

# House Calendar

Tuesday, May 11, 2021

126th DAY OF THE BIENNIAL SESSION

House Convenes at 10:00 A.M.

## TABLE OF CONTENTS

Page No.

### ACTION CALENDAR

#### Unfinished Business of Monday, May 10 2021

##### Action Postponed Until May 10, 2021

##### Senate Proposal of Amendment

|   |      |
|---|------|
| <b>H. 171</b> The governance and financing of Vermont's child care system |      |
| Senate Proposal of Amendment .....  | 2225 |
| Rep. Brumsted et al Amendment.....  | 2234 |

##### Favorable with Amendment

|  |      |
|--|------|
| <b>S. 15</b> An act relating to correcting defective ballots |      |
| Rep. Copeland Hanzas for Government Operations .....         | 2235 |
| Rep. Townsend for Appropriations .....                       | 2256 |
| Rep. Toof Amendment .....                                    | 2257 |
| Rep. McCarthy of St. Albans City .....                       | 2258 |

##### Favorable

|   |      |
|---|------|
| <b>J.R.H. 6</b> Relating to racism as a public health emergency |      |
| Rep. Small for Human Services.....                              | 2259 |

##### Senate Proposal of Amendment

|   |      |
|---|------|
| <b>H. 177</b> Approval of an amendment to the charter of the City of Montpelier |      |
| Senate Proposal of Amendment .....  | 2259 |

|  |      |
|--|------|
| <b>H. 428</b> Hate-motivated crimes and misconduct |      |
| Senate Proposal of Amendment .....                 | 2259 |

|   |      |
|---|------|
| <b>H. 449</b> The membership and duties of the Vermont Pension Investment Commission and the creation of the Pension Benefits, Design, and Funding Task Force |      |
| Senate Proposal of Amendment .....  | 2260 |

**Action Postponed Until May 11, 2021**

**Senate Proposal of Amendment**

- H. 430** Expanding eligibility for Dr. Dynasaur to all income-eligible children and pregnant individuals regardless of immigration status  
Senate Proposal of Amendment ..... [2273](#)
- H. 438** Capital construction and State bonding  
Senate Proposal of Amendment ..... [2275](#)

**NEW BUSINESS**

**Senate Proposal of Amendment**

- H. 426** Addressing the needs and conditions of public school facilities in the State  
Senate Prop of Amendment ..... [2278](#)
- H. 433** The Transportation Program and miscellaneous changes to laws related to transportation  
Senate Prop of Amendment ..... [2284](#)

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**ORDERS OF THE DAY**

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**ACTION CALENDAR**

**Unfinished Business of Monday, May 10 2021**

**Action Postponed Until May 10, 2021**

**Senate Proposal of Amendment**

**H. 171**

An act relating to the governance and financing of Vermont's child care system

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

\* \* \* Legislative Intent \* \* \*

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly:

(1) that immediate investments are necessary to support Vermont's economy, ensure that all families with young children have affordable access to high-quality child care and early education, and that Vermont's early childhood educators are fairly compensated and well supported; and

(2) to continue and build upon the five-year redesign of the Child Care Financial Assistance Program that began in fiscal year 2020.

\* \* \* Child Care Financial Assistance Program \* \* \*

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

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM;  
ELIGIBILITY

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

(2) The subsidy authorized by this subsection shall be ~~on a sliding scale basis. The scale shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The lower limit of the fee scale shall include families whose gross income is up to and including 100 percent of the current federal poverty guidelines. The upper income limit~~

~~of the fee scale shall be neither less than 200 percent of the current federal poverty guidelines nor more than 100 percent of the State median income, adjusted for the size of the family. Families shall be found eligible using an income eligibility scale based on the current federal poverty level and adjusted for the size of the family. Co-payments shall be assigned to the whole family and shall not increase if more than one eligible child is enrolled in child care. Families with an annual gross income of less than or equal to 150 percent of the current federal poverty guidelines shall not have a family co-payment. Families with an annual gross income up to and including 350 percent of current federal poverty guidelines, adjusted for family size, shall be eligible for a subsidy authorized by the subsection. The scale shall be structured so that it encourages employment. If the federal poverty guidelines decrease in a given year, the Division shall maintain the previous year's federal poverty guidelines for the purpose of determining eligibility and benefit amount under this subsection.~~

\* \* \*

Sec. 3. 33 V.S.A. § 3514 is amended to read:

§ 3514. PAYMENT TO PROVIDERS

\* \* \*

~~(c)(1) The payment schedule established by the Commissioner may reimburse providers in accordance with the results of the most recent Vermont Child Care Market Rate Survey.~~

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

Sec. 4. LEGISLATIVE INTENT; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

It is the intent of the General Assembly that:

(1) consideration be made in fiscal years 2023 through 2026 to progressively adjust the upper income limit of the Child Care Financial Assistance Program fee scale each year; and

(2) the co-payment at the upper limit of the income eligibility scale for a family participating in the Child Care Financial Assistance Program shall not exceed 10 percent of a family's annual gross income.

\* \* \* Bright Futures Information System \* \* \*

Sec. 5. BRIGHT FUTURES INFORMATION SYSTEM;  
MODERNIZATION PLAN

(a) To the extent funds exist in fiscal year 2022, the Department for Children and Families shall modernize the Bright Futures Information System.

(b)(1) On or before October 1, 2021, the Department for Children and Families' Child Development Division shall make every reasonable effort to achieve full functionality of the first module of the modernized Bright Futures Information System.

(2) On or before August 1, 2021, the Department for Children and Families' Child Development Division shall convene and consult with a Bright Futures Information System end-user group, composed of child care providers, eligibility specialists from community child care support agencies, families participating in the Child Care Financial Assistance Program, and any other relevant stakeholders. The Division shall provide periodic updates to the end-user group regarding the Division's progress in completing the modernization project and any successes or challenges identified once the modernized Bright Futures Information System is operational. The Division shall actively seek advice and feedback from the end-user group regarding the modernized Bright Futures Information System. The end-user group shall be dissolved following full functionality of all components of the modernized Bright Futures Information System.

\* \* \* Workforce Supports \* \* \*

Sec. 6. 33 V.S.A. chapter 35, subchapter 5 is added to read:

Subchapter 5. Workforce

§ 3541. SCHOLARSHIPS FOR CURRENT EARLY CHILDHOOD PROVIDERS

(a) There is established a need-based scholarship program for individuals employed by a regulated, privately operated center-based child care program or family child care home while acquiring credits in early childhood development or that are related directly to working with children from birth through eight years of age.

(b) The Department for Children and Families may contract for the administration of the program set forth in subsection (a) of this section and adopt policies, procedures, and guidelines necessary for its implementation.

(c) Scholarships distributed pursuant to this section shall be available on a first-come, first-served basis until any appropriated funds are depleted.

(d) An individual shall not simultaneously participate in the scholarship

program set forth in this section and the student loan repayment assistance program set forth in section 3543 of this title.

§ 3542. SCHOLARSHIPS FOR PROSPECTIVE EARLY CHILDHOOD PROVIDERS

(a)(1) There is established a need-based scholarship program for individuals pursuing a college degree in early childhood education or early childhood special education. The scholarship program shall provide financial assistance up to the full cost of tuition for an eligible individual.

(2) An eligible individual shall:

(A) attend a Vermont college or university at least part-time;

(B) be pursuing an associates or bachelor's degree in early childhood education or early childhood special education; and

(C) commit to working in a regulated, privately operated center-based child care program or family child care home in Vermont for years equal to those in which scholarship monies are sought under this section.

(b)(1) The Department for Children and Families shall adopt policies, procedures, and guidelines necessary for implementation of the program described in subsection (a) of this section.

(2) The Department may contract for the administration of the program. Administration costs shall not be more than 10 percent of the total appropriation received to implement this section.

(c)(1) Scholarships distributed pursuant to this section shall be available on a first-come, first-served basis until any appropriated funds are depleted.

(2) An eligible individual who does not work the required number of years in a regulated, privately operated center-based child care program or family child care home in Vermont after completion of the individual's degree program shall repay scholarship monies received under this section commensurate with the balance of the eligible individual's time commitment.

(d) An individual shall not simultaneously participate in the scholarship program set forth in this section and the student loan repayment assistance program set forth in section 3543 of this title.

§ 3543. STUDENT LOAN REPAYMENT ASSISTANCE

(a)(1) There is established a need-based student loan repayment assistance program for the purpose of providing student loan repayment assistance to any individual employed by a regulated, privately operated center-based child care program or family child care home.

(2) An eligible individual shall:

(A) work in a privately operated center-based child care program or in a family child care home that is regulated by the Division for at least an average of 30 hours per week for 48 weeks of the year;

(B) receive an annual salary of not more than \$50,000.00; and

(C) have earned an associates or bachelor's degree with a major concentration in early childhood, child and human development, elementary education, special education with a birth to age eight focus, or child and family services within the preceding five years.

(3) To participate in the program set forth in this section, an eligible individual shall submit to the Department for Children and Families documentation expressing the individual's intent to work in a regulated, privately operated center-based child care program or family child care home for at least the 12 months following the annual loan repayment award notification. A participant may receive up to \$4,000.00 annually in student loan repayment assistance, which shall be distributed by the Department in four allotments. The Department shall distribute at least one-quarter of the individual's total annual benefit after the individual has completed three months of employment in accordance with the program. The remainder of an individual's total annual benefit shall be distributed by the Department every three months after the initial payment.

(b)(1) The Department shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section.

(2) Student loan repayments shall be available pursuant to this section on a first-come, first-served basis until appropriated funds are depleted.

(3) The Department may contract for the administration of the program. Administration costs shall not be more than 10 percent of the total appropriation received to implement this section.

(c) An individual shall not simultaneously participate in the student loan repayment assistance program set forth in this section and either of the scholarship programs set forth in section 3541 or 3542 of this title.

## Sec. 7. EVALUATION; EARLY CHILDHOOD WORKFORCE PROGRAMS

On or before October 1, 2025, the Department for Children and Families' Child Development Division, in consultation with stakeholders, shall submit a report to the House Committees on Commerce and Economic Development

and on Human Services and to the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare:

(1) evaluating the effectiveness of the scholarship and student loan repayment programs established in 33 V.S.A. chapter 35, subchapter 5 at recruiting and retaining providers in Vermont's child care and early learning system; and

(2) recommending whether the scholarship and student loan repayment programs established in 33 V.S.A. chapter 35, subchapter 5 shall be repealed in accordance with Sec. 8 of this act, retained and funded in their current states, or retained with amendment.

Sec. 8. REPEALS

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

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

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

\* \* \* Building Bright Futures' Powers and Duties \* \* \*

Sec. 9. 33 V.S.A. § 4603 is amended to read:

§ 4603. POWERS AND DUTIES

The Council established by section 4602 of this title shall have the following powers and duties necessary and appropriate to effectuating the purposes of this chapter:

(1) Advise the Administration and General Assembly on:

(A) the status and needs of the early care, health, and education system by conducting a review of the status of young children in Vermont and the care, health, and education services and systems that support them; and

(B) planning related to and the administration and operation of Vermont's child care system.

\* \* \*

(3) Develop an early care, health, and education system plan for Vermont to serve as the basis for policy and funding recommendations, which shall reflect the growing diversity of Vermont's children and families.

\* \* \*



(12) Convene members of the child care community, medical community, education community, business community, and other organizations, as well as State agencies serving young children, to ensure that families receive quality services in the most efficient and cost-effective manner.

\* \* \*

\* \* \* Recommendations on the American Rescue Plan Act of 2021 \* \* \*

Sec. 10. RECOMMENDATIONS; AMERICAN RESCUE PLAN OF 2021;  
CHILD CARE DEVELOPMENT BLOCK GRANT

On or before January 15, 2022, the Department for Children and Families shall submit a report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare summarizing its use of the Child Care Development Block Grant funding received by the State pursuant to the American Rescue Plan Act of 2021, Pub. L. No. 117-2.

Sec. 11. [Deleted.]

\* \* \* Studies and Reports \* \* \*

Sec. 12. REPORT; CHILD CARE FINANCIAL ASSISTANCE PROGRAM;  
ENROLLMENT MODEL

On or before July 1, 2022, the Department for Children and Families' Child Development Division shall submit to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare analyses addressing the costs and policy implications associated with moving from an attendance-based model to an enrollment-based model in the Child Care Financial Assistance Program.

Sec. 13. CHILD CARE AND EARLY CHILDHOOD EDUCATION  
SYSTEMS ANALYSIS STUDY

(a)(1) On or before September 1, 2021, Building Bright Futures shall develop and issue a request for proposals to select an independent consulting entity with expertise in the field of child care and early childhood education to provide an analysis and recommendations on Vermont's child care and early education systems for children from birth through five years of age. The development of the request for proposals and selection of an independent consulting entity shall be done in consultation with the Chairs of the House Committee on Human Services and the Senate Committee on Health and Welfare or their designees.

(2) On or before July 1, 2022, the independent consulting entity shall

submit the analysis and recommendations to the House Committee on Human Services and to the Senate Committee on Health and Welfare regarding the following:

(A) existing child care and early childhood education systems and administrative stakeholders and structures, including functions that are currently not staffed or understaffed;

(B) emerging system needs;

(C) stakeholder engagement in decision-making processes and State plan development;

(D) mechanisms to strengthen system oversight and leverage current system strengths;

(E) identification of existing needs and challenges;

(F) ensuring data driven accountability for improvement of the current well-being and future outcomes of children and families; and

(G) ensuring that an antiracist approach is utilized in modifying existing policies and procedures and creating new policies and procedures.

(b) All findings and recommendations provided pursuant to this section shall:

(1) be divided by birth through five years of age and six years of age through 12 years of age; and

(2) rely on the work and advice provided pursuant to Sec. 10 of this act.

(c) As used in this section, “child care and early childhood education” means programming provided at a center-based child care program or family child care home regulated by the Department for Children and Families’ Child Development Division that serves children from birth through 12 years of age.

#### Sec. 14. CHILD CARE AND EARLY CHILDHOOD EDUCATION FINANCING STUDY

(a) On or before July 1, 2022, the Joint Fiscal Office shall contract with an economist or independent consulting entity with expertise in the field of child care and early childhood education to evaluate the economic impacts of and potential funding mechanisms to adjusting Vermont’s existing child care system regulated pursuant to 33 V.S.A. chapter 35 for children from birth through five years of age with consideration given to the intersection of and impacts on child care for children from six years of age through 12 years of age in alignment with the recommendations of the Universal Afterschool Task Force established pursuant to 2020 Acts and Resolves No. 154, Sec. B.1120.1.

The work of the economist or independent consulting entity shall be governed by the following goals:

(1) that a family does not spend more than 10 percent of its gross annual income on child care;

(2) that child care providers receive compensation that is commensurate with peers in other fields; and

(3) the utilization of a cost of care model versus a market rate model in the Child Care Financial Assistance Program.

(b)(1) On or before December 1, 2022, the consultant shall submit preliminary results to the Joint Fiscal Office and to the Chairs of the House Committees on Appropriations, on Human Services, and on Ways and Means and to the Senate Committees on Appropriations, on Finance, and on Health and Welfare.

(2) On or before January 15, 2023, the consultant shall submit to the House Committees on Appropriations, on Human Services, and on Ways and Means and to the Senate Committees on Appropriations, on Finance, and on Health and Welfare multiple financing options for public and private funding sources, including a final report that:

(A) projects the costs of expanding the State's child care benefit to more families in accordance with this section, requiring commensurate pay for providers, and utilizing cost of care in the Child Care Financial Assistance Program and the feasibility of implementing each policy in Vermont, both separately and jointly; and

(B) identifies and determines the feasibility of implementing stable, long-term funding sources to finance an affordable, high-quality early child care system for children from birth through five years of age.

Sec. 15. [Deleted.]

\* \* \* Effective Dates \* \* \*

Sec. 16. EFFECTIVE DATES

(a) This section and Secs. 10 (recommendations; American Rescue Plan Act of 2021; Child Care Development Block Grant) and 11 (recommendations; American Rescue Plan Act of 2021; Child Care Stabilization Grants) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2021, except that Secs. 2 (Child Care Financial Assistance Program; eligibility) and 3 (payment to providers) shall take effect on October 1, 2021.

And that after passage the title of the bill be amended to read:

An act relating to child care systems and financing.

(For text see House Journal March 24, 2021 )

**Amendment to be offered by Reps. Brumsted of Shelburne, Gregoire of Fairfield, McFaun of Barre Town, Noyes of Wolcott, Pajala of Londonderry, Pugh of South Burlington, Redmond of Essex, Rosenquist of Georgia, Small of Winooski and Whitman of Bennington to H. 171**

That the House concur with the Senate proposal of amendment with further amendments thereto as follows:

First: By striking out Sec. 10, recommendations; American Rescue Plan Act of 2021; Child Care Development Block Grant, in its entirety and inserting in lieu thereof a new Sec. 10 to read as follows:

Sec. 10. RECOMMENDATIONS; AMERICAN RESCUE PLAN ACT OF  
2021; CHILD CARE DEVELOPMENT BLOCK GRANT; CHILD  
CARE STABILIZATION GRANTS

(a) On or before September 1, 2021, the Department for Children and Families, in consultation with stakeholders that include individuals who are Black, Indigenous, and Persons of Color, shall submit a plan on the proposed use of the Child Care Development Block Grant and the Child Care Stabilization Grants, in excess of monies specifically allocated from the Child Care Stabilization Grants in fiscal year 2022 for the child care workforce support programs established in 33 V.S.A. chapter 35, subchapter 5, received by the State pursuant to the American Rescue Plan Act of 2021 (ARPA), Pub. L. No. 117-2, for review and acceptance by the Joint Fiscal Committee at their September 2021 meeting. The plan shall concurrently be provided to the Chairs of the House Committee on Human Services and of the Senate Committee on Health and Welfare for input prior to action by the Joint Fiscal Committee. To the extent permissible, the plan shall consider the following priorities but need not be limited to consideration of the listed priorities:

(1) funding necessary to ensure that the co-payment for a family participating in the Child Care Financial Assistance Program shall not exceed 10 percent of a family's annual gross income;

(2) expansion of the Child Care Financial Assistance Program to families whose incomes are up to 400 percent of the current federal poverty level;

(3) increased access to high-quality infant care;

(4) access to high-quality, affordable child care for culturally and racially diverse families;

(5) support and assistance to stabilize regulated, privately operated center-based child care programs and family child care homes;

(6) the identification of any statutory or regulatory barriers to using the ARPA funds to address the immediate and future child care needs of Vermonters; and

(7) the fiscal impact of the pandemic on Head Start programs statewide.

