 4418 is amended to read:

§ 4418. SUBDIVISION BYLAWS

* * *

(2) Subdivision bylaws may include:

(A) ~~Provisions~~ provisions allowing the appropriate municipal panel to waive or modify, subject to appropriate conditions, the provision of any or all improvements and requirements as in its judgment of the special circumstances of a particular plat or plats are not requisite in the interest of the public health, safety, and general welfare, or are inappropriate because of inadequacy or lack of connecting facilities adjacent or in proximity to the subdivision;

(B) ~~Procedures~~ procedures for conceptual, preliminary, partial, and other reviews preceding submission of a subdivision plat, including any administrative reviews;

(C) ~~Specific~~ specific development standards to promote the conservation of energy or to permit the utilization of renewable energy resources, or both;

(D) State standards and criteria under 10 V.S.A. § 6086(a); and

(E) provisions to allow the administrative officer to approve minor subdivisions.

* * * Appeals * * *

Sec. 9. 24 V.S.A. § 4471 is amended to read:

§ 4471. APPEAL TO ENVIRONMENTAL DIVISION

* * *

(e) ~~Neighborhood development area~~ Designated areas. Notwithstanding

subsection (a) of this section, a determination by an appropriate municipal panel that a residential development will not result in an undue adverse effect on the character of the area affected shall not be subject to appeal if the ~~determination is that a proposed residential development seeking conditional use approval under subdivision 4414(3) of this title is within a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area seeking conditional use approval will not result in an undue adverse effect on the character of the area affected under subdivision 4414(3) of this title.~~ Other elements of the determination made by the appropriate municipal panel may be appealed.

* * * By Right * * *

Sec. 10. 24 V.S.A. § 4464(b) is amended to read:

(b) Decisions.

* * *

(7)(A) A decision rendered by the appropriate municipal panel for a housing development or the housing portion of a mixed-use development shall not:

(i) require a larger lot size than the minimum as determined in the municipal bylaws;

(ii) require more parking spaces than the minimum as determined in the municipal bylaws and in section 4414 of this title;

(iii) limit the building size to less than that allowed in the municipal bylaws, including reducing the building footprint or height;

(iv) limit the density of dwelling units to below that allowed in the municipal bylaws; and

(v) otherwise disallow a development to abide by the minimum or maximum applicable municipal standards.

(B) However, a decision may require adjustments to the applicable municipal standards listed in subdivision (A) of this subdivision (7) if the panel or officer issues a written finding stating:

(i) why the modification is necessary to comply with a prerequisite State or federal permit, municipal permit, or a nondiscretionary standard in a bylaw or ordinance, including requirements related to wetlands, setbacks, and flood hazard areas and river corridors; and

(ii) how the identified restrictions do not result in an unequal

treatment of housing or an unreasonable exclusion of housing development otherwise allowed by the bylaws.

Sec. 11. 24 V.S.A. § 4348a is amended to read:

§ 4348a. ELEMENTS OF A REGIONAL PLAN

(a) A regional plan shall be consistent with the goals established in section 4302 of this title and shall include the following:

* * *

(9) A housing element that identifies the regional and community-level need for housing for all economic groups in the region and communities. In establishing the identified need, due consideration shall be given to that will result in an adequate supply of building code and energy code compliant homes where most households spend not more than 30 percent of their income on housing and not more than 15 percent on transportation. To establish housing needs, the Department of Housing and Community Development shall publish statewide and regional housing targets or ranges as part of the Statewide Housing Needs Assessment. The regional planning commission shall consult the Statewide Housing Needs Assessment; current and expected demographic data; the current location, quality, types, and cost of housing; other local studies related to housing needs; and data gathered pursuant to subsection 4382(c) of this title. If no such data has been gathered, the regional planning commission shall gather it. The regional planning commission's assessment shall estimate the total needed housing investments in terms of price, quality, unit size or type, and zoning district as applicable and shall disaggregate regional housing targets or ranges by municipality. The housing element shall include a set of recommended actions to satisfy the established needs.

* * *

Sec. 12. 24 V.S.A. § 4382 is amended to read:

§ 4382. THE PLAN FOR A MUNICIPALITY

(a) A plan for a municipality ~~may~~ shall be consistent with the goals established in section 4302 of this title and compatible with approved plans of other municipalities in the region and with the regional plan and shall include the following:

* * *

(10) A housing element that shall include a recommended program for addressing low and moderate income persons' public and private actions to address housing needs as identified by the regional planning commission

pursuant to subdivision 4348a(a)(9) of this title. The program should use data on year-round and seasonal dwellings and include specific actions to address the housing needs of persons with low income and persons with moderate income and account for permitted accessory dwelling units, as defined in subdivision 4412(1)(E) of this title, which provide affordable housing residential development as described in section 4412 of this title.

* * *

Sec. 13. 24 V.S.A. § 4442 is amended to read:

§ 4442. ADOPTION OF BYLAWS AND RELATED REGULATORY TOOLS; AMENDMENT OR REPEAL

* * *

(c) Routine adoption.

(1) A bylaw, bylaw amendment, or bylaw repeal shall be adopted by a majority of the members of the legislative body at a meeting that is held after the final public hearing, and shall be effective 21 days after adoption unless, by action of the legislative body, the bylaw, bylaw amendment, or bylaw repeal is warned for adoption by the municipality by Australian ballot at a special or regular meeting of the municipality.

(2) ~~However, a rural town as defined in section 4303 of this chapter, by vote of that town at a special or regular meeting duly warned on the issue, may elect to require that bylaws, bylaw amendments, or bylaw repeals shall be adopted by vote of the town by Australian ballot at a special or regular meeting duly warned on the issue. That procedure shall then apply until rescinded by the voters at a regular or special meeting of the town.~~

* * *

Sec. 14. 24 V.S.A. § 4306 is amended read:

§ 4306. MUNICIPAL AND REGIONAL PLANNING FUND

* * *

(b)(1) Allocations for performance contract funding to regional planning commissions shall be determined according to a formula to be adopted by rule under 3 V.S.A. chapter 25 by the Department for the assistance of the regional planning commissions. Disbursement of funding to regional planning commissions shall be predicated upon meeting performance goals and targets pursuant to the terms of the performance contract.

(2) Disbursement to municipalities shall be awarded annually on or before December 31 through a competitive program administered by the

Department providing the opportunity for any eligible municipality or municipalities to compete regardless of size, provided that to receive funds, a municipality:

(A) shall be confirmed under section 4350 of this title; or

(B)(i) shall use the funds for the purpose of developing a municipal plan to be submitted for approval by the regional planning commission, as required for municipal confirmation under section 4350 of this title; and

(ii) shall have voted at an annual or special meeting to provide local funds for municipal and regional planning purposes.

(3) Of the annual disbursement to municipalities, an amount not to exceed 20 percent of the total may be disbursed to the Department to administer a program providing direct technical consulting assistance under retainer on a rolling basis to any eligible municipality to meet the requirements for designated neighborhood development area under chapter 76A of this title, provided that the municipality is eligible for funding under subdivision (2) and meets funding guidelines established by the Department to ensure accessibility for lower capacity communities, municipal readiness, and statewide coverage.

(4) Of the annual disbursement to municipalities, the Department may allocate funding as bylaw modernization grants under 4307.

* * *

~~(d) New funds allocated to municipalities under this section may take the form of Municipal Bylaw Modernization Grants in accordance with section 4307 of this title.~~

* * * Regional Planning * * *

Sec. 15. REGIONAL PLANNING REPORT

(a) On or before December 15, 2023, the Vermont Association of Planning and Development Agencies shall report on statutory recommendations to better integrate and implement municipal, regional, and State plans, policies, and investments by focusing on regional future land use maps and policies. In the process of creating the Regional Planning Report, the Vermont Association of Planning and Development Agencies shall consider possible new methods of public engagement that promote equity and expand opportunity for meaningful participation by impacted communities in the decisions affecting their physical and social environment.

(b) The recommendations shall address how to accomplish the following:

(1) Aligning policies and implementation between municipalities,

regional planning commissions, and State entities to better address climate change, climate resiliency, natural resources, housing, transportation, economic development, other social determinants of health, and other place-based issues.

(2) Building upon municipal and regional enhanced energy plans and their implementation.

(3) Evaluating place-based policy and project decisions by the State, regional planning commissions, and municipalities related to implementing regional future land use maps and policies and recommending changes to which of those governmental levels those decisions should occur, if necessary.

(4) Ensuring that State agency investment and policy decisions that relate to land development are consistent with regional and local plans. The investments assessed should include, at a minimum:

(A) drinking water;

(B) wastewater;

(C) stormwater;

(D) transportation;

(E) community and economic development;

(F) housing;

(G) energy; and

(H) telecommunications.

(5) Achieving statewide consistency of future land use maps and policies to better support Act 250 and 30 V.S.A. § 248.

(6) How Act 250 and 30 V.S.A. § 248 could better support implementation of regional future land use maps and policies.

(7) Better support implementation of regional future land use maps and policies in the State designation program under 24 V.S.A. chapter 76A.