(b) If ARPA funds are not available to implement the child care workforce support programs established in 33 V.S.A. chapter 35, subchapter 5, the plan required pursuant to subsection (a) of this section shall include an offset to State funds to cover the child care workforce support programs.

Second: In Sec. 16, effective dates, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) This section and Sec. 10 (recommendations; American Rescue Plan Act of 2021; Child Care Development Block Grant; Child Care Stabilization Grants) shall take effect on passage.

### **Favorable with Amendment**

#### **S. 15**

An act relating to correcting defective ballots

**Rep. Copeland Hanzas of Bradford**, for the Committee on Government Operations, recommends that the House propose to the Senate that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Candidate Nicknames \* \* \*

Sec. 1. 17 V.S.A. § 2361 is amended to read:

#### § 2361. CONSENT OF CANDIDATE

(a) A candidate for whom petitions containing sufficient valid signatures have been filed shall file with the official with whom the petitions were filed a consent to the printing of the candidate's name on the ballot. The Secretary of State shall prepare and furnish forms for this purpose.

(b)(1) The consent shall set forth the name of the candidate, as the candidate wishes to have it printed on the ballot, the candidate's town of residence, and correct mailing address.

(2) If a candidate wishes to use a nickname, the format on the ballot shall be the candidate's first name, the nickname set off in quotations, and the candidate's last name.

(A) A nickname of one or two words by which the candidate has been commonly known for at least three years preceding the election may be used in combination with a candidate's name. A nickname that constitutes a slogan or otherwise indicates a political, economic, social, or religious view or affiliation may not be used.

(B) A nickname may not be used unless the candidate executes and files with the application for a place on the ballot an affidavit indicating that the nickname complies with this subsection.

(3) Professional titles such as "Dr.," "Esq.," or "CPA" shall not be used as part of a candidate's name on the ballot.

(c) The consent shall be filed on or before the day petitions are due. Unless a consent is filed, the candidate's name shall not be printed on the primary ballot.

\* \* \* Outdoor and Drive-up Polling Places \* \* \*

Sec. 2. 17 V.S.A. § 2502 is amended to read:

§ 2502. LOCATION OF POLLING PLACES; OUTDOOR POLLING PLACES

(a) Each polling place shall be located in a public place within the town.

(b) Outdoor polling places. A polling place may be located outdoors if it can be operated in a manner consistent with the provisions of this chapter.

(1) The board of civil authority shall designate the outdoor area that comprises the "polling place" for purposes of restrictions and requirements for polling places imposed pursuant to this chapter, including the restrictions on campaigning and other activities within the building containing the polling place described in subdivisions 2508(a)(1)(A) and (B) of this subchapter.

(2) An indoor polling place alternative shall be available at or near the same physical location as the outdoor polling place in case of inclement weather. If conditions require use of the indoor alternative, the Secretary of State's office shall be notified immediately of the change.

(3) Candidates and members of the public who would otherwise be allowed to campaign outside an indoor polling place shall be kept a reasonable distance from the outdoor polling place such that any campaigning does not disrupt or interfere in any way with the voting process.

(c) Drive-up voting. Voting may be conducted by a drive-through or drive-up voting method at a polling place if the voting process can be operated in a manner consistent with the provisions of this chapter.

(1) Drive-up voting procedures shall enable voters to complete the voting process without leaving their vehicle, allowing the voters to deposit their ballots directly into a tabulator or secure ballot box that may be brought to the window of the vehicle or located in such a manner that it can be accessed from the vehicle or providing voters an envelope or folder in which to place their voted ballots before handing it to an election official for processing.

(2) Polling places conducting drive-up voting shall also accommodate walk-in voters and those using other forms of transport.

(d) Ballot transfer. If a polling place is outside or if voting is conducted by a drive-up method, ballots may be periodically transferred from a secure outdoor or drive-up ballot box to another secure container for counting after the close of the polls or to election officials who are processing ballots through the tabulator. Any such transfer shall be done in the presence of two election officials, if possible officials of different parties.

(b)(e) The Access. The accessible voting system shall be available for those who request it. Additionally, the board of civil authority shall take such measures as are necessary to assure ensure that voters who are elders or have a disability may conveniently and secretly cast their votes. Measures that may be taken shall include: location of polling places on the ground floor of a building; providing ramps, elevators, or other facilities for access to the polling place; providing a stencil overlay for ballots; providing a separate polling place with direct communication to the main polling place; and permitting election officials to carry a ballot to an elder or to a person who has a disability in order to permit that person to mark the ballot while in a motor vehicle adjacent to the polling place. For purposes of this subsection, the board of civil authority shall have full jurisdiction on the day of an election over the premises at which a polling place is located.

(e)(f) Polling place designation.

(1) Thirty days prior to a local, primary, or general election, the town clerk shall submit to the Secretary of State a list of polling places within the municipality that will be used in that election. The list shall include the name of the polling location, its physical address, and the time the polling place will open.

(2)(A) A municipality may change the location of a polling place less than 30 days prior to an election only in cases of emergency. If a municipality changes the location of a polling place less than 30 days prior to the election, the town clerk shall notify the Secretary of State within 24 hours of the change and provide the new polling place information.

(B) The Secretary of State shall assist any municipality that needs to change the location of a polling place on the day of an election due to an emergency, including assisting in finding a new location and informing the public of that new location.

(C) The Secretary of State shall inform the State chairs of Vermont's major political parties of any changes made to polling places that he or she is aware of made less than 30 days prior to an election.

(3) The Secretary of State shall provide on his or her official website a list of polling places that will be used in any local, primary, or general election within the State, and shall specifically provide notice on that website of any change in the location of a municipality's polling place.

\* \* \* Ballot Mailing for Local Elections \* \* \*

Sec. 3. 17 V.S.A. § 2680 is amended to read:

§ 2680. AUSTRALIAN BALLOT SYSTEM; GENERAL

(a) Application. Unless specifically required by statute, the provisions of the Australian ballot system shall not apply to the annual or special meeting of a municipality unless that municipality, at its annual meeting or at a special meeting called for that purpose, votes to have them apply.

\* \* \*

(f) Presiding officer. The presiding officer for any election or part of an election using the Australian ballot system shall be the town clerk or as otherwise provided in section 2452 of this title.

(g) Early and absentee voting. At the time the Australian ballots are available, which shall be not less than 20 days before the election, early and absentee voting shall be permitted in accordance with chapter 51, subchapter 6 of this title.

(1) The legislative body of a town, city, or village may vote to mail a ballot to all active registered voters in the town, city, or village.

(2) A school board may, after receiving the approval of the legislative body of each member town in the district, vote to mail its annual meeting ballot to all active registered voters in the district. In such case, the town clerk



and election officials in the member towns shall be responsible for the mailing of the ballots but all costs associated with the mailing of ballots shall be borne by the school district.

(3) Ballots shall be mailed not less than 20 days before the election, or as soon as they are available.

(4) The mailing of ballots shall be conducted to the extent practicable in accordance with chapter 51, subchapter 6 of this title.

~~(g)~~(h) Hearing.

(1) Whenever a municipality has voted to adopt the Australian ballot system of voting on any public question or budget, except the budget revote as provided in subsection (c) of this section, the legislative body shall hold a public informational hearing on the question by posting warnings at least 10 days in advance of the hearing in at least two public places within the municipality and in the town clerk's office.

\* \* \*

\* \* \* Ballot Mailing for Statewide Elections \* \* \*

Sec. 4. 17 V.S.A. § 2532 is amended to read:

§ 2532. AUTHORIZED APPLICANTS; APPLICATION FORM;

DUPLICATES

\* \* \*

(e) Duplicate early voter absentee ballots.

(1)(A) The town clerk may, upon application, issue a duplicate early voter absentee ballot if the original ballot is lost or not received by the voter within a reasonable period of time after mailing it is mailed to the voter by the town clerk or by the Secretary of State's office pursuant to section 2537a of this subchapter.

(B) The application may be made by a person entitled to apply for an early voter absentee ballot under subsection (a) of this section and shall be accompanied by a sworn statement affirming that the voter has not received the original ballot.

(2) If a duplicate early voter absentee ballot is issued and both the duplicate and original early voter absentee ballots are received before the close of the polls on election day, the ballot with the earlier postmark that is received first by the town clerk shall be counted and the Elections Division of the Secretary of State's office shall be notified.

\* \* \*

Sec. 5. 17 V.S.A. § 2536 is amended to read:

§ 2536. FURNISHING EARLY VOTER ABSENTEE BALLOT  
ENVELOPES

Upon request, for any statewide primary, presidential primary, or general election, the Secretary of State shall furnish the envelopes prescribed in sections 2535 and 2542 of this title to town clerks in such numbers as they request. The cost of absentee ballot envelopes for local elections shall be borne by the municipality.

Sec. 6. 17 V.S.A. § 2537 is amended to read:

§ 2537. EARLY OR ABSENTEE VOTING IN THE TOWN CLERK'S  
OFFICE

(a)(1) A voter may, if he or she chooses, apply in person to the town clerk for the early voter absentee ballots and envelopes.

(2) In this case, the clerk shall furnish the early voter absentee ballots and envelopes when a valid application has been made, or at such time as the clerk receives the ballots, whichever comes first.

(3) The voter may:

(A) mark his or her ballots, place them in the envelope, sign the certificate, and return the ballots in the envelope containing the certificate to the town clerk or an assistant town clerk without leaving the office of the town clerk; ~~or~~

(B) take the ballots and return them to the town clerk in the same manner as if the ballots had been received by mail; or

(C) if the board of civil authority has voted to allow it pursuant to section 2546b of this subchapter, mark the ballots and deposit them directly into the vote tabulator or ballot box in accordance with section 2546b of this subchapter.

(b) Except for justices of the peace as provided in section 2538 of this subchapter, a person shall not take any ballot from the town clerk on behalf of any other person.

Sec. 7. 17 V.S.A. § 2537a is added to read:

§ 2537a. MAILING OF GENERAL ELECTION BALLOTS

(a) For every general election, the Secretary of State's office shall mail a general election ballot to all active voters on the statewide voter checklist described in section 2154 of this title.

(1) The mailing of the ballots shall commence not later than 43 days before the election and shall be completed not later than October 1.

(2) A postage-paid return envelope, pre-addressed to the town or city clerk of the town or city where the voter is registered to vote, shall be included with the ballot sent to every voter in which the ballot may be mailed back to the clerk. All postage cost shall be paid by the Secretary of State's office.

(3) The address file to be used for the mailing shall be generated from the statewide voter checklist as close as practicable to the date of the mailing and in no case earlier than September 1.

(4) The Secretary of State's office shall include in the mailing to each voter instructions for return of the voted ballot.

(b) General election ballots mailed by the Secretary of State's office under this section shall be returned by the voter to the town or city clerk in the town or city where that voter is registered in accordance with the procedures for return of ballots described in this subchapter.

Sec. 8. 17 V.S.A. § 2539 is amended to read:

§ 2539. DELIVERY OF EARLY VOTER ABSENTEE BALLOTS

(a) Default; town office or mail.

(1) Except as provided in subsections (b) and (c) of this section, unless the early or absentee voter votes in the town clerk's office as set forth in section 2537 of this ~~subchapter~~ title, the town clerk shall provide to the early or absentee voter who comes to the town clerk's office a complete set of early voter absentee ballots or mail a complete set of early voter absentee ballots to each early or absentee voter for whom a valid application has been filed.

(2) The Except as provided in subdivision (3) of this subsection, the early voter absentee ballots shall be mailed forthwith upon the filing of a valid application, or upon the town clerk's receipt of the necessary ballots, whichever is later.

(3)(A) For any general election, if a voter transfers his or her registration from another town or city in the state following the mailing of ballots to all active voters by the Secretary of State's office pursuant to section 2537a of this subchapter, before issuing an absentee ballot the clerk shall confirm the status of the ballot that was previously mailed to that voter by the Secretary of State and proceed as follows:

(i) If the voter has voted and returned the ballot issued to the voter by the Secretary of State to the town in which the voter was previously registered, the voter shall not be issued a ballot nor be allowed to cast another ballot in the same general election and shall be registered following the election.

(ii) If the voter did not receive or did not return the ballot that was previously sent to the voter by the Secretary of State, the voter may be issued another ballot for the general election if:

(aa) the voter returned the unvoted ballot that was previously issued to the voter; or

(bb) the voter signs an affidavit stating that the voter has not previously cast a ballot in that general election.

(B) If a voter registers to vote for the first time in Vermont following the time when the Secretary of State's office generated the address file to be used for the mailing of ballots to all active voters by the Secretary of State's office, the clerk shall either issue a ballot to the voter in person at the time of registration or mail a ballot to the voter within three business days, provided the voter's registration does not occur within five days of the election. If the clerk does not have ballots available at the time of registration, the clerk shall mail a ballot to the voter within three business days after obtaining ballots.

\* \* \*

Sec. 9. 17 V.S.A. § 2540 is amended to read:

#### § 2540. INSTRUCTIONS TO BE SENT WITH BALLOTS

(a) The town clerk shall send with all early voter absentee ballots and envelopes printed instructions, which may be included on the envelope, in ~~substantially the following form:~~ a form prescribed by the Secretary of State's office.

#### ~~INSTRUCTIONS FOR EARLY OR ABSENTEE VOTERS~~

- ~~1. Mark the ballots.~~
- ~~2. Place them in this envelope.~~
- ~~3. Fill out and sign the certificate on the envelope.~~
- ~~4. Mail or deliver the envelope containing the ballots to the town clerk of the town where you are a registered voter in time to arrive not later than election day.~~

~~Note: If these ballots have been brought to you personally by two justices of the peace because of your illness, injury, or disability, just return them to the justices after you have signed the envelope. YOU HAVE THE RIGHT TO MARK YOUR BALLOTS IN PRIVATE—but if you ask for help in filling out the ballots, they will give it to you.~~

~~BE SURE TO FILL OUT AND SIGN THE CERTIFICATE ON THIS ENVELOPE OR YOUR VOTE WILL NOT COUNT!~~

~~(b) In the case of early absentee voting in a primary, the instructions shall also include appropriate instructions prepared by the Secretary of State for separating and depositing unvoted ballots in a separate envelope provided and clearly marked for that purpose.~~

\* \* \* Ballot Curing; Secure Drop Boxes \* \* \*

Sec. 10. 17 V.S.A. § 2543 is amended to read:

§ 2543. RETURN OF BALLOTS

(a) After marking the ballots and signing the certificate on the envelope, the early or absentee voter to whom the same are addressed shall return the ballots to the clerk of the town in which ~~he or she is a~~ the voter is registered, in the manner prescribed, except that in the case of a voter to whom ballots are delivered by justices, the ballots shall be returned to the justices calling upon ~~him or her~~ that voter, and they shall deliver them to the town clerk.

(b) Once an early voter absentee ballot has been returned to the clerk in the envelope with the signed certificate, it shall be stored in a secure place and shall not be returned to the voter for any reason unless the ballot is deemed defective under subdivision 2546(a)(2) of this subchapter and the voter chooses to cure the defect and cast the ballot pursuant to subsection 2547(d) of this subchapter.

(c) If a ballot includes more than one page, the early or absentee voter need only return the page upon which the voter has marked his or her vote.

(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;

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

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

(e) A candidate whose name appears on the ballot for that election, or a paid campaign staff member of any such candidate, may not return a ballot to the town clerk or to a secure ballot drop box, unless that candidate or paid campaign staff member:

(1) is returning the candidate's or paid campaign staff member's own ballot;

(2) is returning the ballot of an immediate family member, as defined in section 2532 of this title, including a person's spouse, children, brothers, sisters, parents, spouse's parents, grandparents, and spouse's grandparents, who has requested the candidate's or paid campaign staff member's assistance with the return of that ballot;

(3) is returning the ballot of a voter for whom the candidate or paid campaign staff member is a caretaker, and who has requested the candidate or paid campaign staff member's assistance with the return of that ballot; or

(4) is a justice of the peace performing his or her official duties pursuant to section 2538 of this title.

(f) No individual may return more than 25 ballots to the town clerk or to a secure ballot drop box unless the individual is a justice of the peace performing his or her official duties pursuant to section 2538 of this title.

(g) The clerk or other local election official accepting the return of ballots shall not be required to enforce the provisions of subsections (e) and (f) of this section but shall report any suspected violations to the Secretary of State's office, who shall refer them to the Attorney General's office for investigation. Individuals violating this section may be subject to penalties pursuant to section 2017 of this title.

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

§ 2543a. PROVISION OF SECURE BALLOT DROP BOXES

(a) A board of civil authority may vote to install one or more secure outdoor ballot drop boxes (drop boxes) for the return of voted ballots.

(b) Drop boxes shall be located on municipal property. If a town has only one drop box, it shall be located on the property of the municipal clerk's office.

(c) Drop boxes shall allow for the return of ballots by voters at any time of day and must be available for the return of ballots not later than 43 days before the election.

(d) Drop boxes shall be installed and maintained in accordance with guidance issued by the Secretary of State's office. At a minimum, drop boxes shall:

(1) be affixed to a foundation or other immovable object such that they cannot be removed without being tampered with;

(2) be under 24-hour video surveillance or in the alternative be within sight of the municipal building;

(3) be constructed in such a manner that it is impossible to remove the ballots without the ballot box being tampered with; and

(4) be able to be closed such that ballots may not be deposited once the deadline for deposit has passed.

(e) Ballots may be deposited in the drop boxes until the close of business on the day before the election. At that time, the drop box shall be closed and instructions affixed to the drop box instructing the voter to return the voter's voted ballot to the polling place on the day of the election.

(f) The Secretary of State's office shall provide drop boxes to a town or city upon request following a vote of the board of civil authority. The maximum number of drop boxes that the Secretary of State's office shall provide in any town or city shall be as follows:

(1) up to 5,000 registered voters, one;

(2) between 5,000 and 10,000 registered voters, two;

(3) between 10,000 and 15,000 registered voters, three;

(4) between 15,000 and 20,000 registered voters, four; and

(5) over 20,000 registered voters, five.

(6) A town or city may have a number of secure drop boxes equal to the number of representative districts in that town or city, with one drop box located in each district, if that number is greater than the number allowed based on that town or city's number of registered voters in subdivisions (1)–(5) of this subsection. If there is not suitable municipal property for the location of a secure drop box in the area covered by a certain district in the town or city, an alternative location may be used with the approval of the Secretary of State's office.

Sec. 12. REPEALS

17 V.S.A. § 2545 (receipt of marked ballots by town clerk; delivery to election officers) is repealed.

\* \* \* Ballot Processing and Defective Ballot Notification \* \* \*

Sec. 13. 17 V.S.A. § 2546 is amended to read:

§ 2546. DEPOSIT OF EARLY VOTER ABSENTEE BALLOTS IN  
BALLOT BOX OR VOTE TABULATOR RECEIPT OF BALLOTS  
BY CLERK; VOTER STATUS; OPPORTUNITY TO CURE;  
PROCESSING ABSENTEE BALLOTS

(a) Not earlier than Beginning 30 days before the opening of the polls on election day, upon receipt of a mailing envelope containing ballots returned by a voter, the town clerk may shall, within three business days or on the next day the office is open for business, whichever is later, direct two election officials working together to do all of the following:

(1) open the outside mailing envelope and sort early voter absentee ballots by ward and district, if necessary; and

(2) determine that the certificate has been properly completed and signed; the voted ballot was placed in the certificate envelope, and the ballot is not defective for any other reason pursuant to section 2547 of this subchapter.

(A) If the ballot is not deemed defective, the clerk shall check the name of the early voter off the entrance checklist and record the ballot as received and accepted in the online election management system, and:

(i) place the certificate envelopes into a secure container marked “checked in early voter absentee ballots” to be transported to the polling places on election day; or

(ii) open the certificate envelope and place the voted ballot in the ballot box or tabulator in accordance with the procedures contained in section 2546a of this subchapter.

(B) If the ballot is deemed defective, the clerk shall:

(i) Check the name of the early voter off the entrance checklist and record the ballot as received and defective in the online election management system.

(ii) Place the ballot in the defective ballot envelope in accordance with the procedures of subdivisions 2547(b)(1)–(3) of this subchapter.



(iii) Not later than the next business day transmit a notice, with information required by the Secretary of State's office, to the voter informing the voter that the voter's ballot was deemed defective and rejected, the reason it was deemed defective, and the voter's opportunity to correct the error pursuant to subsection 2547(d) of this subchapter. If the ballot was deemed defective because the voter failed to sign the return certificate, to place the voted ballot in the certificate envelope, or did not return their unvoted primary ballots in the unvoted ballot envelope, the clerk shall include a returnable affidavit, designed and provided by the Secretary of State's office, with the notice so the voter may cure the deficiency in accordance with subdivision 2547(d)(1)(C) of this subchapter.

(b) Beginning five business days preceding the election, the clerk is not required to send a notice to those voters whose ballots have been deemed defective. In these cases, the clerk shall make a reasonable effort to provide notice to the voter as soon as possible using any other contact information that the clerk has on file and shall record the ballot as defective in the online election management system not later than 24 hours after the ballot is deemed defective.

~~(3) check the name of the early voter off the entrance checklist; and~~

~~(4) place the certificate envelopes into a secure container marked "checked in early voter absentee ballots" to be transported to the polling places on election day.~~

(b)(c) The Processing absentee ballots on election day. If the certificate envelopes have not been opened and the voted ballots placed in the ballot box or tabulator, the town clerk or presiding officer shall deliver the unopened early voter absentee ballots to the election officials at the place where the entrance checklist is located. Upon the opening of the polls During the polling hours on election day:

(1) If the ballots are in a , at the direction of the presiding officer, at least two election officials shall open the container marked "checked in early voter absentee ballots," one election official shall open the certificate envelopes, turn the certificate side face down, and hand the envelope face down to a second election official, if possible from a different political party, who shall remove the ballots from the envelopes and deposit them in the ballot box or vote tabulator. If the early voter is a first-time voter who registered by mail or online, and if the proper identification has not been submitted before the closing of the polls, the ballot shall be treated as a provisional ballot, as provided in subchapter 6A of this chapter.

~~(2) If the ballots have not been previously checked off the entrance checklist and if two election officials, from different political parties, determine that the certificate on the envelope is properly completed and signed by the early voter, the name of the early voter appears on the checklist, and the early voter is not a first-time voter in the municipality who registered by mail and is marked on the checklist as requiring additional documentation, the election officials shall mark the checklist, open the certificate envelope, turn the certificate side face down, and hand the envelope face down to a third election official who shall remove the ballots from the envelopes and deposit the ballots in the ballot box or vote tabulator.~~

~~(3)(A) If the early voter is a first-time voter who registered by mail or online, two election officials from different political parties shall determine whether the identification required under subdivision 2563(1) of this title has been submitted by the voter. Upon ascertaining that the proper identification has been submitted by the voter, the election officials shall mark the checklist, open the certificate envelope, turn the certificate side face down, and hand the envelope face down to a third election official who shall remove the ballots from the envelopes and deposit the ballot in the ballot box or vote tabulator.~~

~~(B) If the proper identification has not been submitted, the ballot shall be treated as a provisional ballot, as provided in subchapter 6A of this chapter.~~

~~(e)(d) All early voter absentee ballots shall be commingled with the ballots of voters who have voted in person.~~

Sec. 14. 17 V.S.A. § 2546a is amended to read:

§ 2546a. DAY PRECEDING ELECTION; DEPOSIT OF EARLY VOTER

#### ABSENTEE BALLOTS IN VOTE TABULATOR

(a) Generally. Notwithstanding any provision of law to the contrary, ~~if a town will be using a vote tabulator for the registering and counting of votes in the upcoming election and will check in early voter absentee ballots in accordance with subsection 2546(a) of this chapter for that election, the board of civil authority may vote to permit elections officials to deposit these early voter absentee ballots that have been processed in accordance with subsection 2546(a) of this subchapter and have not been deemed defective into the vote tabulator or ballot box in accordance with the provisions of this section and any guidance issued by the Secretary of State. This~~ Any such depositing of these ballots shall take place at the town clerk's office ~~on the day during the 30 days preceding the election.~~

(b) Notice.

~~(1) If a board of civil authority votes to deposit ballots as described in subsection (a) of this section, the town clerk shall post notice that ballots will be so deposited in at least two public places in the municipality and in or near the town clerk's office not less than 30 nor more than 40 days before the election. If a municipality has more than one polling place and the polling places are not all in the same building, the notice shall be posted in at least two public places within each voting district and in or near the town clerk's office. the process shall be conducted during normal business hours if practicable or, if conducting the process at a time other than normal business hours, notice of the date(s), time(s), and location of the processing shall be posted at the clerk's office and two other public places at least three days in advance.~~

~~(2) In addition, at least five days before the day preceding the election, the notice shall be published in a newspaper of general circulation in the municipality and on the municipality's website, if the municipality actively updates its website on a regular basis.~~

~~(3) The notice shall include the date and time for the count, inspection, and depositing of the ballots and the location of the town clerk's office.~~

(c) Officials. The town clerk and at least two other election officials, from different political parties to the extent practicable, shall be present for the inspection of the sealed certificate envelopes and the processing of the ballots described in this section.

~~(d) Count and inspection.~~

~~(1) On the day preceding the election, at least one hour prior to depositing the ballots in the vote tabulator, the town clerk and the election officials shall:~~

~~(A) first open the secure container marked "checked in early voter absentee ballots," count the certificate envelopes containing those ballots, and record the number counted; and~~

~~(B) permit these certificate envelopes to be inspected by members of the public.~~

~~(2) Any early voter absentee ballot that is returned after the expiration of the period for the count and inspection shall be processed on the day of the election in accordance with section 2546 of this subchapter.~~

~~(e) Processing.~~

~~(1) Immediately after the expiration of the period for the count and inspection described in subsection (d) of this section, the town clerk and election officials shall open each certificate envelope containing an early voter~~

~~absentee ballot that was counted under subdivision (d)(1) of this section and deposit each ballot into a vote tabulator.~~

~~(2) The town clerk and the election officials shall ensure that all procedures for handling ballots are followed to the fullest extent practicable.~~

~~(3) At the end of the processing, the town clerk shall verify that the vote tabulator's memory card is locked in place and shall sign a statement verifying how many early voter absentee ballots were counted by the vote tabulator and that the memory card is so locked. The town clerk shall compare the vote tabulator's number of counted ballots to the original count of those ballots described in subdivision (d)(1) of this section.~~

~~(f) Security. The town clerk shall otherwise comply with all provisions of this title relating to the security of the vote tabulator.~~

~~(g) Election day. On the day of the election, when the vote tabulator is turned on at the polling place, the town clerk shall verify that the number of ballots that the vote tabulator displays as having been counted matches the number that the town clerk verified the tabulator counted on the preceding day.~~

(d) Processing. The Secretary of State's office shall issue detailed procedures for conducting the processing of early ballots into the vote tabulator or ballot box pursuant to this section. A town or city shall follow the procedures issued by the Secretary of State's office for this purpose.

~~(h)(e) Rules. The Secretary of State may adopt rules to implement the provisions of this section.~~

Sec. 15. 17 V.S.A. § 2546b is amended to read:

§ 2546b. EARLY VOTING IN TOWN CLERK'S OFFICE; DEPOSIT INTO  
VOTE TABULATOR

(a)(1) A board of civil authority may vote to permit its town's registered early or absentee voters to vote in the town clerk's office in the same manner as those voting on election day by marking their early voter absentee ballots and depositing them into a vote tabulator or secure ballot box.

(2) If a board of civil authority votes to permit early voting as described in subdivision (1) of this subsection, the town's process for conducting this early voting shall conform to the provisions of this section and to procedures that the Secretary of State shall adopt for this purpose.

(b)(1) During business hours in the town clerk's office, the secure ballot box or vote tabulator and ballot bin shall be in a secured area accessible only to election officials and voters. The vote tabulator unit shall be secured with

an identifiable seal and the ballot box containing voted ballots shall remain locked at all times and secured with an identifiable seal. Neither seal shall be broken prior to the time of closing the polls on election day.

(2) Once early voting has commenced in the town clerk's office, the town clerk or designee shall certify each day in a record prepared for this purpose that the seals on the vote tabulator and secure ballot box are intact.

(3) When an election official is not present or at times other than business hours, the secure ballot box or sealed vote tabulator and ballot ~~box~~ bin shall be secured in the town clerk's office vault.

(4) The town clerk shall maintain a record of each early or absentee voter who voted in person in accordance with this section and shall mark these voters as having voted early in the clerk's office in the online election management system.

(c) On the day of the election:

(1) The secure ballot box or sealed vote tabulator and ~~sealed ballot boxes~~ ballot bin shall be transferred to the polling place on election day by two election officials and shall not be opened until the polls have closed on election day.

(2) When the vote tabulator is turned on at the polling place, the town clerk shall verify that the number of ballots that the vote tabulator displays as having been counted matches the number of voters who deposited their early voter absentee ballots in the vote tabulator in accordance with this section and any early voter absentee ballots that were processed and deposited in the vote tabulator under section 2546a of this subchapter.

(3) All early voter absentee ballots shall be commingled with those voted at the polls on election day prior to being examined for the purpose of identifying write-in votes.

Sec. 16. 17 V.S.A. § 2547 is amended to read:

#### § 2547. DEFECTIVE BALLOTS

(a) If upon examination by the election officials it shall appear that any of the following defects is present, either the ballot or the unopened certificate envelope shall be marked "defective" and the ballot shall not be counted:

(1) the identity of the early or absentee voter cannot be determined;

(2) the early or absentee voter is not legally qualified to vote;

(3) the early or absentee voter has voted in person or previously returned a ballot in the same election;

- (4) the certificate is not signed;
- (5) the voted ballot is not in the certificate envelope; or
- (6) in the case of a primary vote, the early or absentee voter has failed to return the unvoted primary ballots.

(b) Each defective ballot or unopened certificate envelope shall be:

(1) affixed with a note from the presiding officer indicating the reason it was determined to be defective; and

(2) placed with other such defective ballots in an envelope marked “Defective Ballots - Voter Checked Off Checklist - Do Not Count”; ~~and~~

~~(3) returned in that envelope to the town clerk in the manner prescribed by section 2590 of this chapter.~~

(c) The provisions of this section shall be indicated prominently in the early or absentee voter material prepared by the Secretary of State.

(d)(1) If a ballot is deemed defective, the voter shall be notified of the defect in accordance with the provisions of subdivision 2546(a)(2)(B) of this subchapter. Upon notification, the voter may cure the defect until the closing of the polls on election day, by:

(A) correcting the defect or submitting a new absentee ballot in person at the clerk’s office or at the polling place on election day;

(B) requesting a new ballot be mailed to them by the clerk along with materials for submission of the new ballot, provided the new ballot is received by the presiding officer or other sworn election official prior to the closing of the polls; or

(C) for a voter who failed to sign the certificate envelope, failed to place the voted ballot in the certificate envelope, or did not return their unvoted primary ballots in the unvoted ballot envelope, returning the signed affidavit included in the notice under subdivision 2546(a)(2)(B)(iii) of this subchapter either by mail, in person, or electronically, provided the affidavit is received by the presiding officer or other sworn election official prior to the closing of the polls.

(2)(A) If a voter corrects the defect in accordance with subdivision (1)(A) or (1)(C) of this subsection (d), the clerk shall update the status of the ballot to “received – accepted” in the online election management system.

(B) If a voter corrects the defect by requesting a new ballot be mailed to them under subdivision (1)(B) of this subsection (d), the clerk shall enter a

second absentee ballot request and issue date for that voter in the online election management system.

(3) The same voter may cure a ballot deemed defective not more than twice for any single election.

\* \* \* Voting Early at Clerk's Office \* \* \*

Sec. 17. 17 V.S.A. § 2548 is amended to read:

§ 2548. VOTING IN PERSON

(a) Prior to the opening of the polls, the municipal clerk shall provide the election officials of each polling place with a list of the names of all persons who have voted early in the clerk's office or marked and returned early voter absentee ballots, and these persons shall not thereafter vote in person in the same election.

~~(b)(1) A person who in good faith has received early voter absentee ballots for his or her use but has not yet marked them, if he or she is able to vote in person, may cast the early voter absentee ballots as provided above, or may vote in person after returning the complete set of unmarked ballots, together with the envelope intended for their return, to the presiding officer at the time the voter appears to vote in person.~~

~~(2) If a person does not have his or her absentee ballots to return, the person shall be checked off the checklist and permitted to vote only after completing a sworn affidavit that he or she does not have his or her absentee ballots to return.~~

~~(3) The presiding officer shall return the unused early voter absentee ballots and envelope to the town clerk, who shall make a record of their return on the list of early or absentee voters and treat them as replaced ballots, pursuant to section 2568 of this title. A voter who has been issued an early ballot, either by the Secretary of State's office pursuant to section 2537a of this subchapter, or otherwise by the town clerk, but who has not returned the voter's voted ballot to the clerk, may vote in person at the polling place on election day.~~

(2) If the voter brings the voter's marked ballot enclosed in the signed certificate envelope, the voter may submit that certificate envelope containing the voted ballot to the entrance checklist official for processing along with any other early or absentee ballots. The voter shall be marked off the checklist and the clerk shall record the voter as having returned the absentee ballot on election day in the online election management system.

(3) If the voter brings the marked ballot, but it is not enclosed in the certificate envelope, the voter shall be marked off the checklist and be allowed to cast that ballot into the secure ballot box or tabulator in the same manner as other voters who are voting in the polling place. The clerk shall record any such voter as having voted in person on election day in the online election management system.

(4) If the voter brings the unmarked ballot, the voter shall be marked off the checklist and allowed to proceed to a voting booth to mark that ballot and cast it into the ballot box or tabulator in the same manner as other voters who are voting in the polling place. The presiding officer may choose to provide any such voter with a new ballot in exchange for the unvoted ballot that the voter brought to the polls. The clerk shall record any such voter as having voted in person on election day in the online election management system.

(5) If the voter does not bring a marked or an unmarked ballot with them to the polls, the voter shall be required to sign an affidavit that the voter has not previously cast a ballot in the election, and only then shall they be checked off the checklist and allowed to vote in the same manner as all other voters who are voting at the polling place. The clerk shall record any such voter as having voted in person on election day in the online election management system. Any affidavits signed by voters at the polling place pursuant to this section shall be retained for a period of 90 days following the election.