(8) Improving the quality and effectiveness of future land use maps in regional and municipal plans through changes to 24 V.S.A. chapter 117 including:

(A) future land use map area delineations, definitions, statements, and policies;

(B) existing settlement definitions and their relationship to future land use maps;

(C) the role of regional plans in the review and approval of municipal plans and planning processes; and

(D) a review mechanism to ensure bylaws are consistent with municipal plans.

(c) The report should also discuss how best to implement the recommendations, including the following:

(1) how best to phase in the recommendations;

(2) how to establish a mechanism for the independent review of regional plans to ensure consistency with statutory requirements;

(3) what guidance and training will be needed to implement the recommendations; and

(4) what incentives and accountability mechanisms are necessary to accomplish these changes at all levels of government.

(d) The Vermont Association of Planning and Development Agencies shall consult with the Agency of Transportation, the Agency of Natural Resources, the Agency of Commerce and Community Development, the Department of Public Service, Vermont Emergency Management, the Natural Resources Board, the regional development corporations, the Vermont League of Cities and Towns, statewide environmental organizations, and other interested parties in developing the report and shall summarize comments.

(e) On or before December 15, 2023, the Vermont Association of Planning and Development Agencies shall submit the report to the following committees: the Senate Committees on Economic Development, Housing and General Affairs, on Government Operations, on Natural Resources and Energy, and on Transportation and the House Committees on Commerce and Economic Development, on Environment and Energy, on General and Housing, on Government Operations and Military Affairs, and on Transportation.

(f) The Vermont Association of Planning and Development Agencies shall be funded in fiscal year 2023 and fiscal year 2024 for this study through the regional planning grant established in 24 V.S.A. § 4306.

Sec. 15a. HOUSING RESOURCE NAVIGATOR FOR REGIONAL
PLANNING COMMISSIONS

(a) The Vermont Association of Planning and Development Agencies shall hire Housing Resource Navigators to work with municipalities, regional and local housing organizations, and private developers to identify housing opportunities, match communities with funding resources, and provide project

management support.

(b) The duty to implement this section is contingent upon an appropriation in fiscal year 2024 from the General Fund to the Vermont Association of Planning and Development Agencies for the purpose of hiring the Housing Navigators as described in subsection (a) of this section.

* * * Act 250 * * *

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

§ 6001. DEFINITIONS

As used in this chapter:

* * *

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

* * *

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

* * *

(xi) Notwithstanding any other provision of law to the contrary, until July 1, 2026, the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 25 or more units, constructed or maintained on a tract or tracts of land, located entirely within a designated downtown development district, a designated neighborhood development area, a designated village center with permanent zoning and subdivision bylaws, or a designated growth center, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. For purposes of this subsection, the construction of four units or fewer of housing in an existing structure shall only count as one unit towards the total number of units

* * *

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

* * *

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

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

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

* * *

Sec. 16a. ACT 250 EXEMPTION REQUIREMENTS

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

Sec. 17. 10 V.S.A. § 6086b is amended to read:

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

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

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

* * *

(b) Master plan permits.

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

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

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

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

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

Sec. 18. 10 V.S.A. § 6083a is amended to read:

§ 6083a. ACT 250 FEES

(a) All applicants for a land use permit under section 6086 of this title shall be directly responsible for the costs involved in the publication of notice in a newspaper of general circulation in the area of the proposed development or subdivision and the costs incurred in recording any permit or permit amendment in the land records. In addition, applicants shall be subject to each of the following fees for the purpose of compensating the State of Vermont for the direct and indirect costs incurred with respect to the administration of the Act 250 program:

(1) For applications for projects involving construction, \$6.65 for each \$1,000.00 of the first \$15,000,000.00 of construction costs, and \$3.12 for each \$1,000.00 of construction costs above \$15,000,000.00. An additional \$0.75 for each \$1,000.00 of the first \$15,000,000.00 of construction costs shall be paid to the Agency of ~~Natural~~ Natural Resources to account for the Agency of Natural Resources' review of Act 250 applications.

(2) For applications for projects involving the creation of lots, \$125.00 for each lot.

(3) For applications for projects involving exploration for or removal of

oil, gas, and fissionable source materials, a fee as determined under subdivision (1) of this subsection or \$1,000.00 for each day of Commission hearings required for such projects, whichever is greater.

(4) For applications for projects involving the extraction of earth resources, including sand, gravel, peat, topsoil, crushed stone, or quarried material, the greater of: a fee as determined under subdivision (1) of this subsection; or a fee equivalent to the rate of \$0.02 per cubic yard of the first million cubic yards of the total volume of earth resources to be extracted over the life of the permit, and \$.01 per cubic yard of any such earth resource extraction above one million cubic yards. Extracted material that is not sold or does not otherwise enter the commercial marketplace shall not be subject to the fee. The fee assessed under this subdivision for an amendment to a permit shall be based solely upon any additional volume of earth resources to be extracted under the amendment.

(5) For applications for projects involving the review of a master plan, a fee equivalent to \$0.10 per \$1,000.00 of total estimated construction costs in current dollars in addition to the fee established in subdivision (1) of this subsection for any portion of the project seeking construction approval.

~~(6) In no event shall a permit application fee exceed \$165,000.00.~~

(b) Notwithstanding the provisions of subsection (a) of this section, there shall be a minimum fee of \$187.50 for original applications and \$62.50 for amendment applications, in addition to publication and recording costs. These costs shall be in addition to any other fee established by statute, unless otherwise expressly stated. In addition, in no event shall the fee for an individual permit or permit amendment application, including each individual permit or permit amendment application seeking approval for any portion of a project involving a master plan, exceed \$165,000.00.

* * *

Sec. 18a. REPORT; ACT 250 MUNICIPAL DELEGATION

(a) The Vermont Association of Planning and Development Agencies, in consultation with the Natural Resources Board, shall develop a proposed framework for delegating administration of Act 250 permits to municipalities. They shall consult with other relevant stakeholders, including those with experience issuing Act 250 permits under 10 V.S.A. chapter 151, environmental organizations, State agencies, and municipal planning and zoning officials. Each regional planning commission shall hold one public meeting on the framework.

(b) On or before December 31, 2023, the Vermont Association of Planning

and Development Agencies shall report to the House Committee on Environment and Energy and the Senate Committee on Natural Resources and Energy on the proposed framework to delegate Act 250 permit administration to municipalities.

Sec. 19. 2022 Acts and Resolves No. 182, Sec. 41 is amended to read:

Sec. 41. REPORT; NATURAL RESOURCES BOARD

(a) On or before December 31, 2023, the Chair of the Natural Resources Board shall report to the House Committees on ~~Natural Resources, Fish, and Wildlife~~ Environment and Energy and on Ways and Means and the Senate Committees on Finance and on Natural Resources and Energy on necessary updates to the Act 250 program.

(b) The report shall include:

(1) How to transition to a system in which Act 250 jurisdiction is based on location, which shall encourage development in designated areas; the maintenance of intact rural working lands; and the protection of natural resources of statewide significance, including biodiversity. Location-based jurisdiction would adjust the threshold for Act 250 jurisdiction based on the characteristics of the location. This section of the report shall consider whether to develop thresholds and tiers of jurisdiction as recommended in the Commission on Act 250: the Next 50 Years Report.

(2) How to use the Capability and Development Plan to meet the statewide planning goals.

(3) An assessment of the current level of staffing of the Board and District Commissions, including whether there should be a district coordinator located in every district.

(4) Whether the permit fees are sufficient to cover the costs of the program and, if not, a recommendation for a source of revenue to supplement the fees.

(5) Whether the permit fees are effective in providing appropriate incentives.

(6) Whether the Board should be able to assess its costs on applicants.

(7) Whether increasing jurisdictional thresholds for housing development to 25 units under 10 V.S.A. § 6001(3)(A)(iv) would affect housing affordability, especially for primary homeownership, and what the potential impact of increasing those thresholds to 25 units would have on natural and community resources addressed under existing Act 250 criteria.

Sec. 19a. 2022 Acts and Resolves No. 182, Sec. 40 is amended to read:

Sec. 40. DESIGNATED AREA REPORT; APPROPRIATION

* * *

(3) On or before ~~July 15, 2023~~, December 31, 2023, the consultant shall submit a written report to the General Assembly with its findings and any recommendations for legislative action.

Sec. 19b. 10 V.S.A. § 6081(y) is added to read:

(y) No permit or permit amendment is required for a retail electric distribution utility's rebuilding of existing electrical distribution lines and related facilities to improve reliability and service to existing customers, through overhead or underground lines in an existing corridor, road, or State or town road right-of-way. Nothing in this section shall be interpreted to exempt projects under this subsection from other required permits or the conditions on lands subject to existing permits required by this section.

Sec. 19c. EXEMPTION REPEAL

10 V.S.A. § 6081(y) is repealed on January 1, 2026.

Sec. 19d. ELECTRIC DISTRIBUTION UTILITY PROJECT REPORT

On or before January 15, 2024, and annually until 2026, any distribution utility that takes an action exempt under 10 V.S.A. § 6081(y) shall report to the House Committee on Environment and Energy and the Senate Committees on Finance and on Natural Resources and Energy on the projects completed pursuant to that exemption in the preceding year. The report shall address: the location of the projects, including whether it is located in a "1-acre town" or a "10-acre town"; how many customers are affected by the project; whether the project involved lines being hardened in place, buried underground, or relocated to the right-of-way; how many poles were removed and how many poles were set; and what permits the projects were required to receive.

* * * Covenants * * *

Sec. 20. 27 V.S.A. § 545 is amended to read:

§ 545. COVENANTS, CONDITIONS, AND RESTRICTIONS OF
SUBSTANTIAL PUBLIC INTEREST

(a) Deed restrictions, covenants, or similar binding agreements added after March 1, 2021 that prohibit or have the effect of prohibiting land development allowed under 24 V.S.A. § 4412(1)(E) and (2)(A) shall not be valid.

(b) Deed restrictions or covenants added after July 1, 2023 shall not be

valid if they require a minimum dwelling unit size on the property or more than one parking space per dwelling unit if the property is located in an area served by municipal sewer and water infrastructure as defined in 24 V.S.A. § 4303 that allows residential uses or more than 1.5 parking spaces for duplexes and multi-unit dwellings in areas not served by sewer and water and in areas that are located more than one-quarter mile away from public parking rounded up to the nearest whole number when calculating the total number of spaces.

(c) This section shall not affect the enforceability of any property interest held in whole or in part by a qualified organization or State agency as defined in 10 V.S.A. § 6301a, including any restrictive easements, such as conservation easements and historic preservation rights and interests defined in 10 V.S.A. § 822. This section shall not affect the enforceability of any property interest that is restricted by a housing subsidy covenant as defined by section 610 of this title and held in whole or in part by an eligible applicant as defined in 10 V.S.A. § 303(4) or the Vermont Housing Finance Agency.

* * * Road Disclosure * * *

Sec. 21. 27 V.S.A. § 617 is added to read:

§ 617. DISCLOSURE OF CLASS 4 ROAD

(a) Disclosure of maintenance on class 4 highway. Any property owner who sells property located on a class 4 highway or legal trail shall disclose to the buyer that the municipality is not required to maintain the highway or trail as described in 19 V.S.A. § 310.

(b) Marketability of title. Noncompliance with the requirements of this section shall not affect the marketability of title of a property.

* * * Building Energy Code Study Committee * * *

Sec. 22. FINDINGS

The General Assembly finds that:

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

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

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

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

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

Sec. 23. ENERGY CODE COMPLIANCE; STUDY COMMITTEE

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

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

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

(10) a representative from a regional planning commission.

(c) Powers and duties. The Committee shall:

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

(2) evaluate current cost-effectiveness analyses for the RBES and the CBES, whether they include or should include nonenergy benefits such as public health benefits and the cost of carbon, and how that impacts the affordability of housing projects and provide recommendations; and

(3) assess how the building energy codes interact with the fire and building safety codes.

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

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

(f) Meetings.

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

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

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

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

(g) Compensation and reimbursement.

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

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

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

Sec. 24. RURAL RECOVERY COORDINATION COUNCIL

(a) Goals. The Rural Recovery Coordination Council is created to study and make recommendations on how to strengthen coordination between agencies and stakeholders involved in rural community development.

(b) Purposes. The Council shall consider and identify strategies to:

(1) prioritize areas of investment into Vermont's rural communities in order to ensure necessary resources to meet Vermont's climate goals, rural community development objectives, and environmental sustainability requirements;

(2) build long-term emergency and disaster preparedness and recovery;

(3) ensure intergovernmental and regional communications and coordination; and

(4) improve access to technical assistance and support from regional and statewide agencies and programs.

(c) Powers and duties. The Council shall identify structural changes and improve coordination across all levels of government to support rural community development, including addressing the following issues:

(1) a permanent structure for ensuring rural community development programming within State government;

(2) how to better include rural voices in regional collaboration and prioritization projects;

(3) how municipal, regional, and State plans, policies, and investments can be integrated and mutually supportive;

(4) where to establish an office of Rural Community Development and how long the office should be authorized for; and

(5) how to support capacity at the municipal level and how to support multitown coordination and collaboration.

(d) Report. On or before December 15, 2023, the Council shall report to the General Assembly and to the Agency of Administration with its findings,

recommendations, and draft legislation.

(e) Members. The Council shall comprise the following members:

(1) the Vermont Chief Performance Officer or designee;

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

(3) the Commissioner of Public Service or designee;

(4) the Secretary of Transportation or designee;

(5) the Director of Racial Equity or designee;

(6) one or more representatives from the regional planning commissions appointed by the Vermont Association of Planning and Development Agencies;

(7) one or more representatives from the regional development corporations appointed by the Regional Development Corporations of Vermont;

(8) the Executive Director of the Vermont League of Cities and Towns or designee;

(9) a member, appointed by the Vermont Communications Union Districts Association;

(10) the Secretary of Natural Resources or designee;

(11) a member, appointed by the University of Vermont Office of Engagement;

(12) a member, appointed by the Vermont Housing and Conservation Board;

(13) a member of the House of Representatives, appointed by the Speaker of the House; and

(14) a member of the Senate, appointed by the Committee on Committees.

(f) Compensation and reimbursement.

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

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

(g) Meetings; administration.

(1) The Council shall meet at least five times and take testimony from a variety of stakeholders, including from representatives from municipalities of variety of sizes and from those with experience in state land use planning, regional planning, municipal planning, economic planning, or strategic planning.

(2) The Vermont Council on Rural Development shall convene the first meeting the Rural Recovery Coordination Council, facilitate the meetings, and provide administrative support.

(3) The Committee shall cease to exist on March 31, 2024.

(h) The duty to implement this section is contingent upon an appropriation in fiscal year 2024 from the General Fund to the Agency of Commerce and Community Development to provide funding for the Council as follows:

(1) an appropriation to the Vermont Council on Rural Development to convene meetings of the Council and provide administrative and policy support; and

(2) an appropriation to provide per diem compensation and reimbursement of expenses for members of the Council.

Sec. 25. ANR REVIEW OF PERMITTING OF POTABLE WATER AND WASTEWATER CONNECTION PERMITS

(a) The Agency of Natural Resources (ANR) shall review the statutory requirements, regulatory requirements, and ANR processes governing ANR's issuance of potable water and wastewater connection permits in order to identify approaches for reducing the administrative burden and costs incurred by municipalities and permit applicants. In conducting its review, ANR shall consult with the Agency of Commerce and Community Development, representatives of municipalities, professional engineers and licensed designers, and environmental organizations regarding alternatives for improving permitting of potable water and wastewater connections.

(b) In conducting the review required by this section, ANR shall:

(1) review and analyze the permitting standards and permit processes for potable water and wastewater connections in other jurisdictions;

(2) identify any State permitting requirements or ANR processes that may be duplicated under State and local permits and propose how to eliminate such redundancies;

(3) assess how to simplify and expedite the permitting process for

potable water and wastewater connection permits;

(4) identify data and document sharing and management solutions for potable water and wastewater connections connection permits, including how to make municipal and State permits available to the public in an electronic format or on a statewide platform; and

(5) propose revised criteria for the issuance of potable water and wastewater connections connection permits, including criteria to address public interest, public health and safety, and environmental impacts of connections.

(c) ANR shall complete the review required by this section on or before July 1, 2025. The Agency is authorized to implement or revise any permitting processes or criteria that do not require or conflict with statutory or regulatory authority. On or before January 31, 2025, the Agency shall present to the House Committee on Environment and Energy and the Senate Committee on Natural Resources and Energy a written report or oral testimony on the status of the review required under this section, including potential recommended statutory or regulatory changes.

Sec. 25a. UTILITY DISCONNECTION; LANDLORD NOTIFICATION;
PUBLIC UTILITY COMMISSION; RULEMAKING

(a) For the purpose of promoting safety, the protection of property, and providing assistance to tenants, the Public Utility Commission shall revise its rules concerning utility service disconnection to:

(1) require that a utility provide notice to the property owner of residential or nonresidential rental property if utility service to the property has been disconnected, even if the tenant is the ratepayer; and

(2) allow a utility to disconnect utility service remotely.

(b) As used in this section, “utility service” means gas, electric, water, and wastewater service subject to the jurisdiction of the Public Utility Commission.

(c) The rules adopted pursuant to subdivision (a)(1) of this section shall:

(1) establish the form, content, time, and manner of the notification required by subdivision (a)(1) of this section;

(2) include a process whereby a property owner can request that the notification is provided to a property manager or other appropriate third party; and

(3) ensure that the notification does not include personal or confidential

information pertaining to the tenant or the tenant's account, except that the utility may disclose information necessary to enable the property owner or other applicable third party to reconnect utility service to the property.

(d) On or before January 1, 2024, the Public Utility Commission shall submit to the House Committees on General and Housing and on Environment and Energy and the Senate Committees on Economic Development, Housing and General Affairs and on Finance a proposal in the form of draft legislation that incorporates, as the Commission deems appropriate, the rules adopted by the Commission pursuant to this section and that applies to utility disconnections not subject to the jurisdiction of the Commission, including water and sewer service provided by a water or sewer system owned by a municipality, fire district, or private company subject to the uniform water and sewer disconnection requirements in 24 V.S.A. chapter 129.