Sec. 18. 17 V.S.A. § 2565 is amended to read:

#### § 2565. DELIVERY OF BALLOTS

As Except as otherwise provided in subsection 2548(b) of this title, as each voter passes through the entrance of the guardrail, an election official or officials shall hand him or her one of each kind of ballot. The election officials shall also answer any questions a voter may ask concerning the process of voting. The presiding officer shall keep the election officials in charge of furnishing ballots to voters supplied with a sufficient number of blank ballots, keeping the remainder of the blank ballots safely secured until needed.

Sec. 19. 17 V.S.A. § 2566 is amended to read:

#### § 2566. MARKING BALLOTS

~~On~~ Except as provided in subdivision 2548(b)(2) of this title, on receiving his or her ballots, the voter shall forthwith, and without leaving the polling place or going outside the guardrail, proceed to one of the booths not occupied by any other person and vote by filling in the appropriate square or oval



opposite the name of the candidate of his or her choice for each office, or by writing in the name of the candidate of his or her choice in the blank space provided and filling in the square or oval to the right of that blank space.

\* \* \* Reports \* \* \*

Sec. 20. LANGUAGE ACCESS; REPORT

The Secretary of State's office shall consult with municipalities and interested stakeholders on best practices for increasing access to voting for non-English-speaking Vermonters and Vermonters with limited English proficiency and provide recommendations to the Senate and House Committees on Government Operations on or before January 15, 2022.

Sec. 21. [Deleted.]

Sec. 21a. VOTING ACCESS AND VERIFICATION; REPORT

On or before January 30, 2023, the Secretary of State's office shall submit a written report to the House and Senate Committees on Government Operations with its findings and any recommendations for legislative action on:

(1) issues related to implementing universal vote by mail for municipal and primary elections; and

(2) the impact expanding vote by mail would have on:

(A) access to voting among those who have historically been disenfranchised and populations that have historically had low voter turnout;

(B) public satisfaction with the voting process;

(C) the administration of elections; and

(3) implementing a voter verification system in Vermont that will not disenfranchise voters and that will verify that ballots have been voted by registered voters, including a report back on the time, training and cost involved in implementing the system or systems.

\* \* \* Voter Checklist \* \* \*

Sec. 22. 17 V.S.A. § 2154 is amended to read:

§ 2154. STATEWIDE VOTER CHECKLIST

(a) The Secretary of State shall maintain a uniform and nondiscriminatory statewide voter checklist. This checklist shall serve as the official voter registration list for all elections in the State. In maintaining the statewide voter checklist, the Secretary shall:

(1) limit a town clerk to adding, modifying, or deleting applicant and voter information on the portion of the checklist for that clerk's municipality;

(2) limit access to the statewide voter checklist for a local elections official to verifying whether the applicant is registered in another municipality in the State by a search for the individual voter;

(3) notify a local elections official when a voter registered in that official's district registers in another voting district so that the voter may be removed from that official's district checklist;

(4) provide adequate security to prevent unauthorized access to the checklist; ~~and~~

(5) ensure the compatibility and comparability of information on the checklist with information contained in the Department of Motor Vehicles' computer systems; and

(6) make reasonable efforts on an ongoing basis to compare the information on the checklist with data or information contained in any State agency's database, a database administered by the federal government, or any database of another state or consortium of states, where possible, in an effort to maintain the accuracy and currency of the checklist.

\* \* \*

\* \* \* Effective Date \* \* \*

#### Sec. 23. 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 mailing out ballots, correcting defective ballots, and miscellaneous changes to State election laws"

**(Committee vote: 11-0-0)**

**(For text see Senate Journal March 16, 18, 2021)**

**Rep. Townsend of South Burlington**, for the Committee on Appropriations, recommends the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Government Operations and when the report of the Committee on Government Operations is amended as follows:

By adding a new section to be Sec. 22a and its reader assistance heading to read as follows:

\* \* \* Fiscal Year 2022 Funding \* \* \*

Sec. 22a. APPROPRIATIONS; FISCAL YEAR 2022; FUNDING SOURCE

The amount of \$800,000.00 is appropriated to the Secretary of State's office for one-time elections-related expenses in fiscal year 2022. This appropriation shall be funded as follows:

(1) The amount of \$400,000.00 in general funds is appropriated to the Secretary of State's office for one-time elections-related expenses in fiscal year 2022.

(2) The remaining \$400,000.00 appropriation shall be funded by the Secretary of State Service Fund or by Help America Vote Act (HAVA) funds, to the extent those funds are able to absorb the costs, or from other federal funds made available to the Secretary of State's office.

(3) To the extent the one-time elections-related costs cannot be funded or absorbed as outlined in subdivisions (1)–(2) of this section, the Secretary of State's office shall include any remaining costs in its fiscal year 2022 budget adjustment proposal.

**( Committee Vote: 8-3-0)**

**Amendment to be offered by Rep. Toof of St. Albans Town to S. 15**

Representative Toof of St. Albans Town moves to amend the report of the Committee on Government Operations by striking out Sec. 3, 17 V.S.A. § 2680, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. 17 V.S.A. § 2680 is amended to read:

§ 2680. AUSTRALIAN BALLOT SYSTEM; GENERAL

(a) Application. Unless specifically required by statute, the provisions of the Australian ballot system shall not apply to the annual or special meeting of a municipality unless that municipality, at its annual meeting or at a special meeting called for that purpose, votes to have them apply.

\* \* \*

(f) Presiding officer. The presiding officer for any election or part of an election using the Australian ballot system shall be the town clerk or as otherwise provided in section 2452 of this title.

(g) Early and absentee voting. At the time the Australian ballots are available, which shall be not less than 20 days before the election, early and

absentee voting shall be permitted in accordance with chapter 51, subchapter 6 of this title.

(1) The municipal legislative body shall require the municipal clerk to mail to all of the active registered voters in the municipality the Australian ballot to be used at the annual municipal or special municipal meeting.

(2) Ballots shall be mailed not less than 20 days before the election or as soon as they are available.

(3) The mailing of ballots shall be conducted to the extent practicable in accordance with chapter 51, subchapter 6 of this title.

~~(g)~~(h) Hearing.

(1) Whenever a municipality has voted to adopt the Australian ballot system of voting on any public question or budget, except the budget revote as provided in subsection (c) of this section, the legislative body shall hold a public informational hearing on the question by posting warnings at least 10 days in advance of the hearing in at least two public places within the municipality and in the town clerk's office.

\* \* \*

**Amendment to be offered by Rep. McCarthy of St. Albans City to S. 15**

That the report of the Committee on Government Operations be amended as follows:

First: In Sec. 11, 17 V.S.A. § 2543a, by striking out subsection (e) in its entirety and inserting in lieu thereof the following:

(e)(1) Ballots may be deposited in the drop boxes until the close of business on the day before the election. At the close of business, the drop box shall be closed and instructions affixed to the drop box instructing the voter to return the voter's voted ballot to the polling place on the day of the election.

(2) Notwithstanding subdivision (1) of this subsection, a board of civil authority may vote to allow ballots to be deposited in the drop boxes until not later than the closing of the polls on election day.

Second: In Sec. 13, 17 V.S.A. § 2546, by striking out subsection (b) in its entirety and inserting in lieu thereof the following:

(b) Beginning five business days preceding the election, the clerk is not required to mail a notice to those voters whose ballots have been deemed defective. In these cases, the clerk shall make a reasonable effort to provide notice to the voter as soon as possible using any contact information for the voter, other than the mailing address, that is contained in the voter checklist

and shall record the ballot as defective in the online election management system not later than 24 hours after the ballot is deemed defective.

**Favorable**

**J.R.H. 6**

Joint resolution relating to racism as a public health emergency

**Rep. Small of Winooski**, for the Committee on Human Services, recommends the resolution ought to be adopted.

**( Committee Vote: 9-2-0)**

**Senate Proposal of Amendment**

**H. 177**

An act relating to approval of an amendment to the charter of the City of Montpelier

The Senate proposes to the House to amend the bill in Sec. 2, 24 App. V.S.A. chapter 5, § 1501(a), immediately following the words “who on election day is” by inserting the words a citizen of the United States or before “legal resident of the United States”

(For text see House Journal March 10, 2021 )

**H. 428**

An act relating to hate-motivated crimes and misconduct

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

Sec. 1. 13 V.S.A. § 1455 is amended to read:

§ 1455. HATE-MOTIVATED CRIMES

(a) A person who commits, causes to be committed, or attempts to commit any crime and whose conduct is ~~maliciously~~ motivated, in whole or in part, by the victim’s actual or perceived ~~race, color, religion, national origin, sex, ancestry, age, service in the U.S. Armed Forces, disability as defined by 21 V.S.A. § 495d(5), sexual orientation, or gender identity protected category~~ shall be subject to the following penalties:

\* \* \*

(b) The victim’s actual or perceived protected category or categories need not be the predominant reason or the sole reason for the defendant’s conduct.

(c) As used in this section, “protected category” includes race, color, religion, national origin, sex, ancestry, age, service in the U.S. Armed Forces or the National Guard, disability as defined by 21 V.S.A. § 495d(5), sexual orientation, gender identity, and perceived membership in any such group.

Sec. 2. 13 V.S.A. § 1456 is amended to read:

§ 1456. BURNING OF CROSS OR OTHER RELIGIOUS SYMBOL

Any person who intentionally ~~and maliciously~~ sets fire to, or burns, causes to be burned, or aids or procures the burning of a cross or a religious symbol, with the intention of terrorizing or harassing a particular person or persons, shall be subject to a term of imprisonment of not more than two years or a fine of not more than \$5,000.00, or both.

Sec. 3. 13 V.S.A. § 1458(6) is amended to read:

(6) “Protected category” includes race, color, religion, national origin, sex, ancestry, age, service in the U.S. Armed Forces or the National Guard, disability as defined by 21 V.S.A. § 495d(5), sexual orientation, gender identity, and perceived membership in any such group.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

(For text see House Journal May 4, 2021 )

**H. 449**

An act relating to the membership and duties of the Vermont Pension Investment Commission and the creation of the Pension Benefits, Design, and Funding Task Force

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

First: By striking out Sec. 1, 3 V.S.A. chapter 17, in its entirety and inserting in lieu thereof the following:

~~CHAPTER 17. VERMONT STATE POLICE AND MOTOR VEHICLE  
INSPECTORS’ RETIREMENT SYSTEM~~ VERMONT PENSION  
INVESTMENT COMMISSION

§ 521. DEFINITIONS

As used in this chapter,;

(1) ~~“Committee”~~ “Commission” means the Vermont Pension Investment ~~Committee~~ Commission.

(2) “Financial expert” means an individual with material expertise and

experience in institutional fund management, or other significant pension or other relevant financial expertise.

(3) “Independent” means an individual who does not have a direct or indirect material interest in the Plans.

(A) An individual has a direct or indirect material interest in the Plans if:

(i) the individual is a beneficiary of any of the Plans; or

(ii) the individual or the individual’s spouse, parent, child, sibling, or in-law is or has been within the past five years an employee, director, officer, owner of a publicly traded company, consultant, manager, or had another material role with an entity servicing the Plans.

(B) An individual is considered an owner of a publicly traded company if the individual owns, directly or indirectly, five percent or more of a class of the company’s equity securities registered under the Securities Exchange Act of 1934 (15 U.S.C. § 78 et seq.), as amended.

(4) “Plans” means the Vermont State Teachers’ Retirement System, the Vermont State Employees’ Retirement System, and the Vermont Municipal Employees’ Retirement System pursuant to section 472 of this title, 16 V.S.A. § 1943, and 24 V.S.A. § 5063.

#### § 522. VERMONT PENSION INVESTMENT COMMITTEE COMMISSION

(a) Members. There is created the Vermont Pension Investment Committee Commission, an independent commission, to comprise ~~seven~~ nine members as follows:

(1) one member and one alternate, ~~who may or may not be trustees of the Board of the Vermont State Employees’ Retirement System,~~ elected by the employee and retiree members of ~~that board~~ the Board of the Vermont State Employees’ Retirement System;

(2) one member and one alternate, ~~who may or may not be trustees of the Board of the State Teachers’ Retirement System of Vermont,~~ elected by the employee and retiree members of ~~that~~ the Board of the Vermont State Teachers’ Retirement System;

(3) one member and one alternate, ~~who may or may not be trustees of the Board of the Vermont Municipal Employees’ Retirement System,~~ elected by the municipal employee and municipal official members of ~~that~~ the Board of the Vermont Municipal Employees’ Retirement System;

(4) two members and one alternate, who shall each be a financial expert and independent, appointed by the Governor;

(5) the State Treasurer or designee, an ex-officio voting member; and

(6) one member, appointed by the other six voting eight members of the Committee Commission, who shall serve as Chair of the Committee Commission and at the pleasure of the Committee Commission;

(7) one member representing a municipal employer, appointed by the Executive Director of the Vermont League of Cities and Towns; and

(8) one member representing a school employer, appointed by the Vermont School Boards Association.

~~(b) Training. An authority responsible for electing or appointing a member or alternate shall consider the experience and knowledge of potential members and alternates consistent with the purposes of the Committee, and shall inform potential members and alternates that they shall participate in Members and alternates of the Commission shall be required to participate in onboarding and ongoing periodic training in investments, securities, and fiduciary responsibilities as directed by the Committee Commission. The Commission shall provide an annual report to the respective authorities responsible for electing and appointing members and alternates regarding attendance at Commission meetings and relevant educational programs attended.~~

~~(c) Initially, one appointee and the alternate appointee of the Governor shall serve a two-year term, and the second appointee shall serve for a four-year term. Thereafter, the Governor's appointees and alternate appointee shall serve for four-year terms. Initially, the member and alternate chosen by the Vermont Municipal Employees' Retirement Board shall serve for a two-year term, the member and alternate chosen by the Vermont State Teachers' Retirement Board shall serve for a three-year term and the member and alternate chosen by the Vermont State Employees' Retirement Board shall serve for a four-year term. Thereafter, all members and alternates shall serve for four-year terms. Member terms.~~

(1) Except as provided in subdivision (2) of this section and for the ex-officio members of the Commission, all members and alternates of the Commission shall serve staggered four-year terms. A vacancy created before the expiration of a term shall be filled in the same manner as the original appointment for the unexpired portion of the term. A member or alternate appointed to fill a vacancy created before the expiration of a term shall not be deemed to have served a term for the purpose of this subsection. Members and alternates of the Commission shall be eligible for reappointment and shall



serve not more than three terms; provided, however, that a single term served as an alternate shall not be used to calculate a member's total term limit. Members and alternates of the Commission may be removed only for cause. The Commission shall adopt rules pursuant to chapter 25 of this title to define the basis and process for removal.

(2) If the Chair is unable to perform his or her duties, the Commission shall elect an interim chair who shall be a financial expert and independent.

(3) Terms shall end on June 30 with new terms beginning on July 1.

(4) Notwithstanding subdivision (3) of this subsection, members and alternates shall serve until their successors are appointed subject to the term limits provided in this subsection.

(d) Chair and vice chair.

(1)(A) The Chair of the Vermont Pension Investment Committee Commission shall be a financial expert and independent, and shall have the financial, investment, leadership, and governance expertise as required by policies adopted by the Commission.

(B) The Chair shall be a nonvoting member, except in the case of a tie vote.

(2) The Vermont Pension Investment Commission shall elect a vice chair from among its members.

(e) ~~The Vermont Pension Investment Committee shall elect a vice chair from among its members~~ Eligibility. No legislator who is currently serving in the General Assembly shall serve on the Commission.

(f) ~~Four~~ Meetings.

(1) Five members of the ~~Committee~~ Commission shall constitute a quorum.

(2) If a member is not in attendance, the alternate of that member shall be eligible to act as a member of the ~~Committee~~ Commission during the absence of the member.

(3) ~~Four~~ Five concurring votes shall be necessary for a decision of the ~~Committee~~ Commission at any meeting of the ~~Committee~~ Commission, except that any decision of the Commission relating to setting actuarial assumptions pursuant to subdivision 523(b)(1) of this title shall require six concurring votes. The ~~Committee~~ shall be attached to the Office of the State Treasurer for administrative support, and the expenses of the ~~Committee~~ and the Treasurer's office in support of the ~~Committee~~ shall be paid proportionately from the

~~funds of the three retirement systems and any individual municipalities that have been allowed to invest their retirement funds pursuant to subsection 523(a) of this title.~~

(g) Leave time. Public employee members and alternates shall be granted reasonable leave time by their employers to attend ~~Committee~~ Commission meetings and ~~Committee-related~~ Commission-related educational programs.

(h) ~~The Committee shall provide an annual report to the respective authorities responsible for electing and appointing members and alternates regarding attendance at Committee meetings and relevant educational programs attended~~ Compensation and reimbursements. Members and alternates of the Commission who are not public employees shall be entitled to compensation as set forth in 32 V.S.A. § 1010 and reimbursement for all necessary expenses that they may incur through service on the Commission from the funds of the retirement systems. The Chair of the Commission may be compensated from the funds at a level not to exceed one-third of the salary of the State Treasurer, as determined by the other members of the Commission.

(i) ~~A vacancy of an elected or appointed member or alternate shall be filled for the remainder of the term by the authority responsible for electing or appointing that member or alternate~~ Assistance and expenses.

(1) The Commission shall have the administrative and technical support of the Office of the State Treasurer.

(2) The Commission may collect proportionally from the funds of the three retirement systems and any individual municipalities that have been allowed to invest their retirement funds pursuant to subsection 523(a) of this title, any expenses incurred that are associated with carrying out its duties, and any expenses incurred by the Treasurer's office in support of the Commission.

(3) The Attorney General shall serve as legal advisor to the Commission.