* * * ADU Jurisdiction * * *

Sec. 26. 20 V.S.A. § 2730 is amended to read:

§ 2730. DEFINITIONS

(a) As used in this subchapter, "public building" means:

(1)(A) a building owned or occupied by a public utility, hospital, school, house of worship, convalescent center or home for elders or persons who have an infirmity or a disability, nursery, kindergarten, or child care;

* * *

(D) a building in which people rent accommodations, whether overnight or for a longer term;

* * *

(b) The term "public building" does not include:

(1) An owner-occupied ~~single-family~~ single-family residence, unless used for a purpose described in subsection (a) of this section.

* * *

(4) ~~A single-family~~ An owner-occupied single-family residence with an accessory dwelling unit as permitted under 24 V.S.A. § 4412(1)(E), unless rented overnight or for a longer term as described in subdivision (1)(D) of subsection (a) of this section.

* * *

* * * Enforcement * * *

Sec. 27. [Deleted.]

Sec. 28. 9 V.S.A. § 4507 is amended to read:

§ 4507. CRIMINAL PENALTY

A person who violates a provision of this chapter shall be fined not more than ~~\$1,000.00~~ \$10,000.00 per violation.

* * * Building Safety * * *

Sec. 29. VERMONT FIRE AND BUILDING SAFETY CODE; POTENTIAL REVISIONS; REPORT

(a) On or before January 15, 2024, the Executive Director of the Division of Fire Safety shall submit a written report to the General Assembly that identifies and examines provisions from other jurisdictions' fire and life safety codes for residential buildings that:

(1) would facilitate in Vermont:

(A) the increased construction of new residential units;

(B) the conversion of existing space into new residential units; or

(C) both; and

(2) could be incorporated into the Vermont Fire and Building Safety Code.

(b) The report shall include recommendations for any legislative action necessary to enable the identified provisions to be incorporated into Vermont's Fire and Building Safety Code.

* * Eviction Rescue Fund * * *

Sec. 30. [Deleted.]

* * * HomeShare * * *

Sec. 31. HOMESHARING OPPORTUNITIES

In fiscal year 2024, it is the intent of the General Assembly to appropriate funds, if available, from the General Fund to the Department of Housing and Community Development funding to expand home-sharing opportunities throughout the State.

* * * Mobile Homes and Mobile Home Parks * * *

Sec. 32. MOBILE HOMES; MOBILE HOME PARKS; APPROPRIATION

(a) Creation. There is created the Mobile Home Task Force.

(b) Membership. The Task Force is composed of the following members:

(1) one current member of the House of Representatives, appointed by the Speaker of the House;

(2) one current member of the Senate, appointed by the Committee on Committees;

(3) one member, appointed by the Department of Housing and Community Development;

(4) one member, appointed by the Champlain Valley Office of Economic Opportunity;

(5) one member, appointed by The Housing Foundation Inc.;

(6) one member, appointed by the Speaker of the House, representing mobile home cooperative owners; and

(7) one member, appointed by the Vermont Housing and Conservation Board.

(c) Powers and duties. The Task Force shall study the current landscape for mobile homes and mobile home parks in this State, including the following issues:

(1) the status of mobile homes and mobile home parks within Vermont's housing portfolio;

(2) the condition and needs for mobile home park infrastructure among parks of various sizes;

(3) the current statutory treatment of mobile homes either as personal or real property;

(4) modern construction, energy efficiency, and durability of manufactured housing, and the availability, affordability, and suitability of alternative types of manufactured, modular, or other housing;

(5) the type and scope of data and information collected concerning mobile home residents, mobile homes, and mobile home parks and opportunities to make the data and information more centralized, accessible, and useful for informing policy decisions; and

(6) conversion to cooperative ownership and technical assistance

available to prospective and new cooperative owners, including the availability of guidance concerning governance structures, operation, and conflict resolution.

(d) Assistance. For purposes of scheduling meetings and preparing a report and recommendations, the Task Force shall have the assistance of the Office of Legislative Operations, the Office of Legislative Counsel, and the Joint Fiscal Office.

(e) Report. On or before January 15, 2024, the Task Force shall submit a written report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The House of Representatives' member shall call the first meeting of the Task Force to occur on or before September 1, 2023.

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

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

(4) The Task Force shall cease to exist on January 15, 2024.

(g) Compensation and reimbursement.

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

(2) Other members of the Task Force shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than six meetings.

(3) Payments to members of the Task Force authorized under this subsection shall be made from monies appropriated to the General Assembly.

(h) In fiscal year 2024, it is the intent of the General Assembly to appropriate funds, if available, from the General Fund to the Department of Housing and Community Development to provide financial support for home repair, home improvement, housing transition, park infrastructure, legal assistance, and technical assistance.

* * * Vermont Housing Finance Agency * * *

Sec. 33. 2022 Acts and Resolves No. 182, Sec. 2 is amended to read:

Sec. 2. FIRST-GENERATION HOMEBUYER; IMPLEMENTATION;
APPROPRIATION

(a) Guidelines. The Vermont Housing Finance Agency shall adopt guidelines and procedures for the provision of grants to first-generation homebuyers pursuant to 32 V.S.A. § 5930u(b)(3)(D) consistent with the criteria of the Down Payment Assistance Program implemented pursuant to 32 V.S.A. § 5930u(b)(3) and with this section.

(b) As used in this section and 32 V.S.A. § 5930u(b)(3)(D), a “first-generation homebuyer” means ~~an applicant~~ a homebuyer who self-attests that the ~~applicant~~ homebuyer is an individual:

(1)(A) whose parents or legal guardians:

(A) do not have and during the homebuyer’s lifetime have not had any present residential ownership interest in any State state; and or

(B) whose spouse, or domestic partner, and each member of whose household has not, during the three-year period ending upon acquisition of the eligible home to be acquired, had any present ownership interest in a principal residence in any State lost ownership of a home due to foreclosure, short sale, or deed-in-lieu of foreclosure and have not owned a home since that loss; or

(2) ~~is an individual~~ who has at any time been placed in foster care.

* * *

Sec. 34. FIRST GENERATION HOMEBUYER; APPROPRIATION

In fiscal year 2024, it is the intent of the General Assembly to appropriate funds, if available, from the General Fund to the Vermont Housing Finance Agency for grants through the First Generation Homebuyer Program.

* * * Middle-Income Homeownership
Development Program * * *

Sec. 35. REPEAL

2022 Acts and Resolves No. 182, Sec. 11 is repealed.

Sec. 36. MIDDLE-INCOME HOMEOWNERSHIP DEVELOPMENT
PROGRAM

(a) The Vermont Housing Finance Agency shall establish a Middle-Income Homeownership Development Program pursuant to this section.

(b) As used in this section:

(1) “Affordable owner-occupied housing” means owner-occupied housing identified in 26 U.S.C. § 143(c)(1) or that qualifies under Vermont Housing Finance Agency criteria governing owner-occupied housing.

(2) “Income-eligible homebuyer” means a Vermont household with annual income that does not exceed 150 percent of area median income.

(c) The Agency shall use the funds appropriated in this section to provide subsidies for new construction or acquisition and substantial rehabilitation of affordable owner-occupied housing for purchase by income-eligible homebuyers.

(d) The total amount of subsidies for a project shall not exceed 35 percent of eligible development costs, as determined by the Agency, which the Agency may allocate consistent with the following:

(1) Developer subsidy. The Agency may provide a direct subsidy to the developer, which shall not exceed the difference between the cost of development and the market value of the home as completed.

(2) Affordability subsidy. Of any remaining amounts available for the project after the developer subsidy, the Agency may provide a subsidy for the benefit of the homebuyer to reduce the cost of purchasing the home, provided that:

(A) the Agency includes conditions in the subsidy, or uses another legal mechanism, to ensure that, to the extent the home value has risen, the amount of the subsidy remains with the home to offset the cost to future homebuyers; or

(B) the subsidy is subject to a housing subsidy covenant, as defined in 27 V.S.A. § 610, that preserves the affordability of the home for a period of 99 years or longer.

(3) The Agency shall allocate not less than 33 percent of the funds available through the Program to projects that include a housing subsidy covenant consistent with subdivision (2)(B) of this subsection.

(e) The Agency shall adopt a Program plan that establishes application and selection criteria, including:

(1) project location;

(2) geographic distribution;

(3) leveraging of other programs;

- (4) housing market needs;
- (5) project characteristics, including whether the project includes the use of existing housing as part of a community revitalization plan;
- (6) construction standards, including considerations for size;
- (7) priority for plans with deeper affordability and longer duration of affordability requirements;
- (8) sponsor characteristics;
- (9) energy efficiency of the development; and
- (10) the historic nature of the project.

(f)(1) When implementing the Program, the Agency shall consult stakeholders and experts in the field.

(2) The Program shall include:

(A) a streamlined and appropriately scaled application process;

(B) an outreach and education plan, including specific tactics to reach and support eligible applicants, especially those from underserved regions or sectors;

(C) an equitable system for distributing investments statewide on the basis of need according to a system of priorities that includes consideration of:

(i) geographic distribution;

(ii) community size;

(iii) community economic need; and

(iv) whether an application has already received an investment or is from an applicant in a community that has already received Program funding.

(3) The Agency shall use its best efforts to ensure:

(A) that investments awarded are targeted to the geographic communities or regions with the most pressing economic and employment needs; and

(B) that the allocation of investments provides equitable access to the benefits to all eligible geographical areas.

(g) The Agency may assign its rights under any investment or subsidy made under this section to the Vermont Housing and Conservation Board or any State agency or nonprofit organization qualifying under 26 U.S.C. §

501(c)(3), provided such assignee acknowledges and agrees to comply with the provisions of this section.

(h) The Department shall report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs on the status of the Program annually, on or before January 15.

Sec. 37. MIDDLE-INCOME HOMEOWNERSHIP; IMPLEMENTATION

The duty to implement Sec. 36 of this act is contingent upon an appropriation of funds in fiscal year 2024 from the General Fund to the Department of Housing and Community Development for a subgrant to the Vermont Housing Finance Agency for the Middle-Income Homeownership Development Program.

* * * Rental Housing Revolving Loan Program * * *

Sec. 38. RENTAL HOUSING REVOLVING LOAN PROGRAM

(a) Creation; administration. The Vermont Housing Finance Agency shall design and implement a Rental Housing Revolving Loan Program and shall create and administer a revolving loan fund to provide subsidized loans for rental housing developments that serve middle-income households.

(b) Loans; eligibility; criteria.

(1) The Agency shall adopt processes, procedures, and guidelines to implement the Program consistent with this section, including a simple application process that is accessible to small developers, builders, and contractors.

(2)(A) To be eligible for a subsidized loan through the Program, a project shall create two or more new rental housing units, which may include market rate and affordable units, provided that at least 25 percent of the units in the project are affordable to a household earning between 65 and 150 percent of the applicable area median income.

(B) Projects may include new construction, acquisition with substantial rehabilitation, and preservation of naturally occurring affordable housing.

(3) A loan is available only for the costs of the project allocable to the affordable units.

(4)(A) The Agency shall calculate the maximum amount of a loan, which shall not exceed the lesser of:

(i) 35 percent of the costs of the project allocable to the affordable units; or

(ii) the following amounts based on area median income bands:

(I) \$150,000.00 per unit for each unit that is affordable to a household earning from 65 percent to 80 percent of area median income; and

(II) \$100,000.00 per unit for each unit that is affordable to a household earning from 81 to 150 percent of area median income.

(B) The Agency shall adopt and implement a method to adjust the values specified in subdivision (A)(ii) of this subdivision (4) at least annually for inflation and may adopt a smoothing mechanism to adjust the maximum loan values within each band based on levels of affordability.

(5) The Agency shall determine the term and interest rate of a loan. The Agency may adopt one or more mechanisms to provide an enhanced subsidy to incentivize projects, including:

(A) a lower interest rate;

(B) an interest-only option with deferred principal repayment; and

(C) partial loan forgiveness.

(6) The Agency shall adopt a Program plan that allows for an enhanced subsidy for a project that meets one or more of the following:

(A) The project receives five percent or more of the total funding from an employer or employer-capitalized loan or grant.

(B) The project receives five percent or more of the total funding from a municipal or regional housing fund, local fiscal recovery fund, or other form of community investment.

(C) The project utilizes tax-exempt bond funding or federal low-income housing tax credits for at least 20 percent of the project's total units.

(D) The project is small in scale and provides infill development within a historic settlement pattern.

(7) The Agency shall use one or more legal mechanisms to ensure that:

(A) a subsidized unit remains affordable to a household earning the applicable percent of area median income for the longer of:

(i) seven years; or

(ii) full repayment of the loan plus three years; and

(B) during the affordability period determined pursuant to subdivision (A) of this subdivision (7), the annual increase in rent for a subsidized unit does not exceed three percent.

(c) Program design.

(1) When designing and implementing the Program, the Agency shall consult stakeholders and experts in the field.

(2) The Program shall include:

(A) a streamlined and appropriately scaled application process;

(B) an outreach and education plan, including specific tactics to reach and support eligible applicants, especially those from underserved regions or sectors;

(C) an equitable system for distributing investment statewide on the basis of need according to a system of priorities that includes consideration of:

(i) geographic distribution;

(ii) community size;

(iii) community economic need; and

(iv) whether an application has already received an investment or is from an applicant in a community that has already received Program funding.

(3) The Agency shall use its best efforts to ensure:

(A) that investments are targeted to the geographic communities or regions with the most pressing economic and employment needs; and

(B) that the allocation of investments provides equitable access to the benefits to all eligible geographical areas.

(d) Revolving funds. The Agency shall retain payments of principal, interest, and any fees in a revolving loan fund, the amounts of which it shall use to issue future loans through the Program.

(e) The Agency shall report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs on the status of the Program annually, on or before January 15.

**Sec. 39. RENTAL HOUSING REVOLVING LOAN PROGRAM;
IMPLEMENTATION**

The duty to implement Sec. 38 of this act is contingent upon an appropriation of funds in fiscal year 2024 from the General Fund to the Department of Housing and Community Development for a subgrant to the Vermont Housing Finance Agency for the Rental Housing Revolving Loan Program.

* * * Vermont Rental Housing Improvement Program * * *

Sec. 40. 10 V.S.A. § 699 is amended to read:

§ 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

(a) Creation of Program.

(1) The Department of Housing and Community Development shall design and implement the Vermont Rental Housing Improvement Program, through which the Department shall award funding to statewide or regional nonprofit housing organizations, or both, to provide competitive grants and forgivable loans to private landlords for the rehabilitation, including weatherization and accessibility improvements, of eligible rental housing units.

(2) The Department shall develop statewide standards for the Program, including factors that partner organizations shall use to evaluate applications and award grants and forgivable loans.

(3) A landlord shall not offer a unit created through the Program as a short-term rental, as defined in 18 V.S.A. § 4301, for the period a grant or loan agreement is in effect.

(b) Eligible rental housing units. The following units are eligible for a grant or forgivable loan through the Program:

(1) Non-code compliant.

(A) The unit is an existing unit, whether or not occupied, that does not comply with the requirements of applicable building, housing, or health laws.

(B) If the unit is occupied, the grant or forgivable loan agreement shall include terms:

(i) that prohibit permanent, involuntary displacement of the current residents;

(ii) that provide for the temporary relocation of the current residents if necessary to perform the rehabilitation; and

(iii) that ensure that the landlord complies with the affordability requirements of the Program following the rehabilitation.

(2) New accessory dwelling units. The unit will be:

(A) a newly created accessory dwelling unit that meets the requirements of 24 V.S.A. § 4412(1)(E);

(B) a newly created unit within an existing structure;

(C) a newly created residential structure that is a single unit; or

(D) a newly created unit within a newly created structure that contains five or fewer residential units.

(c) Administration. The Department shall require a housing organization that receives funding under the Program to adopt:

(1) a standard application form that describes the application process and includes instructions and examples to help landlords apply;

(2) an award process that ensures equitable selection of landlords, subject to a housing organization's exercise of discretion based on the factors adopted by the Department pursuant to subsection (a) of this section; and

(3) a grant and loan management system that ensures accountability for funds awarded.

(d) Program requirements applicable to grants and forgivable loans.

(1) A grant or loan shall not exceed \$50,000.00 per unit. In determining the amount of a grant or loan, a housing organization shall consider the number of bedrooms in the unit and whether the unit is being rehabilitated or newly created.

(2) A landlord shall contribute matching funds or in-kind services that equal or exceed 20 percent of the value of the grant or loan.

(3) A project may include a weatherization component.

(4) A project shall comply with applicable building, housing, and health laws.

(5) The terms and conditions of a grant or loan agreement apply to the original recipient and to a successor in interest for the period the grant or loan agreement is in effect.

(6) The identity of a recipient and the amount of a grant or forgivable loan are public records that shall be available for public copying and inspection and the Department shall publish this information at least quarterly on its website.

(e) Program requirements applicable to grants. For a grant awarded ~~under subdivision (b)(1) of this section for a unit that is non-code compliant through the Program~~, the following requirements apply for a minimum period of five years:

(1) A landlord shall coordinate with nonprofit housing partners and local coordinated entry organizations to identify potential tenants.

(2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a landlord shall lease the unit to a household that is exiting homelessness or actively working with an immigrant or refugee resettlement program.

(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household exiting homelessness is not available to lease the unit, then the landlord shall lease the unit:

(i) to a household with an income equal to or less than 80 percent of area median income; or

(ii) if such a household is unavailable, to another household with the approval of the Department or housing organization.

(3)(A) A landlord shall accept any housing vouchers that are available to pay all, or a portion of, the tenant's rent and utilities.

(B) If no housing voucher or federal or State subsidy is available, the total cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development.

(4)(A) A landlord may convert a grant to a forgivable loan upon approval of the Department and the housing organization that approved the grant.

(B) A landlord who converts a grant to a forgivable loan shall receive a 10-percent credit for loan forgiveness for each year in which the landlord participates in the grant program.