§ 523. VERMONT PENSION INVESTMENT COMMITTEE  
COMMISSION; DUTIES

(a) General. The Vermont Pension Investment ~~Committee~~ Commission shall be responsible for the investment of the assets of the ~~State Teachers' Retirement System of Vermont~~ Vermont State Teachers' Retirement System, the Vermont State Employees' Retirement System, and the Vermont Municipal Employees' Retirement System pursuant to section 472 of this title, 16 V.S.A. § 1943, and 24 V.S.A. § 5063. The ~~Committee~~ Commission shall strive to maximize total return on investment, within acceptable levels of risk for public

retirement systems, in accordance with the standards of care established by the prudent investor rule under 14A V.S.A. § 902. The ~~Committee~~ Commission may, in its discretion, subject to approval by the Attorney General, also enter into agreements with municipalities administering their own retirement systems to invest retirement funds for those municipal pension plans. The State Treasurer shall serve as the custodian of the funds of all three retirement systems. The ~~Committee~~ Commission may, in its discretion, also enter into agreements with the State Treasurer to invest the State Employees' Postemployment Benefits Trust Fund, established in ~~3 V.S.A. § section~~ 479a of this title, and the Retired Teachers' Health and Medical Benefits Fund, established in 16 V.S.A. § 1944b.

~~(b) Members and alternates of the Committee who are not public employees shall be entitled to compensation as set forth in 32 V.S.A. § 1010 and reimbursement for all necessary expenses that they may incur through service on the committee from the funds of the retirement systems. The Chair of the Committee may be compensated from the funds at a level not to exceed one-third of the salary of the State Treasurer, as determined by the other members of the Committee Powers and duties. The Commission shall have the following duties:~~

~~(1) Set the following actuarial assumptions:~~

~~(A) the investment rate of return;~~

~~(B) the inflation rate; and~~

~~(C) the smoothing rate method used for the actuarial valuation of assets and returns.~~

~~(2) Not more than 180 days after the end of each fiscal year, conduct an asset allocation study that reviews the expected return of each fund, including a risk analysis using best practices methodologies to estimate potential risks to the fund's asset values over a five-, 10-, and 20-year period, and the remainder of the statutory amortization period. The study shall be submitted to the House and Senate Committees on Government Operations and the Office of the Governor and made publicly available within 10 days of completion.~~

~~(c) Recordkeeping. The Committee Commission shall keep a record of all its proceedings, which shall be open for public inspection.~~

~~(d) Policies. The Committee Commission shall formulate policies and procedures deemed necessary and appropriate to carry out its functions, including a written statement of the responsibilities of and expectations for the Chair of the Committee Commission and standards of conduct for members and employees of the Commission in order to maintain and promote public~~

confidence in the integrity of the Commission. The standard of conduct policies shall prohibit members and employees from receiving or soliciting any gift, including meals, alcoholic beverages, travel fare, room and board, or any other thing of value, tangible or intangible, from any vendor or potential vendor of investment services, management services, brokerage services, and other services to the Commission.

~~(e) The Attorney General shall serve as legal advisor to the Committee Contracts.~~

~~(f) Contracts approved by the Committee Commission and related documents may be executed by the Chair, or, in the Chair's absence, the Vice Chair.~~

(f) Asset and liability study. Beginning on July 1, 2022, and every three years thereafter, based on the most recent actuarial valuations of each Plan, the Commission shall study the assets and liabilities of each Plan over a 20-year period. The study shall:

(1) project the expected path of the key indicators of each Plan's financial health based on all current actuarial and investment assumptions; current contribution and benefit policies, including the Plans' mark-to-market funded ratio; actuarially required contributions by source; payout ratio; and related liquidity obligations; and

(2) project the effect on each Plan's financial health resulting from:

(A) possible material deviations from Plan assumptions in investment assumptions, including returns versus those expected and embedded in the actuary's estimate of actuarially required contributions and any material changes in capital markets volatility; and

(B) possible material deviations from key plan actuarial assumptions, including retiree longevity, potential benefit increases, and inflation.

~~(g) Changes to actuarial rate of return. Notwithstanding any other provision of law to the contrary, Any changes to the actuarial rate of return shall be made at a joint meeting of by the Committee Commission and the appropriate Retirement Board. The Board and Committee shall review the recommendations of the actuary and the investment consultant. A change to an actuarial rate of return shall be by joint resolution of the Board and Committee. Each body shall vote according to its own procedures. In the event that the Board and Committee are unable to agree on an actuarial rate of return, the existing assumed rate of return shall remain in effect.~~

(h) Annual reports.

(1) Beginning on January 15, 2022, and every year thereafter, the Commission shall submit to the House and Senate Committees on Government Operations:

(A) a report on the performance of each Plan versus its demographic investment and other actuarial assumptions over a three-, five-, seven-, and 10-year period, and the funding ratio of each Plan to each Plan beneficiary at the end of each fiscal year; and

(B) a report on the status of the funding and investment performance of each Plan and any relevant information from the asset liability and scenario testing completed during the prior fiscal year.

(2) The Commission shall send to each participant or beneficiary of each Plan a written or electronic copy of the report described in subdivision (1) of this subsection, in the format authorized by the participant or beneficiary. The report shall be consolidated with any other reports required to be sent by the Commission to the participants or beneficiaries of each Plan.

Second: In Sec. 2, Vermont Pension Investment Commission; transition of member terms, by striking out subdivision (1) and inserting in lieu thereof the following:

(1) Beginning on July 1, 2021, members shall be appointed to fill the new member seats established in 3 V.S.A. § 522(a)(7) and (8) in Sec. 1 of this act. The member appointed pursuant to 3 V.S.A. § 522(a)(7) in Sec. 1 of this act shall serve an initial term of one year, and the member appointed pursuant to 3 V.S.A. § 522(a)(8) in Sec. 1 of this act shall serve an initial term of two years.

Third: In Sec. 3, Vermont Pension Investment Commission; fiscal year 2022 reports, in subsection (b), in the first sentence, by striking out “stand-alone entity” and inserting in lieu thereof an independent entity

Fourth: By striking out Secs. 10–12 in their entireties and inserting in lieu thereof the following:

Sec. 10. PENSION BENEFITS, DESIGN, AND FUNDING TASK FORCE;  
STATE EMPLOYEES’ RETIREMENT SYSTEM; STATE  
TEACHERS’ RETIREMENT SYSTEM; REPORT

(a) Creation. There is created the Pension Benefits, Design, and Funding Task Force to review and report on the benefits, design, and funding of retirement and retiree health benefit plans for the Vermont State Employees’ Retirement System and the Vermont State Teachers’ Retirement System.

(b) Membership.

(1) The Task Force shall be composed of the following members:

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

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

(C) the Secretary of Administration or designee;

(D) the State Treasurer or designee;

(E) three members, who shall be appointed by the President of the Vermont-NEA;

(F) two members, who shall be appointed by the President of the Vermont State Employees' Association; and

(G) one member of the Vermont Troopers' Association, who shall be appointed by the President of the Vermont Troopers' Association.

(2)(A) The members appointed pursuant to subdivisions (1)(A) and (B) of this subsection (b) shall not be direct or indirect beneficiaries of the Vermont State Employees' Retirement System or the Vermont State Teachers' Retirement System.

(B) The members appointed pursuant to subdivisions (1)(E)–(G) of this subsection (b) shall not be currently serving as a legislator or the spouse or partner of an individual currently serving as a legislator.

(c) Powers and duties.

(1) The Task Force shall make recommendations about benefit provisions and appropriate funding sources along with other recommendations it deems appropriate for consideration, consistent with actuarial and governmental accounting standards, as well as demographic and workforce trends and the long-term sustainability of the benefit programs, including the following:

(A) developing and evaluating a range of strategies to lower the actuarially determined employer contributions and unfunded actuarially accrued liability based on actuarial value of assets in the State Employees' Retirement System and the Teachers' Retirement System by between 25 and 100 percent of the size of the increases from fiscal year 2021 to fiscal year 2022, as reported in the respective Actuarial Valuation and Review for each retirement system, dated June 30, 2020, while maintaining the 2038 amortization date;

(B) a five-year review of benefit expenditure levels as well

as employer and employee contribution levels and growth rates and a three-, five-, and 10-year projection of these levels and rates;

(C) identifying potential options for limiting the growth in the actuarially determined employer contributions to not more than inflation;

(D) assessing the impacts associated with any modifications to the current amortization schedule;

(E) based on benefit and funding benchmarks:

(i) proposed benefit structures with the objective of adequate benefits, including an evaluation of a shared-risk model for employer and employee contributions and cost-of-living adjustments, with a focus on reducing any future increases to the unfunded actuarially accrued liability;

(ii) an estimate of the cost of current and any proposed benefit structures on a budgetary and full actuarial accrual basis;

(iii) the State's pension contributions as a percentage of direct general spending and a comparison of other states' pension contributions; and

(iv) how proposed benefit changes for new members may reduce the impact of future actuarial assumption losses;

(F) evaluating any cross-subsidization between all groups within the Vermont State Employees' Retirement System and adjusting contribution amounts to eliminate any cross-subsidization;

(G) examining permanent and temporary revenue streams to fund the Vermont State Employees' Retirement System and the State Teachers' Retirement System;

(H) a plan for prefunding other postemployment benefits, with an evaluation of using federal funds to the extent permissible, including identifying long-term impacts of pay-as-you-go funding;

(I) evaluating the intermediate and long-term impacts to the State and local economies because of any proposed changes to current benefit structures and contribution characteristics and their potential effects on retiree spending power, including retirees who identify as female and retirees who are persons with disabilities; and

(J) an examination of the effects of current benefit structures and contribution characteristics on the recruitment and retention of public school educators and State employees and an evaluation of any proposed changes to current benefit structures and contribution characteristics on the recruitment and retention of public school educators and State employees in the future.

(2) The Task Force shall not make recommendations on adjusting the assumed rates of return.

(d) Stakeholder input. During the course of its deliberations, and prior to any final recommendations being made, the Task Force shall:

(1) solicit input, including through public hearings, from affected stakeholders, including those impacted by issues of inequities; and

(2) consult with representatives designated by the Supreme Court acting in its constitutional role as the administrator of the Judicial Branch, Group D members of the State Employees' Retirement System, and members of the State Employees' Retirement System who are employees of the Department of Corrections.

(e) Assistance.

(1) The Task Force shall have:

(A) fiscal assistance from the Joint Fiscal Office and Office of the State Treasurer; and

(B) committee support services from the Office of Legislative Operations.

(2) The Office of Legislative Counsel and Joint Fiscal Office are authorized to contract for advisory services for the Task Force from an independent actuary, benefits expert, and legal expert, as necessary.

(f) Leave time. Public employee members of the Task Force shall be granted reasonable leave time by their employers to attend Task Force meetings.

(g) Report. On or before October 15, 2021, the Task Force shall submit an interim written report to the Governor and to the House and Senate Committees on Government Operations with an update on the work of the Task Force. The Task Force shall submit a final report with its findings and any recommendations for legislative action on or before December 2, 2021. The Task Force shall also provide the report to the Board of Trustees of the State Employees' and Teachers' Retirement Systems for their consideration and comment to the General Assembly.

(h) Meetings.

(1) The members appointed pursuant to subdivisions (b)(1)(A) and (B) of this section shall appoint a House and Senate member as co-chairs, who shall call the first meeting of the Task Force to occur on or before June 15, 2021.



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

(3) The Task Force shall cease to exist on June 30, 2022.

(i) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Task Force serving in his or her 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 15 meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Task Force who are not State employees shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 15 meetings. These payments shall be made from monies appropriated to the State Treasurer.

Sec. 11. 2 V.S.A. chapter 31 is added to read:

Chapter 31. JOINT LEGISLATIVE PENSION OVERSIGHT  
COMMITTEE

§ 1001. CREATION OF COMMITTEE

(a) Creation. There is created a Joint Legislative Pension Oversight Committee for the purpose of working with and providing assistance to other legislative committees on matters related to State's retirement system other postemployment benefits.

(b) Members. The Committee shall be composed of the following members, who shall be appointed each biennial session of the General Assembly:

(1) three members of the House, who shall not be from the same party, appointed by the Speaker of the House; and

(2) three members of the Senate, who shall not be from the same party, appointed by the Committee on Committees.

(c) Powers and duties. The Committee shall evaluate and make recommendations on the following:

(1) issues of public policy related to the provision of retirement benefits to the State's public sector workforce;

(2) changes to statutory provisions regarding the provision, design, and administration of retirement benefits and the retirement systems;

(3) issues of public policy relating to health benefit design innovations,

State regulatory measures, and alternative methods of providing pooled health care benefits to both active and retired school employees to lower health care costs for employees, retirees, school boards, and the State; and

(4) the appropriate annual appropriation to fund the State's retirement obligations in accordance with actuarial recommendations, statutory amortization schedules, and funding policies.

(d) Policies. The Committee shall elect a chair, vice chair, and clerk from among its members and shall adopt rules of procedures. The Chair shall rotate biennially between the House and Senate members. The Committee shall keep minutes of its meetings.

(e) Meetings.

(1) When the General Assembly is in session, the Committee shall meet at the call of the Chair.

(2) The Committee may meet six times during adjournment and may meet more often subject to approval of the Speaker of the House and the President Pro Tempore of the Senate.

(3) A quorum shall consist of four members.

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

(g) Compensation and reimbursement. For attendance at a meeting when the General Assembly is not in session, members of the Committee shall be entitled to compensations for services and reimbursement of expenses as provided under subsection 23(a) of this title.

(h) Reports. Annually, on or before December 1 each year, the Vermont Investment Pension Commission and the Boards of Trustees for the State Employees' Retirement System, Teachers' Retirement System, and Municipal Employees' Retirement, shall report to the Committee.

## Sec. 12. CONFORMING REVISIONS

When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Counsel shall replace "Vermont Pension Investment Committee" with "Vermont Pension Investment Commission" throughout the statutes as needed for consistency with Secs. 1-9 of this act, provided the revisions have no other effect on the meaning of the affected statutes.

## Sec. 13. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 11 shall take effect on July 1, 2022.

(For text see House Journal May 6, 2021 )

## **Action Postponed Until May 11, 2021**

### **Senate Proposal of Amendment**

#### **H. 430**

An act relating to expanding eligibility for Dr. Dynasaur to all income-eligible children and pregnant individuals regardless of immigration status

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

Sec. 1. 33 V.S.A. chapter 19, subchapter 9 is added to read:

#### Subchapter 9. Coverage for Additional Populations

#### § 2091. DR. DYNASAUR-LIKE COVERAGE; LEGISLATIVE INTENT

In establishing Dr. Dynasaur-like coverage for children and pregnant individuals who are not eligible for the Dr. Dynasaur program because of their immigration status, it is the intent of the General Assembly that the hospital, medical, dental, and prescription drug benefits and eligibility criteria for the coverage set forth in section 2092 of this chapter should align to the greatest extent practicable with the benefits and eligibility criteria of the Dr. Dynasaur program.

#### § 2092. DR. DYNASAUR-LIKE COVERAGE FOR CERTAIN VERMONT RESIDENTS

(a) As used in this section, the term “Vermont residents who have an immigration status for which Medicaid coverage is not available” includes migrant workers who are employed in seasonal occupations in this State.

(b) The Agency of Human Services shall provide hospital, medical, dental, and prescription drug coverage equivalent to coverage in the Vermont Medicaid State Plan to the following categories of Vermont residents who have an immigration status for which Medicaid coverage is not available and who are otherwise uninsured:

(1) children under 19 years of age whose household income does not exceed the income threshold for eligibility under the Vermont Medicaid State Plan; and

(2) pregnant individuals whose household income does not exceed the income threshold for eligibility under the Vermont Medicaid State Plan, for

coverage during their pregnancy and for postpartum coverage equivalent to that available under the Vermont Medicaid State Plan.

(c) The confidentiality provisions set forth in section 1902a of this chapter shall apply to all applications submitted and records created pursuant to this section, except that the Agency of Human Services shall not make any information regarding applicants or enrollees available to the United States government.

(d) The Agency of Human Services may adopt rules in accordance with 3 V.S.A. chapter 25 to carry out the purposes of this section.

## Sec. 2. AGENCY OF HUMAN SERVICES; OUTREACH AND PROVIDER GRANTS; IMPLEMENTATION; APPROPRIATION

To the extent that applicable funds are appropriated in the fiscal year 2022 budget, the Agency of Human Services shall use them for the following purposes:

(1) Grants or reimbursements, or both, to health care providers for delivering health care services during fiscal year 2022 to children and pregnant individuals who have an immigration status for which Medicaid coverage is not available.

(2) Grants to Vermont organizations that work with members of Vermont's undocumented immigrant community or with members of the health care provider community to provide culturally and linguistically appropriate outreach and information regarding opportunities for children and pregnant individuals in Vermont who have an immigration status for which Medicaid coverage is not available to access health care services at low or no cost in fiscal year 2022 and thereafter. The outreach and information shall include information on the confidentiality of records pertaining to applicants and enrollees.

(3) Implementing the technological and operational processes necessary for the Department of Vermont Health Access to administer the coverage for Vermont residents who have an immigration status for which Medicaid coverage is not available as set forth in 33 V.S.A. § 2092 beginning on July 1, 2022.

## Sec. 3. AGENCY OF HUMAN SERVICES; DR. DYNASAUR-LIKE COVERAGE; FISCAL YEAR 2023 ESTIMATE

The Agency of Human Services shall provide information on the estimated fiscal year 2023 costs of providing coverage to Vermont residents who have an immigration status for which Medicaid coverage is not available pursuant to 33 V.S.A. § 2092 beginning on July 1, 2022 as part of the Agency's fiscal year

2023 budget presentation to the House Committees on Appropriations and on Health Care and the Senate Committees on Appropriations and on Health and Welfare.

Sec. 4. EFFECTIVE DATES

(a) Sec. 2 (Agency of Human Services; outreach and provider grants; implementation; appropriation) shall take effect on July 1, 2021.