(f) Requirements applicable to forgivable loans. For a forgivable loan awarded ~~under subdivision (b)(1) of this section for a unit that is non-code compliant through the Program~~, the following requirements apply for a minimum period of 10 years:

(1)(A) A landlord shall accept any housing vouchers that are available to pay all, or a portion of, the tenant's rent and utilities.

(B) If no housing voucher or federal or State subsidy is available, the cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development.

(2) The Department shall forgive 10 percent of the amount of a forgivable loan for each year a landlord participates in the loan program.

(g) ~~Requirements for an accessory dwelling unit.~~

~~(1) For a grant or forgivable loan awarded under subdivision (b)(2) of this section for a unit that is a new accessory dwelling unit the total cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development.~~

~~(2) A landlord shall not offer an accessory dwelling unit created through the Program as a short-term rental, as defined in 18 V.S.A. § 4301. [Repealed.]~~

(h) Lien priority. A lien for a grant converted to a loan or for a forgivable loan issued pursuant to this section is subordinate to:

(1) a lien on the property in existence at the time the lien for rehabilitation and weatherization of the rental housing unit is filed in the land records; and

(2) a first mortgage on the property that is refinanced and recorded after the lien for rehabilitation and weatherization of the rental housing unit is filed in the land records.

Sec. 41. VHIP; IMPLEMENTATION

In fiscal year 2024 it is the intent of the General Assembly to appropriate funding, if available, from the General Fund to the Department of Housing and Community Development for the Vermont Rental Housing Improvement Program.

Sec. 42. VERMONT HOUSING AND CONSERVATION BOARD; APPROPRIATION OF AVAILABLE FUNDING

In fiscal year 2024, it is the intent of the General Assembly to appropriate additional funding, if available, from the General Fund to the Vermont Housing and Conservation Board to provide affordable mixed-income income rental housing and homeownership units; improvements to manufactured homes and communities; recovery residences; and, if determined eligible, housing available to farm workers and refugees. VHCB shall also use the funds for shelter and permanent homes for those experiencing homelessness in consultation with the Secretary of Human Services.

* * * Housing Stabilization * * *

Sec. 43. RENTAL HOUSING STABILIZATION SERVICES

(a) Creation; purpose. The Champlain Valley Office of Economic Opportunity shall create and administer a Rental Housing Stabilization Services Program to provide tenants and landlords with access to services and programs that assist in preserving a tenancy and avoid eviction, including eligibility screening, direct referral, and follow-up services.

(b) Eligibility. A tenant or landlord is eligible to contact the Office at any time prior to the filing of a summons and complaint for eviction or through court referral.

(c) Screening. The Office shall employ resource specialists who shall assess landlords and tenants for availability and eligibility for statewide or local assistance, including:

(1) repair funds;

(2) the Rent Arrears Assistance Fund established;

(3) Housing Opportunity Grant Program funds;

(4) the Vermont Housing Improvement Program;

(5) existing State or federally funded project- or tenant-based subsidies;

(6) existing Economic Service Division programs;

(7) legal counsel at Vermont Legal Aid or Legal Services Vermont for tenants and through the Vermont Lawyer Referral Service for tenants or landlords;

(8) voluntary mediation;

(9) housing education and skills-building programs; and

(10) other available housing resources as needed.

(d) Referral. The Office shall:

(1) assist callers in contacting organizations operating programs or available resources for which the caller may be eligible; and

(2) provide support and follow-up services and work with partner organizations to ensure effective participation in identified programs and services.

(e) Implementation. The duty to implement this section is contingent upon an appropriation in fiscal year 2024 from the General Fund to the Office of Economic Opportunity within the Department for Children and Families for a subgrant to Champlain Valley Office of Economic Opportunity to administer the Rental Housing Stabilization Services Program pursuant to this section.

Sec. 44. TENANT REPRESENTATION PILOT PROGRAM

(a) Creation; purpose. Vermont Legal Aid shall create and administer a two-year Tenant Representation Pilot Program:

(1) to provide full representation to eligible and consenting tenants in Lamoille and Windsor counties who have been served with a summons and

complaint for eviction; and

(2) to determine the impact of representation on the issuance of writs of possession and homelessness prevention.

(b) Tenant eligibility. Vermont Legal Aid may enter a notice of appearance on behalf of a residential tenant in Lamoille or Windsor County who is served with a summons and complaint in an ejectment action, consents to the representation, and meets the following criteria:

(1) household income equals or is less than 120 percent of State area median income;

(2) the cost of rent equals or exceeds 30 percent of household income;

or

(3) household expenses exceed income.

(c) Scope of representation.

(1) Full representation through the Program is limited to eviction.

(2) The pursuit of counterclaims shall be at the discretion of appointed counsel.

(d) Conflicts of interest.

(1) Vermont Legal Aid may subcontract to Legal Services Vermont if it is unable to provide tenant representation due to a conflict of interest as defined by the Vermont Rules of Professional Conduct.

(2) If Legal Services Vermont also has a conflict of interest, Vermont Legal Aid may subcontract to one or more private counsels who are members in good standing of the Vermont Bar.

(e) Report. Vermont Legal Aid shall provide interim reports on the progress of the Program on or before November 15, 2023 and November 15, 2024 and a final report on or before July 30, 2025, which shall describe:

(1) the number of tenants represented;

(2) case outcomes, including:

(A) the number of cases fully or partially resolved through access to the Rent Arrears Assistance Fund;

(B) the number of cases fully or partially resolved through the Vermont Landlord's Association mediation program; and

(C) the number of cases fully or partially resolved through access to another resource identified through the Rental Housing Stabilization Services

Program; and

(3) recommendations for policy changes and for pilot expansion.

(f) Implementation. The duty to implement this section is contingent upon an appropriation in fiscal year 2024 from the General Fund to the Agency of Human Services for a subgrant to Vermont Legal Aid to provide representation in eligible eviction cases in the two pilot counties of Lamoille and Windsor beginning on July 1, 2023.

Sec. 45. RENT ARREARS ASSISTANCE FUND

(a) Creation; purpose. The Vermont State Housing Authority shall create and administer a Rent Arrears Assistance Fund to provide funds to prevent eviction in cases involving nonpayment of rent from residential rental units subject to 9 V.S.A. chapter 137 and mobile home lot rentals subject to 10 V.S.A. chapter 153.

(b) Tenant eligibility. The Vermont State Housing Authority shall establish eligibility guidelines for the Fund that ensure a streamlined application process, including certification of past due rent and that tenants are at risk of eviction, which shall address the following:

(1) Eligibility. Financial eligibility criteria that consider area median income, rent burden, and ratio of household expenses to income up to 100 percent of area median income for the current federal fiscal year.

(2) Sustainability. Standards for assessing whether the tenancy is sustainable while retaining a simple and straightforward application.

(3) Referral. If the tenancy is not sustainable, the parties shall be referred to the Rental Housing Stabilization Services Program for assistance in exploring other resources or services and to apply for a housing choice voucher.

(c) Funds available.

(1) The Fund shall disburse only the amount necessary to cure the tenant's rent arrears, and, if necessary, court costs, and attorney's fees capped at an amount set by the Authority.

(2) The Fund is available on a first-come, first-served basis to eligible tenants until the Fund is exhausted.

(d) Application.

(1) The Authority shall create a plain language form to collect only information necessary to assess eligibility and provide clear instructions to help tenants and landlords apply.

(2) The tenant shall certify all information on the application.

(3) The Authority shall provide assistance in completing the application, either directly or through referral to Vermont Legal Aid.

(4) The Authority shall adopt guidelines and implement a process that ensures:

(A) equitable and prompt approval of applications;

(B) notice of grant decisions within 10 days; and

(C) decisions on appeals within 10 days.

(e) Status of eviction pending application.

(1) If an eviction case is filed, the tenant or the landlord shall notify the court when an application for Fund assistance is pending.

(2) Upon receiving notice that an application for Fund assistance is pending, the court shall set a status conference within 30 days.

(3) While the application is pending, the landlord shall not issue a new notice to quit or file or serve a new summons and complaint.

(f) Disbursement. The Authority shall disburse amounts from the Fund directly to the landlord.

(g) Conditions for disbursement of funds. The Authority shall establish guidelines for ensuring habitability, limitation on rent increases, documentation for direct deposit, and dismissal of cases, including the following:

(1) Habitability. The Authority shall adopt guidelines for identifying violations of the Rental Housing Health Code and certifying that necessary repairs to remediate the violations will be completed within 30 days or pursuant to a plan developed for the remediation and approved by the Authority.

(2) Documentation for direct deposit. The landlord shall provide the Authority, on a form provided by the Authority, necessary banking information to enable direct deposit of monies from the Fund.

(3) Dismissal. The Authority shall adopt guidelines for disbursement to ensure that complaints based on nonpayment of rent and complaints for no cause are dismissed, whether there is a single or multiple pending complaints.

(4) Notification form.

(A) The Authority shall adopt and provide to landlords and tenants a standardized notification form that shows amounts paid for each category of

disbursement and date of payment.

(B) The form shall allow the landlord or tenant to easily notify the court and request a dismissal due to payment.