(b) The remaining sections shall take effect on passage, with the Agency of Human Services making coverage available to Vermont residents who have an immigration status for which Medicaid coverage is not available in accordance with Sec. 1 (33 V.S.A. § 2092) beginning on July 1, 2022, subject to fiscal year 2023 appropriations for this purpose.

And that after passage the title of the bill be amended to read:

An act relating to eligibility for Dr. Dynasaur-like coverage for all income-eligible children and pregnant individuals regardless of immigration status.

(For text see House Journal March 23, 2021 )

**H. 438**

An act relating to capital construction and State bonding

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

First: In Sec. 2, State Buildings, in subdivision (b)(10), by striking out “\$2,800,000.00” and inserting in lieu thereof \$2,750,000.00, and by striking out all after subdivision (c)(18) and inserting in lieu thereof the following:

|  |                        |
|--|------------------------|
| <u>Appropriation – FY 2022</u>         | <u>\$19,316,774.00</u> |
| <u>Appropriation – FY 2023</u>         | <u>\$24,800,442.00</u> |
| <u>Total Appropriation – Section 2</u> | <u>\$44,117,216.00</u> |

Second: In Sec. 4, Commerce and Community Development, by striking out subsection (c) in its entirety and by relettering the remaining subsection to be alphabetically correct.

Third: In Sec. 9, Natural Resources, by striking out subsection (c) in its entirety and inserting in lieu thereof the following:

(c) The following amounts are appropriated in FY 2022 to the Agency of Natural Resources for the Department of Fish and Wildlife for the projects described in this subsection:

|   |                       |
|---|-----------------------|
| <u>(1) General infrastructure projects, including small-scale maintenance and rehabilitation of infrastructure:</u> | <u>\$1,264,500.00</u> |
|---|-----------------------|

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

And by striking out all after subdivision (f)(2) and inserting in lieu thereof the following:

(g) The following amounts are appropriated in FY 2023 to the Agency of Natural Resources for the projects described in this subsection:

(1) General infrastructure projects, including small-scale maintenance and rehabilitation of infrastructure: \$1,083,500.00

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

Appropriation – FY 2022 \$11,455,214.00

Appropriation – FY 2023 \$9,853,264.00

Total Appropriation – Section 9 \$21,308,478.00

Fourth: By striking out Sec. 26, Federal Funds; Capital Projects, in its entirety and inserting in lieu thereof the following:

Sec. 26. FEDERAL FUNDS; CAPITAL PROJECTS

(a) Intent. It is the intent of the General Assembly, to the extent permitted by federal law and guidance, to use federal funds provided to the State by the American Rescue Plan Act of 2021, Pub. L. 117-2, in the Coronavirus Capital Projects Fund to carry out critical capital projects for the Executive, Legislative, and Judicial Branches to directly enable work, education, and health monitoring, including remote options, in response to the public health emergency with respect to the Coronavirus Disease (COVID-19).

(b) Prioritized uses. The federal funds provided to the State by the American Rescue Plan Act of 2021, Pub. L. 117-2, in the Coronavirus Capital Projects Fund shall be prioritized for critical capital projects proposed by the Executive, Legislative, and Judicial Branches in response to the COVID-19 pandemic and the entire amount provided to the State shall not be for the exclusive use of any single branch of State government.

(c) Recommendation.

(1) On or before December 15, 2021, the Commissioner of Finance and Management shall recommend a list of priority projects for the use of federal funds by the Executive Branch from the Coronavirus Capital Projects Fund for FY 2023 to the Governor for the FY 2022–2023 capital budget adjustment report. Consistent with federal guidance as it becomes available, Executive Branch recommendations may include infrastructure that provides the greatest

economic benefit in and among our communities. Any recommendations shall take into consideration the capital needs of all three branches.

(2) On or before December 15, 2021, the Joint Legislative Management Committee shall recommend a list of priority projects for the use of federal funds from the Coronavirus Capital Projects Fund for capital projects in the Legislative Branch and the Court Administrator shall submit a list of priority projects for the use of federal funds from the Coronavirus Capital Projects Fund for capital projects in the Judicial Branch to the House Committee on Corrections and Institutions and the Senate Committee on Institutions for allocation in the FY 2022–2023 Capital Budget Adjustment Act. Any recommendations shall take into consideration the capital needs of all three branches.

Fifth: By striking out Sec. 31, effective date, and its reader assistance heading in their entireties and inserting in lieu thereof the following:

Sec. 31. 29 V.S.A. § 410 is amended to read:

§ 410. RULEMAKING; ENCROACHMENTS ON PUBLIC WATERS

(a) The Department may adopt rules to implement the requirements of this chapter.

(b) The Department shall adopt rules establishing criteria for issuing an encroachment permit under this chapter for the creation of artificial reefs or sinking of vessels within the waters under the jurisdiction of the Department, including the requirement that any creation of an artificial reef or sinking of a vessel complies with federal rules or guidance for such activities.

Sec. 32. ANR ENCROACHMENT RULES; IMPLEMENTATION

(a) On or before January 1, 2022, the Department of Environmental Conservation shall initiate the rulemaking required under 29 V.S.A. § 410.

(b) On or before July 1, 2022, the Department of Environmental Conservation shall file a final proposal of the rules required under 29 V.S.A. § 410 with the Secretary of State under 3 V.S.A. § 841.

\* \* \* Public Safety \* \* \*

Sec. 33. WILLISTON PUBLIC SAFETY BARRACKS; SALE

The Commissioner of Buildings and General Services is authorized to sell the property known as the Williston Public Safety Barracks (State Office Building) located at 2777 St. George Road in Williston, Vermont pursuant to the requirements of 29 V.S.A. § 166. The proceeds from the sale shall be appropriated to future capital construction projects.

\* \* \* Effective Date \* \* \*

Sec. 34. EFFECTIVE DATE

This act shall take effect on passage.

Sixth: By striking out Sec. 25, process for use of federal funds; FY 2022 and FY 2023; water and sewer infrastructure, in its entirety and by renumbering the remaining sections to be numerically correct.

(For text see House Journal March 25, 2021 )

**NEW BUSINESS**

**Senate Proposal of Amendment**

**H. 426**

An act relating to addressing the needs and conditions of public school facilities in the State

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

First: In Sec. 1, findings; intent, in the section heading, by inserting ; Purpose after “Intent” and by adding a subsection (e) to read as follows:

(e) The purpose of the funding appropriated in this act is to enable supervisory unions and supervisory districts to utilize their Elementary and Secondary School Emergency Relief Fund allocations to improve the conditions for health and safety of students and staff, to address other eligible facilities needs, and to position the State in addressing the backlog of school facilities needs in an efficient and equitable manner.

Second: In Sec. 2, school construction; facilities standards; Capital Outlay Financing Formula; Agency of Education; State Board of Education; update, in subsection (c), by striking out “State Board” and inserting in lieu thereof Agency of Education and by inserting to the State Board after “technical assistance”

Third: By striking out Sec. 3, school facilities conditions assessment; Agency of Education; Department of Buildings and General Services, in its entirety and inserting in lieu thereof the following:

Sec. 3. SCHOOL FACILITIES INVENTORY AND CONDITIONS  
ASSESSMENT; AGENCY OF EDUCATION; DEPARTMENT OF  
BUILDINGS AND GENERAL SERVICES; REPORT

(a) On or before September 1, 2021, the Secretary of Education, in coordination with the Commissioner of Buildings and General Services, shall issue a request for proposal for a school facilities inventory and conditions



assessment to ascertain the extent of need for additional support to school districts as a result of the COVID-19 pandemic and to inform the Agency of Education of the statewide school facilities needs and costs.

(b) The Secretary of Education shall contract with an independent third party to conduct the inventory and assessment described in subsection (a) of this section. The inventory shall be completed on or before January 15, 2022, and the assessment shall be completed on or before October 1, 2022.

(c) The independent third party hired pursuant to subsection (b) of this section shall conduct the inventory and assessment in two phases.

(1) the inventory phase of the contract shall include collecting information about the current state of school facilities and immediate plans to invest in school facilities, including:

(A) general information about facilities, age of buildings, and major mechanical systems;

(B) a review of school facility conditions, space utilization, and suitability of the facility and its spaces to deliver educational and support services;

(C) building systems' condition and performance to address the health and safety of students and employees, including energy efficiency improvements and indoor air quality, accessibility to and within buildings, and condition of technology systems, and;

(D) a review of any information collected by Efficiency Vermont about school building systems as part of the School Indoor Air Quality Program, as established in 2020 Acts and Resolves No. 120, Sec. A.51.

(2) the assessment phase of the contract shall include:

(A) A planning phase that utilizes the expertise of the consultant and other stakeholders to finalize the evaluation criteria and methodology for the collection of data.

(B) Sufficient information to assist the General Assembly to establish a ranking system based on categories to prioritize schools with the highest needs for future school construction funding. The categories shall include:

(i) capacity and utilization;

(ii) safety and security infrastructure;

(iii) accessibility;

(iv) technology infrastructure;

(v) capacity to deliver STEAM (science, technology, engineering, arts, and math) programming; and

(vi) building systems' condition and performance, including energy efficiency improvements and indoor air quality to address the health and safety of students and employees.

(d) The Secretary is authorized to use not more than \$2,500,000.00 from the amount allocated to the Agency of Education from the Elementary and Secondary School Emergency Relief Fund pursuant to Section 2001(c) of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 to conduct the inventory and assessment described in this section.

(e) The Agency of Education shall create a database to enter the information from the assessment described in subsection (a) of this section. This information shall include a school's physical address and GIS coordinates.

(f) On or before January 15, 2022, the Secretary of Education shall submit a report to the House and Senate Committees on Education presenting the findings of the inventory described in subsection (a) of this section and a progress update on the assessment phase.

(g) As used in this section, "school" means a public school as defined in 16 V.S.A. § 11.

Fourth: By striking out Sec. 8, effective dates, in its entirety and inserting in lieu thereof the following:

Sec. 8. 16 V.S.A. § 559 is amended to read:

§ 559. PUBLIC BIDS

(a) Cost threshold. When the cost exceeds ~~\$15,000.00~~ \$40,000.00, a school board or supervisory union board shall publicly advertise or invite three or more bids from persons deemed capable of providing items or services if costs are in excess of ~~\$15,000.00~~ \$40,000.00 for any of the following:

(1) the construction, purchase, lease, or improvement of any school building;

(2) the purchase or lease of any item or items required for supply, equipment, maintenance, repair, or transportation of students; or

(3) a contract for transportation, maintenance, or repair services.

\* \* \*

Sec. 9. SCHOOL FACILITIES; HEALTH AND SAFETY PROJECTS;

COVID-19

(a) On or before September 30, 2023, the Agency of Education shall contract with an independent third party to assist any school district using funds allocated to it from the Elementary and Secondary School Emergency Relief Fund pursuant to Section 2001(d) of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 and any other federal sources, to improve the overall health and safety of any of the district's school facilities as a result of the COVID-19 pandemic. The contractor's responsibilities shall include:

(1) project coordination;

(2) serving as a liaison:

(A) between the school district, the Agency of Education, the Department of Health, and any other relevant entities in the State that may be leveraged to support the work, including to coordinate the use of federal funding programs and maximize funding, labor, and equipment resources;

(B) between the school district and the Agency of Education to:

(i) facilitate the district prioritization of school safety and health issues;

(ii) support a school district, in coordination with the Agency of Education, in defining their investment strategies for the improvement of school facilities in a manner consistent with the intent and purpose of any funding source; and

(iii) develop communications to support the prioritization of projects; and

(iv) provide status updates and a final report on project work to the school district and the Agency of Education, including recommendations on how to maintain the facility after the performance period of the grant funds.

(b)(1) The Agency of Education is authorized to allocate not more than \$500,000.00 of the amount allocated to the Agency of Education from the Elementary and Secondary School Emergency Relief Fund pursuant to Section 2001(c) of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 for the purpose described in subsection (a) of this section.

(2) The Agency of Education shall reserve not more than \$1,000,000.00 from the amount allocated to the Agency of Education from the Elementary and Secondary School Emergency Relief Fund pursuant to Section 2001(c) of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 if a school district has used all of the funds allocated to it from the Elementary and Secondary School Emergency Relief Fund pursuant to Section 2001(d) of the American

Rescue Plan Act of 2021, Pub. L. No. 117-2 and needs additional funding to plan and implement improvements to its facilities pursuant to this section.

Sec. 10. STATE ENERGY MANAGEMENT PROGRAM; FINANCING FOR SCHOOLS

On or before January 15, 2023, the Agency of Education, in coordination with the Department of Buildings and General Services, shall submit a report to the House Committees on Corrections and Institutions and on Education and the Senate Committees on Education and on Institutions to determine how the State Energy Management Program, established in 29 V.S.A. § 168, shall support schools to implement needed energy efficiency and conservation measures, including those identified in the inventory and assessment required by Sec. 3 of this act.

Sec. 11. RENEWABLE AND EFFICIENT HEATING SYSTEMS IN SCHOOLS; GRANT PROGRAM; EFFICIENCY VERMONT

(a) Program established. In fiscal year 2022, there is established the Renewable and Efficiency Heating Systems Grant Program (Program) to award grants for renewable and efficient heating systems in schools. Renewable and efficient heating systems grants shall be used to make necessary improvements to address building systems in covered schools to improve health, safety, and efficiency in response to the COVID-19 emergency.

(b) Definition. As used in this section, “covered school” means public schools and approved independent schools as defined under 16 V.S.A. § 11.

(c) Administration; implementation.

(1) Efficiency Vermont shall administer the Program, which shall:

(A) provide consulting services to covered schools;

(B) award grant funds to covered schools of not more than 50 percent of the total cost for the improvement or repair of existing heating systems, with a focus on renewable energy systems, energy efficiency, and providing appropriate space conditioning; and

(C) award grant funds to covered schools for the installation of renewable or efficiency electric space heating and conditioning systems.

(2) Grant program design. Efficiency Vermont, in consultation with the Agency of Education; the Vermont Superintendents Association; and experts in the field of thermal enclosure, energy efficiency, and renewable building space systems, shall design the Program. The Program design shall establish:

(A) an outreach and education plan, including specific tactics to reach and support all covered schools;

(B) an equitable system for distributing grants statewide based on geographic location, school size, grant dollar amount, and assessed need, with an emphasis on schools that may not have administrative support to apply for grants; and

(C) guidelines for thermal enclosure and renewable and energy efficiency buildings systems resilience, durability, health, and efficiency measures and costs that will be eligible for grant funding.

(d) Costs and fees.

(1) Efficiency Vermont is authorized to use up to \$150,000.00 of the amounts appropriated to the Program for direct labor costs.

(2) As the entity appointed to serve as Efficiency Vermont, the Vermont Energy Investment Corp. (VEIC) is also authorized to collect their federal-approved indirect rate of 9.3 percent on the funds expended in this section.

(3) Nothing shall prohibit Efficiency Vermont from supplementing total project costs completed under this section with a portion of its Public Utility Commission-approved budget for the purpose of achieving higher levels of efficiency and claiming efficiency savings toward the completing of performance targets pursuant to 30 V.S.A. § 209(d).

(e) Coordination. Efficiency Vermont shall coordinate with the Agency of Education and any other State entities and agencies working with covered schools to provide grants for the Program.

(f) Disclosures. Efficiency Vermont shall require that any school that receives a grant through the Program shall authorize Efficiency Vermont to release the school name and grant amount in any report requested by the General Assembly.

(g) Funding. During the 2022 legislative session, the General Assembly shall determine the source of funding for the Program and the necessary reporting requirements.

## Sec. 12. RADON TESTING; SCHOOL FACILITIES; DEPARTMENT OF HEALTH

(a) On or before January 15, 2023, each public school, as defined in 16 V.S.A. § 11, shall perform a radon measurement in accordance with the ANSI/AARST protocol for conducting Radon and Radon Decay Products in Schools and Large Buildings (MALB-2014) on any facility that has not had a test completed in five or more years.

(b) Each public school shall make available the results of the radon measurement described in subsection (a) of this section to each employee and student at the school.

Sec. 13. EFFECTIVE DATE

This act shall take effect on passage.

(For text see House Journal March 18, 2021 )

**H. 433**

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

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

\* \* \* Transportation Program Adopted as Amended; Definitions \* \* \*

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) The Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program appended to the Agency of Transportation's proposed fiscal year 2022 budget, as amended by this act, is adopted to the extent federal, State, and local funds are available.

(b) As used in this act, unless otherwise indicated:

(1) "Agency" means the Agency of Transportation.

(2) "Electric bicycle" means a bicycle equipped with fully operable pedals, a saddle or seat for the rider, and an electric motor of less than 750 watts.

(3) "Electric vehicle supply equipment (EVSE)" has the same meaning as in 30 V.S.A. § 201.

(4) "Plug-in electric vehicle (PEV)," "plug-in hybrid electric vehicle (PHEV)," and "battery electric vehicle (BEV)" have the same meanings as in 23 V.S.A. § 4(85).

(5) "Secretary" means the Secretary of Transportation.

(6) "TIB funds" means monies deposited in the Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

(7) The table heading "As Proposed" means the Proposed Transportation Program referenced in subsection (a) of this section; the table heading "As Amended" means the amendments as made by this act; the table heading "Change" means the difference obtained by subtracting the "As

Proposed” figure from the “As Amended” figure; and the terms “change” or “changes” in the text refer to the project- and program-specific amendments, the aggregate sum of which equals the net “Change” in the applicable table heading.

(c) In the Agency of Transportation’s Proposed Fiscal Year 2022 Transportation Program for Town Highway Aid, the value “\$26,017,744” is struck and “\$27,105,769” is inserted in lieu thereof to correct a typographic error.

\* \* \* Summary of Transportation Investments \* \* \*

Sec. 2. FISCAL YEAR 2022 TRANSPORTATION INVESTMENTS  
INTENDED TO REDUCE TRANSPORTATION-RELATED  
GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL  
USE, AND SAVE VERMONT HOUSEHOLDS MONEY

This act includes the State’s fiscal year 2022 transportation investments intended to reduce transportation-related greenhouse gas emissions, reduce fossil fuel use, and save Vermont households money in furtherance of the policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive Energy Plan and to satisfy the Executive and Legislative Branches’ commitments to the Paris Agreement climate goals. In fiscal year 2022, these efforts will include the following:

(1) Park and Ride Program. This act provides for a fiscal year expenditure of \$5,220,233.00, which will fund three park and ride construction projects, including the creation of two new park and ride facilities; the design of two additional park and ride facilities scheduled for construction in future fiscal years; and paving projects for existing park and ride facilities. This year’s Park and Ride Program will create 226 new State-owned spaces. Specific additions and improvements include:

(A) Berlin (Exit 6)—Design for 62 spaces;

(B) Berlin (Exit 7)—Construction of 34 new spaces;

(C) Manchester—Design for 50 spaces;

(D) Williamstown-Northfield (Exit 5)—Construction of 50 new spaces; and

(E) Williston—Construction of 142 new spaces.

(2) Bike and Pedestrian Facilities Program. This act, in concert with 2020 Acts and Resolves No. 139, Sec. 12(b)(1), provides for a fiscal year expenditure, including local match, of \$21,180,936.00, which will fund 27 bike and pedestrian construction projects; two new pedestrian bridge

installations; and 12 bike and pedestrian design, right-of-way, or design and right-of way projects for construction in future fiscal years. The construction projects include the creation, improvement, or rehabilitation of walkways, sidewalks, shared-use paths, bike paths, and cycling lanes. In addition to the Lamoille Valley Rail Trail, which will run from Swanton to St. Johnsbury, projects are funded in Arlington, Bennington, Brattleboro, Chester, Colchester-Essex, Dover, East Montpelier, Enosburg Falls, Hartford, Hartland, Hinesburg, Jericho, Johnson, Lincoln, Middlebury, Moretown, Plainfield, Poultney, Proctor, Richford, Rutland City, Shelburne, South Burlington, Springfield, St. Albans City, Swanton, Underhill, Vergennes, Waitsfield, Waterbury, Williston, Wilmington, and Winooski. This act also provides State funding for some of Local Motion’s operation costs to run the Bike Ferry on the Colchester Causeway, which is part of the Island Line Trail; funding for the small-scale municipal bicycle and pedestrian grant program for projects to be selected during the fiscal year; and funding for bicycle and pedestrian education activities being conducted through a grant to Local Motion.

(3) Transportation Alternatives Program. This act provides for a fiscal year expenditure of \$5,567,868.00, including local funds, which will fund 22 transportation alternatives construction projects and 20 transportation alternatives design, right-of-way, or design and right-of-way projects. Of these 42 projects, seven involve environmental mitigation related to clean water, stormwater, or both clean water and stormwater concerns, and nine involve bicycle and pedestrian facilities. Projects are funded in Bennington, Bridgewater, Bridport, Burlington, Castleton, Chester, Colchester, Derby, Duxbury, East Montpelier, Enosburg, Essex, Essex Junction, Fair Haven, Fairfax, Franklin, Granville, Hartford, Hyde Park, Jericho, Montgomery, Newfane, Norwich, Pittsford, Proctor, Rutland Town, South Burlington, St. Albans City, St. Johnsbury, Vergennes, Warren, Wilmington, and Winooski.

(4) Public Transit Program.

(A) Sec. 24 of this act expresses the General Assembly’s intent that all public transit, both rural and urban, be operated on a zero-fare basis in fiscal year 2022, as practicable and, in the case of urban routes, as approved by the governing body of the transit agency, with monies for public transit from the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136 (CARES Act); the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260; and the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (ARPA).

(B) Sec. 25 of this act requires the Agency to review and implement coordinated intermodal connections, to the extent practicable, to ensure efficient and accessible intermodal transportation opportunities in Vermont and support the cross promotion of intermodal connections.



(C) Sec. 27 of this act requires the Agency to prepare a long-range plan that outlines the costs, timeline, training, maintenance, and operational actions required to move to a fully electric public transportation fleet.

(D) This act also authorizes \$45,821,522.00 in funding for public transit uses throughout the State, which is an 11.1 percent increase over fiscal year 2021 levels and a 24.4 percent increase over fiscal year 2020 levels. Included in the authorization are:

(i) Go! Vermont, with an authorization of \$793,400.00. This authorization supports the promotion and use of carpools and vanpools.

(ii) Vermont Kidney Association Grant, with an authorization of \$50,000.00. This authorization supports the transit needs of Vermonters in need of dialysis services.

(iii) Opioid Treatment Pilot, with an authorization of \$84,064.00. This authorization supports the transit needs of Vermonters in need of opioid treatment services.

(5) Rail Program. This act authorizes \$36,780,019.00, including local funds, for intercity passenger rail service and rail infrastructure throughout the State, including modifications to the Burlington Vermont Rail Systems railyard to accommodate overnight servicing to facilitate New York City–Burlington rail service.

(6) Transformation of the State Vehicle Fleet. The Department of Buildings and General Services, which manages the State Vehicle Fleet, currently has 25 PHEVs and two BEVs in the State Vehicle Fleet. In fiscal year 2022, the Department of Buildings and General Services expects to add 12 additional PHEVs and eight additional BEVs to the fleet.

(7) Electric vehicle supply equipment. In furtherance of the State’s goal to increase the presence of EVSE in Vermont:

(A) Sec. 22 of this act authorizes up to \$1,000,000.00 to the Interagency EVSE Grant Program for a pilot program for EVSE at multi-unit affordable housing and multi-unit dwellings owned by a nonprofit; and

(B) Sec. 23 of this act sets a State goal to have a level 3 EVSE charging port available to the public within five miles of every exit of the Dwight D. Eisenhower National System of Interstate and Defense Highways within the State and 50 miles of another level 3 EVSE charging port available to the public along a State highway and requires the annual filing of an up-to-date map showing the locations of all level 3 EVSE available to the public within the State with the House and Senate Committees on Transportation until this goal is met.

(8) Vehicle incentive programs and expansion of the PEV market.

(A) Incentive Program for New PEVs and partnership with Drive Electric Vermont. Sec. 10 of this act authorizes:

(i) up to an additional \$250,000.00 for the Agency to continue and expand the Agency's public-private partnership with Drive Electric Vermont to support the expansion of the PEV market in the State; and

(ii) at least \$3,000,000.00 for PEV purchase and lease incentives under the Incentive Program for New PEVs, which is the State's program to incentivize the purchase and lease of new PEVs, and capped administrative costs.

(B) MileageSmart. Sec. 13 of this act authorizes up to \$1,250,000.00 for purchase incentives under MileageSmart, which is the State's used high-fuel-efficiency vehicle incentive program, and capped administrative costs.

(C) Emissions repairs. Sec. 18 of this act authorizes up to \$375,000.00 for emissions repair vouchers and capped startup and administrative costs.

(D) Replace Your Ride Program. Sec. 20 of this act creates a new program to be known as the Replace Your Ride Program, which will be the State's program to incentivize Vermonters to remove older low-efficiency vehicles from operation and switch to modes of transportation that produce fewer greenhouse gas emissions, and authorizes up to \$1,500,000.00 for incentives under the Program and capped startup and administrative costs.

(E) Electric bicycle incentives. Sec. 21 of this act authorizes up to \$50,000.00 for \$200.00 incentives for the purchase of an electric bicycle.

(9) PEV rate design. Sec. 26 of this act requires the State's electric distribution utilities to implement PEV rates for public and private EVSE not later than June 30, 2024.

(10) Transportation equity framework. Sec. 35 of this act requires the Agency, in consultation with the State's 11 Regional Planning Commissions (PRCs), to complete and report back on a comprehensive analysis of the State's existing transportation programs and develop a recommendation on a transportation equity framework that can be used to advance mobility equity, which is a transportation system that increases access to mobility options, reduces air pollution, and enhances economic opportunity for Vermonters in communities that have been underserved by the State's transportation system. As part of this analysis, the RPCs are required to engage in a targeted public outreach process.

\* \* \* Highway Maintenance \* \* \*

Sec. 3. HIGHWAY MAINTENANCE

Within the Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program for Maintenance, spending is amended as follows:

| <u>FY22</u>             | <u>As Proposed</u> | <u>As Amended</u> | <u>Change</u> |
|-------------------------|--------------------|-------------------|---------------|
| Personal                | 45,339,790         | 45,339,790        | 0             |
| Services                |                    |                   |               |
| Operating               | 57,902,709         | 57,902,709        | 0             |
| Expenses                |                    |                   |               |
| Grants                  | 277,000            | 277,000           | 0             |
| Total                   | 103,519,499        | 103,519,499       | 0             |
| <u>Sources of funds</u> |                    |                   |               |
| State                   | 92,516,712         | 87,191,712        | -5,325,000    |
| Federal                 | 10,902,787         | 16,227,787        | 5,325,000     |
| Interdepartmental       |                    |                   |               |
| Transfer                | 100,000            | 100,000           | 0             |
| Total                   | 103,519,499        | 103,519,499       | 0             |

\* \* \* Bridge 61; Program Development; Town Highway Bridges \* \* \*

Sec. 4. BRIDGE 61 IN SPRINGFIELD, VT

(a) Within the Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program, the following project is moved from Program Development to Town Highway Bridges: Springfield BF 0134(49).

(b) Authorized spending for Springfield BF 0134(49) is not modified in any way.

\* \* \* DMV IT System Replacement \* \* \*

Sec. 4a. DMV IT SYSTEM REPLACEMENT

(a) The following project is added to the Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program for the Department of Motor Vehicles: DMV IT System Replacement.

(b) Within the Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program for the Department of Motor Vehicles, spending authority for the DMV IT System Replacement Project is authorized as follows:

| <u>FY22</u> | <u>As Proposed</u> | <u>As Amended</u> | <u>Change</u> |
|-------------|--------------------|-------------------|---------------|
| Operating   | 0                  | 24,500,000        | 24,500,000    |
| Expenses    |                    |                   |               |

|                         |   |            |            |
|-------------------------|---|------------|------------|
| Total                   | 0 | 24,500,000 | 24,500,000 |
| <u>Sources of funds</u> |   |            |            |
| Federal                 | 0 | 24,500,000 | 24,500,000 |
| Total                   | 0 | 24,500,000 | 24,500,000 |

(c) Notwithstanding any other provision of law and subject to the approval of the Secretary of Administration, any amount of the appropriation for the DMV IT System Replacement Project remaining unexpended on June 30, 2022 shall be carried forward and designated for expenditure on the DMV IT System Replacement Project in the subsequent fiscal year.

\* \* \* Roadway Projects; Phosphorus Control Planning \* \* \*

Sec. 4b. ROADWAY PROJECTS; STATEWIDE PHOSPHORUS CONTROL PLANNING

(a) The following project is added to the Agency of Transportation’s Proposed Fiscal Year 2022 Transportation Program for Roadway: Statewide PCP( ).

(b) Within the Agency of Transportation’s Proposed Fiscal Year 2022 Transportation Program for Roadway, spending authority for the Statewide PCP( ) Project is authorized as follows:

| <u>FY22</u>             | <u>As Proposed</u> | <u>As Amended</u> | <u>Change</u> |
|-------------------------|--------------------|-------------------|---------------|
| PE                      | 0                  | 2,250,000         | 2,250,000     |
| ROW                     | 0                  | 150,000           | 150,000       |
| Construction            | 0                  | 600,000           | 600,000       |
| Total                   | 0                  | 3,000,000         | 3,000,000     |
| <u>Sources of funds</u> |                    |                   |               |
| Federal                 | 0                  | 3,000,000         | 3,000,000     |
| Total                   | 0                  | 3,000,000         | 3,000,000     |

(c) Notwithstanding any other provision of law and subject to the approval of the Secretary of Administration, any amount of the appropriation for the Statewide PCP( ) Project remaining unexpended on June 30, 2022 shall be carried forward and designated for expenditure on the Statewide PCP( ) Project in the subsequent fiscal year.

\* \* \* Municipal Mitigation Assistance Program \* \* \*

Sec. 4c. MUNICIPAL MITIGATION ASSISTANCE PROGRAM

Within the Agency of Transportation’s Proposed Fiscal Year 2022 Transportation Program for Municipal Mitigation Assistance Program, spending is amended as follows:

| <u>FY22</u>             | <u>As Proposed</u> | <u>As Amended</u> | <u>Change</u> |
|-------------------------|--------------------|-------------------|---------------|
| Operating Expenses      | 265,000            | 265,000           | 0             |
| Grants                  | 5,845,000          | 6,345,000         | 500,000       |
| Total                   | 6,110,000          | 6,610,000         | 500,000       |
| <u>Sources of funds</u> |                    |                   |               |
| State                   | 705,000            | 705,000           | 0             |
| Federal                 | 1,428,000          | 1,928,000         | 500,000       |
| Other                   | 3,977,000          | 3,977,000         | 0             |
| Total                   | 6,110,000          | 6,610,000         | 500,000       |

\* \* \* Repeal of U.S. Route 4 Permit \* \* \*

Sec. 5. LEGISLATIVE INTENT

(a) It is the intent of the General Assembly not to repeal 23 V.S.A. § 1432(c), pursuant to Secs. 6 and 36(b) of this act, until the Agency of Transportation:

(1) works with the Town of Woodstock to identify safety concerns related to tractor trailers traveling through the Town on U.S. Route 4; and

(2) incorporates improvements it determines, in its sole authority, are feasible within the town highway right-of-way and scope of work for Woodstock NH PC21(5) within the Agency’s Proposed Fiscal Year 2022 Transportation Program for Program Development—Paving.

(b) The project identified as Woodstock NH PC21(5) is expected to be completed during the summer 2021 construction season and there is no projected fiscal year 2023 funding for the project included in the Proposed Fiscal Year 2022 Transportation Program, so having the repeal of 23 V.S.A. § 1432(c) be effective on January 1, 2022 should provide sufficient time for the Agency to work with the Town to design and complete the project identified as Woodstock NH PC21(5) and the Town to make any additional improvements that it deems necessary.

Sec. 6. 23 V.S.A. § 1432(c) is amended to read:

~~(c) Operation on U.S. Route 4. Notwithstanding any other law to the contrary, vehicles with a trailer or semitrailer that are longer than 68 feet but not longer than 75 feet may be operated with a single or multiple trip overlength permit issued at no cost by the Department of Motor Vehicles or, for a fee, by an entity authorized in subsection 1400(d) of this title on U.S. Route 4 from the New Hampshire state line to the junction of VT Route 100 south, provided the distance from the kingpin of the semitrailer to the center of the rearmost axle group is not greater than 41 feet. [Repealed.]~~

\* \* \* Federal Infrastructure Funding \* \* \*

Sec. 7. FEDERAL INFRASTRUCTURE FUNDING

(a) Notwithstanding Sec. 1 of this act; 2020 Acts and Resolves No. 121, Sec. 1; 19 V.S.A. § 10g(n); and 32 V.S.A. § 706, if a federal infrastructure bill or other federal legislation that provides for infrastructure funding is enacted that provides Vermont with additional federal funding for transportation-related projects, the Secretary, with approval from the Joint Transportation Oversight Committee pursuant to subdivision (c)(2) of this section, is authorized to exceed federal monies spending authority in the Fiscal Year 2021 and Fiscal Year 2022 Transportation Programs and to obligate and expend federal monies and up to \$2,000,000.00 in State Transportation Fund monies on development and evaluation for additional projects that meet federal eligibility and readiness criteria and have been evaluated through the Agency's prioritization process but are not in the Fiscal Year 2021 or Fiscal Year 2022 Transportation Program.

(b) Nothing in subsection (a) of this section shall be construed to authorize the Secretary to obligate or expend:

(1) State TIB funds above amounts authorized in the Fiscal Year 2021 or Fiscal Year 2022 Transportation Program; or

(2) State Transportation Fund monies if the Agency does not:

(A) expect to accept and obligate federal monies pursuant to subsection (a) of this section in an amount sufficient to cover the additional expenditure of State Transportation Fund monies; and

(B) expect the projects for which State Transportation Fund monies are used to eventually be eligible for funding entirely through federal monies.

(c)(1) The Agency shall promptly report the obligation or expenditure of monies under the authority of this section to the House and Senate Committees on Transportation and to the Joint Fiscal Office while the General Assembly is in session.

(2)(A) Consistent with 19 V.S.A. § 12b(c), the Agency shall promptly report any changes in the availability of federal funds and the anticipated obligation or expenditure of monies under the authority of this section to the Joint Fiscal Office, the Joint Fiscal Committee, and the Joint Transportation Oversight Committee.

(B) If the Joint Transportation Oversight Committee disapproves of the anticipated obligation or expenditure of monies under the authority of this section, it shall provide notice of that disapproval, and an explanation of the

basis for the disapproval, to the Agency within 30 calendar days following receipt of the report of the anticipated expenditure.

(C) If the Joint Transportation Oversight Committee disapproves of an anticipated obligation or expenditure of monies under subdivision (B) of this subdivision (2), the Agency may revise and resubmit for further consideration.

(D) If the Joint Transportation Oversight Committee does not disapprove of the anticipated obligation or expenditure of monies under the authority of this section within 30 calendar days of receipt of the report of the anticipated obligation or expenditure or receipt of a revised submittal, then the anticipated obligation or expenditure is deemed approved.

(d) Subsections (a) and (b) of this section shall continue in effect until February 1, 2022.