(C) The form shall outline any certifications established in Authority guidance that both parties have made as a part of their application, along with the date of those certifications.

(h) Implementation. The duty to implement this section is contingent upon an appropriation in fiscal year 2024 from the General Fund to the Vermont State Housing Authority to create and administer the Rent Arrears Assistance Fund pursuant to this section.

* * * Lead Inspectors; Financial Responsibility * * *

Sec. 46. 18 V.S.A. § 1764 is amended to read:

§ 1764. LEAD INSPECTORS; FINANCIAL RESPONSIBILITY

(a) The Commissioner shall require that a licensee or an applicant for a license under subsection 1752(e) of this chapter provide evidence of ability to indemnify properly a person who suffers damage from lead-based paint activities or RRPM activities such as proof of effective liability insurance coverage or a surety bond in an amount to be determined by the Commissioner, which shall not be less than \$300,000.00. This section shall not restrict or enlarge the liability of any person under any applicable law.

(b) Owners of rental target housing who personally perform all work under this chapter on properties in which they have an interest shall be exempt from subsection (a) of this section.

* * * Effective Dates * * *

Sec. 47. EFFECTIVE DATES

This act shall take effect on July 1, 2023, except that:

(1) Secs. 1 (24 V.S.A. § 4414) and 2 (24 V.S.A. § 4412) shall take effect on December 1, 2024, except for subdivision (1)(D) of Sec. 2, which shall take effect on July 1, 2023.

(2) Sec. 3 (24 V.S.A. § 4413) shall take effect on September 1, 2023.

(3) Sec. 46 (lead inspectors) shall take effect on passage.

Report of Committee of Conference

S. 14.

An act relating to a report on criminal justice-related investments and trends.

To the Senate and House of Representatives:

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

S.14. An act relating to a report on criminal justice-related investments and trends.

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

Sec. 1. 28 V.S.A. § 125 is amended to read:

§ 125. ~~JUSTICE REINVESTMENT II INITIATIVES~~ CRIMINAL JUSTICE INVESTMENTS AND TRENDS; REPORT

(a) Intent. It is the intent of the General Assembly that the report on Vermont's criminal justice investments and trends required under this section assist in the systemic assessment of the State's Justice Reinvestment and justice reform efforts and initiatives to inform future legislative policy and fiscal decisions.

(b) Definitions. As used in this section:

(1) "Arrest" means when a person is seized by law enforcement, charged with the commission of an offense, and referred for prosecution.

(2) "Clearance" means the process by which a law enforcement agency closes an offense by arrest or exceptional means in accordance with the Federal Bureau of Investigation's Uniform Crime Reporting Program.

(3) "Desistance" means the process by which criminality, or the individual risk for antisocial conduct, declines over the life-course of the individual, generally after adolescence.

(4) "Exceptional means" means the death of the offender, the victim's refusal to cooperate with the prosecution after the offender is identified, the denial of extradition because the offender committed a crime in another jurisdiction and is being prosecuted for that offense, or other circumstance in

accordance with the Federal Bureau of Investigation's Uniform Crime Reporting Program.

(5) "Recidivism" has the same meaning as in section 4 of this title.

(c) Report.

(1) On or before January ~~November~~ 15 each year, 2024 and every three years thereafter, the Commissioner of Corrections Vermont Statistical Analysis Center (SAC), in consultation with the Commissioners of Corrections, of Health, of Mental Health, of Public Safety, of Labor, and for Children and Families and; the Attorney General; the Defender General; the Chief Superior Judge of the Superior Court; the Division of Racial Justice Statistics; the Executive Director of the Department of State's Attorneys and Sheriffs; and the Parole Board Director, shall submit a report to the House Committees on Appropriations, on Judiciary, and on Corrections and Institutions and, the Senate Committees on Appropriations and on Judiciary detailing the expenditures on Justice Reinvestment II and the following related initiatives:

(1) — funding for domestic violence intervention programming in the Department of Corrections;

(2) — funding for offender transitional housing capacity with the Department of Corrections and other departments;

(3) — funding for the Department of Correction's data collection Offender Management System;

(4) — funding for community-based mental health and substance use services for individuals under Department of Corrections supervision;

(5) — funding provided for diversion and restorative justice programs including community justice centers, court diversion, and balanced and restorative justice (BARJ); and

(6) — funding and a description of any other General Fund expenditures for Justice Reinvestment II initiatives, the Joint Legislative Justice Oversight Committee, and the Executive Director of the Office of Racial Equity examining the trends associated with Vermont's criminal justice-related investments and expenditures since the last report was submitted pursuant to this section.

(2) The report required pursuant to subdivision (1) of this subsection shall include data showing:

(A) recidivism rates;

(B) clearance rates;

(C) evidence of desistance, including successful completion of community supervision;

(D) returns to incarceration from community supervision with the following relevant data points:

(i) community supervision type, classified by probation, parole, and furlough;

(ii) an indication if a return was for a violation or a new charge, including the crime type;

(iii) an indication if a violation was classified as “significant/not violent” or “significant and violent” for any applicable statuses; and

(iv) all available demographic information;

(E) bail rates, including detainees held without bail, detainees held with bail and the associated monetary amounts, and bailees who post bail and are released;

(F) pretrial detainees held in Vermont correctional facilities, including the crime type and jurisdiction for which they are held;

(G) the funding for, and utilization of, substance use disorder treatment, mental health, educational, and vocational initiatives for incarcerated individuals; and

(H) the funding for, and utilization by, individuals served through Justice Reinvestment II and related initiatives, including:

(i) domestic violence intervention programming in the Department of Corrections, including the results from the evaluation framework between the Vermont Network Against Domestic and Sexual Violence and the University of Nebraska;

(ii) offender transitional housing capacity with the Department of Corrections and other departments;

(iii) advancements to the Department of Corrections’ data collection Offender Management System;

(iv) agencies, departments, municipalities, programs, and services employing restorative justice principles, including community justice centers;

(v) other General Fund expenditures for Justice Reinvestment II initiatives;

(vi) the Department of Corrections' out-of-state beds contracted by the Department and the average cost per bed in fiscal year 2019 and for each fiscal year thereafter; and

(vii) the Department of Corrections' in-state beds, separated by gender, including specialty units and units closed or unavailable in fiscal year 2019 and for each fiscal year thereafter.

~~(b) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.~~

(d) Informational availability.

(1) The information required pursuant to subsection (c) of this section shall include race, gender, age, and other demographic variables whenever possible.

(2) The report required pursuant to subsection (c) of this section shall explain any obstacles or impediments to the availability and collectability of data required pursuant to this section, including whether collecting certain data would put particular populations at risk, along with the substance use and mental health needs and educational and vocational status of justice-involved individuals.

(e) Data sharing. Notwithstanding any provision of law to the contrary, all State and local agencies and departments that possess the data necessary to compile the report required pursuant to this section shall, upon request, provide SAC with any data that it determines is relevant to the report. The obligation to disclose shall supersede any other legal obligation with respect to the data required pursuant to this section, and a department, agency, or other entity shall not decline to disclose data required based on any other purported legal obligation.

(f) Confidentiality. Any data or records transmitted to or obtained by SAC are exempt from public inspection and copying under the Public Records Act and shall be confidential to the extent required by law unless and until the data or records are included in the report required by this section. A State or local agency or department that transmits data or records to SAC shall be the sole records custodian for purposes of responding to requests for the data or records. SAC may direct any request for these data or records to the transmitting agency or department for response.

Sec. 2. 28 V.S.A. § 126 is added to read:

§ 126. COORDINATED JUSTICE REFORM ADVISORY COUNCIL

(a) Creation. There is created the Coordinated Justice Reform Advisory Council to establish a unified and collaborative State approach to support State and local community-based programs and services that are consistent with Vermont's restorative justice policy pursuant to section 2a of this title. The Council shall consult with State and local partners to use a data-driven approach that improves public safety, reduces correctional and criminal justice spending, and reinvests savings or redirects funding in strategies that foster desistance or decrease crime, delinquencies, and recidivism.

(b) Membership. The Coordinated Justice Reform Advisory Council shall be composed of the following members:

(1) the Attorney General or designee with experience in community and restorative justice;

(2) the Chief Superior Judge of the Vermont Superior Court or designee;

(3) the Commissioner of Corrections or designee;

(4) the Commissioner for Children and Families or designee;

(5) the Executive Director of the Vermont Center for Crime Victim Services or designee;

(6) the Executive Director of the Vermont Statistical Analysis Center or designee;

(7) the Executive Director of the Office of Racial Equity or designee;

(8) one current member of the House of Representatives selected from the Joint Legislative Justice Oversight Committee, appointed by the Speaker of the House; and

(9) one current member of the Senate selected from the Joint Legislative Justice Oversight Committee, appointed by the Committee on Committees.

(c) Powers and duties. The Coordinated Justice Reform Advisory Council shall:

(1) review and provide data-driven recommendations for the priorities and appropriations necessary to support a unified and collaborative State approach in accordance with subsection (a) of this section;

(2) review all relevant government appropriations, reauthorizations, and allocations made during the most recent fiscal year;

(3) consult with Department of Mental Health; the Department of State's Attorneys and Sheriffs; the Office of the Defender General; the Parole Board; the Office of the Child, Youth, and Family Advocate; the Vermont Network Against Domestic and Sexual Violence; the Racial Disparities in the Criminal and Juvenile Justice System Advisory Panel; individuals with lived experience in the criminal justice system recommended by the American Civil Liberties Union of Vermont; and community justice entities that receive State funding for programs and services employing restorative justice principles on the potential uses and priorities of funding in accordance with subsection (a) of this section;

(4) consistent with subsection (a) of this section, consider opportunities and make recommendations to establish a sustainable planning and funding structure to administer State and local community-based programs and services and modern data collection systems; and

(5) on or before September 1, 2023 and annually thereafter, recommend to the Commissioner of Corrections the appropriate allocation of not more than \$900,000.00 from the Justice Reinvestment II line item of the Department of Corrections' budget for the upcoming fiscal year to support community-based programs and services, related data collection and analysis capacity, and other initiatives in accordance with subsection (a) of this section.

(d) Assistance. The Coordinated Justice Reform Advisory Council shall have the administrative, technical, and legal assistance of the Office of the Attorney General, the Department of Corrections, and the Department for Children and Families for those issues and services within the jurisdiction of the respective office or department.

(e) Reports. On or before November 15, 2023 and annually thereafter, the Coordinated Justice Reform Advisory Council shall submit recommendations pursuant to subdivisions (c)(4) and (c)(5) of this section to the Joint Legislative Justice Oversight Committee; the Senate Committees on Appropriations and on Judiciary; and the House Committees on Appropriations, on Corrections and Institutions, and on Judiciary. Any recommendations submitted pursuant to subdivision (c)(4) shall be in the form of proposed legislation.

(f) Meetings; officers; committees; rules; compensation; term.

(1) The Chief Superior Judge of the Vermont Superior Court or designee shall call the first meeting of the Coordinated Justice Reform Advisory Council on or before July 15, 2023.

(2) The Council shall meet not more than six times per year.

(3) The Chief Superior Judge of the Vermont Superior Court or designee shall serve as the Chair of the Council.

(4) The Council may elect additional officers from its members, establish committees or subcommittees, and adopt procedural rules or bylaws as necessary and appropriate to perform its work.

(5) Members who are appointed to the Council shall be appointed for terms of three years, except that the Commissioners of Corrections and for Children and Families and members appointed by the Speaker of the House of Representative and the Senate Committee on Committees shall be appointed for a term of two years. Initial appointments shall be made such that the Commissioners of Corrections and for Children and Families and the members appointed by the Speaker of the House of Representative and the Senate Committee on Committees shall be appointed for a term of one year. Members shall hold office for the term of their appointments until their successors have been appointed. Vacancies on the Council shall be filled for the remaining period of the term in the same manner as initial appointments. Members are eligible for reappointment.

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

(7) Members of the Council who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than six meetings per year.

(8) Council meetings shall be subject to the Open Meeting Law.

Sec. 3. 28 V.S.A. § 102(c) is amended to read:

(c) The Commissioner is charged with the following responsibilities:

* * *

(23) To include the Coordinated Justice Reform Advisory Council's appropriation recommendations made pursuant to subdivision 126(c)(5) of this title in the Department's annual proposed budget for the purposes of developing the State budget required to be submitted to the General Assembly in accordance with 32 V.S.A. § 306.

Sec. 4. REPEALS

(a) 28 V.S.A. 102(c)(23) (Commissioner of Corrections' responsibility to incorporate Coordinated Justice Reform Advisory Council's recommendations into the Department's budget) is repealed on July 1, 2028.

(b) 28 V.S.A. § 125 (criminal justice investments and trends; report) is repealed on July 1, 2028.

(c) 28 V.S.A. § 126 (Coordinated Justice Reform Advisory Council) is repealed on July 1, 2028.

Sec. 5. EFFECTIVE DATES

This act shall take effect on July 1, 2023, except that Secs. 1 (criminal justice investments and trends; report) and 4(b) (prospective repeal of 28 V.S.A. § 125) shall take effect on passage.

*NADER A. HASHIM
TANYA C. VYHOVSKY
ROBERT W. NORRIS*

Committee on the part of the Senate

*KAREN DOLAN
MARTIN J. LALONDE
THOMAS B. BURDITT*

Committee on the part of the House

CONCURRENT RESOLUTIONS FOR ACTION

Concurrent Resolutions For Action Under Joint Rule 16

The following joint concurrent resolutions have been introduced for approval by the Senate and House. They will be adopted by the Senate unless a Senator requests floor consideration before the end of the session. Requests for floor consideration should be communicated to the Secretary's Office.

S.C.R. 6 - 7 (For text of Resolutions, see Addendum to Senate Calendar for May 11, 2023)

H.C.R. 115 - 127 (For text of Resolutions, see Addendum to House Calendar for May 11, 2023)

CONFIRMATIONS

The following appointments will be considered by the Senate, as a group, under suspension of the Rules, as moved by the President *pro tempore*, for confirmation together and without debate, by consent thereby given by the Senate. However, upon request of any senator, any appointment may be singled out and acted upon separately by the Senate, with consideration given to the report of the Committee to which the appointment was referred, and with full debate; and further, all appointments for the positions of Secretaries of Agencies, Commissioners of Departments, Judges, Magistrates, and

members of the Public Utility Commission shall be fully and separately acted upon.

Eric Peterson of South Burlington - Member, Community High School of Vermont Board - By Senator Gulick for the Committee on Education (5/8/23)

Joan Lenex of Shelburne - Member, Community High School of Vermont Board - By Senator Gulick for the Committee on Education (5/12/23)

Stuart Recicar of Colchester - Member, Community High School of Vermont Board - By Senator Gulick for the Committee on Education (5/12/23)

Frank Cioffi of St. Albans - Trustee, University of Vermont and State Agricultural College Board of Trustees - By Senator Gulick for the Committee on Education (5/12/23)

Julia Brand of Dorset - Member, Children and Family Council for Prevention Programs - By Senator Weeks for the Committee on Health and Welfare (5/15/22)

David Coddair, MD of Morrisville - Member, Board of Medical Practice - By Senator Weeks for the Committee on Health and Welfare (5/15/22)

Matthew Bernstein of Winooski - Child, Youth, and Family Advocate, Office of Child Youth, and Family Advocate - By Senator Lyons for the Committee on Health and Welfare (5/15/22)

David Marvin of Hyde Park - Member, Vermont Economic Development Authority - By Senator Bray for the Committee on Finance (5/15/23)

Fred Baser of Bristol - Member, Vermont Housing Finance Agency - By Senator McCormack for the Committee on Finance (5/15/23)

Marie Milord-Ajanma of Waterbury - Member, Vermont Housing Finance Agency - By Senator McCormack for the Committee on Finance (5/15/23)

Thomas Leavitt of Waterbury - Member, Vermont Housing Finance Agency - By Senator McCormack for the Committee on Finance (5/15/23)

Mary Alice Mackenzie of Colchester - Member, Municipal Bond Bank - By Senator Chittenden for the Committee on Finance (5/15/23)

Jeanne Morrissey of Richmond - Member, Vermont Housing Finance Agency - By Senator Chittenden for the Committee on Finance (5/15/23)

Mark Foley, Jr. of Rutland - Member, Municipal Bond Bank - By Senator Chittenden for the Committee on Finance (5/15/23)

Katie Buckley of South Burlington - Commissioner, Vermont Housing Finance Agency - By Senator Chittenden for the Committee on Finance (5/15/23)

David Coates of Colchester - Member, Municipal Bond Bank - By Senator Chittenden for the Committee on Finance (5/15/23)

Ed Ogorzalek of Rutland - Member, Vermont Educational and Health Buildings Financing Agency - By Senator MacDonald for the Committee on Finance (5/15/23)

Fred Bullock of Bellows Falls - Public Member, State Infrastructure Bank Board - By Senator MacDonald for the Committee on Finance (5/15/23)

Anita Bourgeois of Middlesex - Member, Vermont Educational and Health Buildings Financing Agency - By Senator Ram Hinsdale for the Committee on Finance (5/15/23)

Kenneth Gibbons of Hyde Park - Member, Vermont Educational and Health Buildings Financing Agency - By Senator Ram Hinsdale for the Committee on Finance (5/15/23)

Peter Elwell of Brattleboro - Member, Vermont Educational and Health Buildings Financing Agency - By Senator Ram Hinsdale for the Committee on Finance (5/15/23)

Debbie Winters of Swanton - Member, Vermont Municipal Bond Bank - By Senator Brock for the Committee on Finance (5/15/23)

Thomas Gallagher of St. Albans - Member, Vermont Economic Development Authority - By Senator Brock for the Committee on Finance (5/15/23)

Kiersten Bourgeois of Swanton - Member, Vermont Economic Development Authority - By Senator Brock for the Committee on Finance (5/15/23)

JFO NOTICE

Grants and Positions that have been submitted to the Joint Fiscal Committee by the Administration, under 32 V.S.A. §5(b)(3):

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, 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]