\* \* \* Town Highway Structures and  
Class 2 Town Highway Roadway Programs \* \* \*  
\* \* \* Fiscal Year 2022 \* \* \*

#### Sec. 8. TOWN HIGHWAY STRUCTURES AND CLASS 2 TOWN HIGHWAY ROADWAY PROGRAMS IN FISCAL YEAR 2022

Within the Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program for Town Highway Structures and Town Highway Class 2 Roadway, collective spending between the two programs is amended by increasing the total authorization for the two programs combined by \$3,000,000.00 in one-time Transportation Fund monies. The Agency shall determine, based on municipal need, how to distribute the increased authorization between the two programs.

\* \* \* Fiscal Year 2021 \* \* \*

#### Sec. 9. TOWN HIGHWAY STRUCTURES AND CLASS 2 TOWN HIGHWAY ROADWAY PROGRAMS IN FISCAL YEAR 2021

Notwithstanding any other provision of law, in fiscal year 2022, the Agency is authorized to reimburse, subsequent to performance of the work, municipalities for projects awarded a grant under the Town Highway Structures and Class 2 Town Highway Roadway Programs for costs incurred during fiscal year 2021.

\* \* \* One-Time Transportation Fund Monies Authorizations for  
Electrification of the Transportation Sector \* \* \*

\* \* \* Incentive Program for New PEVs; Partnership with Drive Electric \* \* \*

Sec. 10. INCENTIVE PROGRAM FOR NEW PEVS; PARTNERSHIP WITH  
DRIVE ELECTRIC VERMONT

(a) The Agency is authorized to spend up to \$3,250,000.00 in one-time Transportation Fund monies in fiscal years 2021 and 2022 combined on the Incentive Program for New PEVs established in 2019 Acts and Resolves No. 59, Sec. 34, as amended, and its partnership with Drive Electric Vermont with:

(1) Up to \$250,000.00 of that \$3,250,000.00 available in fiscal year 2022 to continue and expand the Agency's public-private partnership with Drive Electric Vermont to support the expansion of the PEV market in the State.

(2) At least \$3,000,000.00 of that \$3,250,000.00 for PEV purchase and lease incentives and administrative costs as allowed under subsection (b) of this section. If less than \$250,000.00 is expended on the public-private partnership with Drive Electric Vermont under subdivision (1) of this subsection, then the balance of that \$250,000.00 shall only be authorized for additional PEV purchase and lease incentives and administrative costs as allowed under subsection (b) of this section.

(b) The Agency shall use not more than 10 percent of the authorization under subdivision (a)(2) of this section for costs associated with the administration of the Program.

Sec. 11. 2019 Acts and Resolves No. 59, Sec. 34(a)(4), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

~~(4) The Agency shall administer the program described in subsection (b) of this section through no-cost contracts with the State's electric distribution utilities. [Repealed.]~~

Sec. 12. 2019 Acts and Resolves No. 59, Sec. 34(b), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

(b) Electric vehicle incentive program. ~~A new PEV purchase and lease~~ An incentive program for Vermont residents to purchase and lease new PEVs shall structure PEV purchase and lease incentive payments by income to help Vermonters benefit from electric driving, including Vermont's most vulnerable. The program shall be known as the New PEV Incentive Program for New PEVs. Specifically, the New PEV Incentive Program for New PEVs shall:

\* \* \*



(2) provide not more than one incentive of \$1,500.00 for a PHEV or \$2,500.00 for a BEV, per individual per year, to:

(A) an individual domiciled in the State whose federal income tax filing status is single or head of household with an adjusted gross income under the laws of the United States greater than \$50,000.00 and at or below \$100,000.00;

(B) an individual domiciled in the State whose federal income tax filing status is surviving spouse with an adjusted gross income under the laws of the United States greater than ~~\$50,000.00~~ \$75,000.00 and at or below \$125,000.00;

(C) an individual who is part of a married couple with at least one spouse domiciled in the State whose federal income tax filing status is married filing jointly with an adjusted gross income under the laws of the United States greater than ~~\$50,000.00~~ \$75,000.00 and at or below \$125,000.00; or

(D) an individual who is part of a married couple with at least one spouse domiciled in the State and at least one spouse whose federal income tax filing status is married filing separately with an adjusted gross income under the laws of the United States greater than \$50,000.00 and at or below \$100,000.00;

(3) provide not more than one incentive of \$3,000.00 for a PHEV or \$4,000.00 for a BEV, per individual per year, to:

(A) an individual domiciled in the State whose federal income tax filing status is single, or head of household, ~~or surviving spouse~~ with an adjusted gross income under the laws of the United States at or below \$50,000.00;

(B) an individual domiciled in the State whose federal income tax filing status is surviving spouse with an adjusted gross income under the laws of the United States at or below \$75,000.00;

~~(B)~~(C) an individual who is part of a married couple with at least one spouse domiciled in the State whose federal income tax filing status is married filing jointly with an adjusted gross income under the laws of the United States at or below ~~\$50,000.00~~ \$75,000.00; or

~~(C)~~(D) an individual who is part of a married couple with at least one spouse domiciled in the State and at least one spouse whose federal income tax filing status is married filing separately with an adjusted gross income under the laws of the United States at or below \$50,000.00;

(4) provide not more than five incentives of either \$3,000.00 for a

PHEV or \$4,000.00 for a BEV, or a combination thereof, to a tax-exempt organization incorporated in the State for the purpose of providing Vermonters with transportation alternatives to personal vehicle ownership; and

~~(4)(5)~~ apply to manufactured PEVs with a Base Manufacturer's Suggested Retail Price (MSRP) of \$40,000.00 or less; and

~~(5)~~ provide not less than \$1,100,000.00, of the initial \$2,000,000.00 authorization, and up to an additional \$2,050,000.00 in fiscal year 2021 in PEV purchase and lease incentives.

\* \* \* MileageSmart \* \* \*

### Sec. 13. MILEAGESMART

The Agency is authorized to spend up to \$750,000.00 in one-time Transportation Fund monies in fiscal years 2021 and 2022 combined and up to \$500,000.00 in one-time ARPA - Coronavirus State Fiscal Relief Funds in fiscal year 2022 on MileageSmart, which was established in 2019 Acts and Resolves No. 59, Sec. 34, as amended, with up to 10 percent of the total amount that is distributed in incentives in fiscal year 2022, including incentive funding authorized by this section and incentive funding carried over from prior fiscal years pursuant to 2019 Acts and Resolves No. 59, Sec. 34, as amended, available for costs associated with administering MileageSmart.

Sec. 14. 2019 Acts and Resolves No. 59, Sec. 34(c)(1), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

(1) The high fuel efficiency vehicle incentive program shall be known as MileageSmart and shall:

\* \* \*

(B) provide point-of-sale vouchers through the State's network of community action agencies and base set income eligibility for the voucher ~~on the same criteria used for income qualification for weatherization services through the Weatherization Program at 80 percent of the State median income;~~ and

\* \* \*

\* \* \* Emissions Repair Program \* \* \*

Sec. 15. 2019 Acts and Resolves No. 59, Sec. 34(a)(3), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

(3) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of the programs. Up to \$150,000.00 of program funding may be set aside for this purpose for the ~~programs~~ program described in subsection (c) of this section in fiscal year 2020 and \$50,000.00 of program funding shall be set aside for this purpose for the ~~programs~~ program described in ~~subdivision~~ subsection (c)(1) of this section in fiscal year 2021.

Sec. 16. 2019 Acts and Resolves No. 59, Sec. 34(a)(5), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

(5) The Agency shall annually evaluate the programs to gauge effectiveness and submit a written report on the effectiveness of the programs to the House and Senate Committees on Transportation, the House Committee on Energy and Technology, and the Senate Committee on Finance on or before the 31st day of January in each year following a year that an incentive ~~or repair~~ voucher was provided through one of the programs. Notwithstanding 2 V.S.A. § 20(d), the annual report required under this section shall continue to be required if an incentive or repair voucher is provided through one of the programs unless the General Assembly takes specific action to repeal the report requirement.

Sec. 17. 2019 Acts and Resolves No. 59, Sec. 34(c), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

(c) High fuel efficiency vehicle incentive ~~and emissions repair programs~~ program. ~~Used~~ A used high fuel efficiency vehicle purchase incentive ~~and emissions repair programs~~ program for Vermont residents shall structure high fuel efficiency purchase incentive payments ~~and emissions repair vouchers~~ by income to help Vermonters benefit from more efficient driving, including Vermont's most vulnerable. Not less than \$750,000.00 shall be provided in point-of-sale ~~and point-of-repair~~ vouchers.

\* \* \*

(2) ~~The emissions repair program shall:~~

~~(A) apply to repairs of certain vehicles that failed the on-board diagnostic (OBD) systems inspection;~~

~~(B) provide point-of-repair vouchers through the State's network of community action agencies and base eligibility for voucher on the same criteria used for income qualification for Low Income Home Energy~~

~~Assistance Program (LIHEAP) through the State's Economic Services Division within the Department for Children and Families; and~~

~~(C) provide a point-of-repair voucher to repair a motor vehicle that was ready for testing, failed the OBD systems inspection, requires repairs that are not under warranty, and will be able to pass the State's vehicle inspection once the repairs are made provided that the point-of-repair voucher is commensurate with the fair market value of the vehicle to be repaired and does not exceed \$2,500.00, with \$2,500.00 vouchers only being available to repair vehicles with a fair market value of at least \$5,000.00. [Repealed.]~~

#### Sec. 18. EMISSIONS REPAIR PROGRAM

(a) Program creation. The Department of Environmental Conservation, in consultation with the Agency of Transportation, shall establish and administer an emissions repair program that shall:

(1) apply to repairs of certain vehicles that failed the on board diagnostic (OBD) systems inspection;

(2) provide point-of-repair vouchers and base eligibility for vouchers on the same criteria used for income qualification for the Low Income Home Energy Assistance Program (LIHEAP) through the State's Economic Services Division within the Department for Children and Families; and

(3) provide a point-of-repair voucher to repair a motor vehicle that was ready for testing, failed the OBD systems inspection, requires repairs that are not under warranty, and will be able to pass the State's vehicle inspection once the repairs are made provided that the point-of-repair voucher is commensurate with the fair market value of the vehicle to be repaired and does not exceed \$2,500.00, with \$2,500.00 vouchers only being available to repair vehicles with a fair market value of at least \$5,000.00.

(b) Authorization and transfer. In fiscal year 2022, the Agency of Transportation is authorized to transfer \$375,000.00 in one-time Transportation Fund monies to the Department of Environmental Conservation for the emissions repair program established under this section, with up to \$50,000.00 of that \$375,000.00 transfer available for start-up costs and outreach education and up to \$125,000.00 of that \$375,000.00 transfer available for costs associated with developing and administering the emissions repair program.

\* \* \* Repeal of Emissions Inspections Waiver \* \* \*

#### Sec. 19. REPEALS

(a) 2018 Acts and Resolves No. 206, Sec. 23(e) (establishment of

emissions inspections waiver) is repealed on December 31, 2022.

(b) 2018 Acts and Resolves No. 158, Sec. 42(e) (establishment of emissions inspections waiver) is repealed on December 31, 2022.

\* \* \* Replace Your Ride Program \* \* \*

#### Sec. 20. REPLACE YOUR RIDE PROGRAM

(a) Program creation. The Agency of Transportation, in consultation with the Departments of Environmental Conservation and of Public Service, shall expand upon the vehicle incentive programs established under 2019 Acts and Resolves No. 59, Sec. 34, as amended, to provide additional incentives for Vermonters with low income through a program to be known as the Replace Your Ride Program.

(b) Incentive amount. The Replace Your Ride Program shall provide up to a \$3,000.00 incentive, which may be in addition to any other available incentives, including through a program funded by the State, to individuals who qualify based on both income and the removal of an internal combustion vehicle. Only one incentive per individual is available under the Replace Your Ride Program and incentives shall be provided on a first-come, first-served basis once the Replace Your Ride Program is operational.

(c) Eligibility. Applicants must qualify through both income and the removal of an eligible vehicle with an internal combustion engine.

(1) Income eligibility. The following applicants meet the income eligibility requirement:

(A) an individual domiciled in the State whose federal income tax filing status is single or head of household, with an adjusted gross income under the laws of the United States at or below \$50,000.00;

(B) an individual domiciled in the State whose federal income tax filing status is surviving spouse with an adjusted gross income under the laws of the United States at or below \$75,000.00;

(C) an individual who is part of a married couple with at least one spouse domiciled in the State whose federal income tax filing status is married filing jointly with an adjusted gross income under the laws of the United States at or below \$75,000.00;

(D) an individual who is part of a married couple with at least one spouse domiciled in the State and at least one spouse whose federal income tax filing status is married filing separately with an adjusted gross income under the laws of the United States at or below \$50,000.00; or

(E) an individual who qualifies for an incentive under MileageSmart, which is set at 80 percent of the State median income.

(2) Vehicle removal.

(A) In order for an individual to qualify for an incentive under the Replace Your Ride Program, the individual must remove an older low-efficiency vehicle from operation and switch to a mode of transportation that produces fewer greenhouse gas emissions. The entity that administers the Replace Your Ride Program, in conjunction with the Agency of Transportation, shall establish Program guidelines that specifically provide for how someone can show that the vehicle removal eligibility requirement has been, or will be, met.

(B) For purposes of the Replace Your Ride Program:

(i) An “older low-efficiency vehicle”:

(I) is currently registered, and has been for two years prior to the date of application, with the Vermont Department of Motor Vehicles;

(II) is currently titled in the name of the applicant and has been for at least one year prior to the date of application;

(III) has a gross vehicle weight rating of 10,000 pounds or less;

(IV) is at least 10 model years old;

(V) has an internal combustion engine; and

(VI) passed the annual inspection required under 23 V.S.A. § 1222 within the prior year.

(ii) Removing the older low-efficiency vehicle from operation must be done by disabling the vehicle’s engine from further use and fully dismantling the vehicle for either donation to a nonprofit organization to be used for parts or destruction.

(iii) The following qualify as a switch to a mode of transportation that produces fewer greenhouse gas emissions:

(I) purchasing or leasing a new or used PEV;

(II) purchasing a new or used bicycle, electric bicycle, or motorcycle that is fully electric, and the necessary safety equipment; and

(III) utilizing shared-mobility services or privately operated vehicles for hire.

(d) Authorization. In fiscal year 2022, the Agency is authorized to spend up to \$1,500,000.00 in one-time Transportation Fund monies on the Replace

Your Ride Program established under this section, with up to \$300,000.00 of that \$1,500,000.00 available for startup costs, outreach education, and costs associated with developing and administering the Replace Your Ride Program.

\* \* \* Electric Bicycle Incentives \* \* \*

#### Sec. 21. ELECTRIC BICYCLE INCENTIVES

(a) Implementation. The Agency of Transportation, in consultation with Vermont electric distribution utilities, shall expand upon the vehicle incentive programs established under 2019 Acts and Resolves No. 59, Sec. 34, as amended, to provide a \$200.00 incentive to 250 individuals who purchase a new electric bicycle. Specifically, the Program shall:

(1) distribute \$200.00 incentives on a first-come, first-served basis after the Agency announces that incentives are available;

(2) apply to new electric bicycles with any Manufacturer's Suggested Retail Price (MSRP); and

(3) be available to all Vermonters who self-certify as to meeting any incentive tier under the income eligibility criteria for the Incentive Program for New PEVs.

(b) Authorization. In fiscal year 2022, the Agency is authorized to spend up to \$50,000.00 in one-time Transportation Fund monies on the electric bicycle incentives.

\* \* \* EVSE Grant Program \* \* \*

#### Sec. 22. GRANT PROGRAMS FOR LEVEL 2 CHARGERS IN MULTI-UNIT DWELLINGS; REPORT

(a) As used in this section:

(1) "Area median income" means the county or Metropolitan Statistical Area median income published by the federal Department of Housing and Urban Development.

(2) "Multi-unit affordable housing" means a housing project, such as cooperatives, condominiums, dwellings, or mobile home parks, with 10 or more units constructed or maintained on a tract or tracts of land where:

(A) at least 50 percent of the units are or will be occupied by households whose income does not exceed 100 percent of the greater of the State or area median income; or

(B) all units are affordable to households earning between 60 and 120 percent of area median income.

(3) “Multi-unit dwellings owned by a nonprofit” means a housing project, such as cooperatives, condominiums, dwellings, or mobile home parks, with 10 or more units constructed or maintained on a tract or tracts of land owned by a person that has nonprofit status under Section 501(c)(3) of the U.S. Internal Revenue Code, as amended, and is registered as a nonprofit corporation with the Office of the Secretary of State.

(b) The Agency of Transportation shall establish and administer, through a memorandum of understanding with the Department of Housing and Community Development, a pilot program to support the continued buildout of electric vehicle supply equipment at multi-unit affordable housing and multi-unit dwellings owned by a nonprofit and build upon the existing VW EVSE Grant Program that the Department of Housing and Community Development has been administering on behalf of the Department of Environmental Conservation.

(c) In fiscal year 2022, the Agency is authorized to spend up to \$1,000,000.00 in one-time Transportation Fund monies on the pilot program established in this section.

(d) Pilot program funding shall be awarded with consideration of broad geographic distribution as well as service models ranging from restricted private parking to publicly accessible parking so as to examine multiple strategies to increase access to EVSE.

(e) The Department of Housing and Community Development shall consult with an interagency team consisting of the Commissioner of Housing and Community Development or designee; the Commissioner of Environmental Conservation or designee; the Commissioner of Public Service or designee; and the Agency’s Division Director of Policy, Planning, and Intermodal Development or designee regarding the design, award of funding, and administration of this pilot program.

(f) The Department of Housing and Community Development shall file a written report on the outcomes of the pilot program with the House and Senate Committees on Transportation not later than January 15, 2022.

\* \* \* EVSE Network in Vermont \* \* \*

#### Sec. 23. EVSE NETWORK IN VERMONT; REPORT OF ANNUAL MAP

(a) It shall be the goal of the State to have, as practicable, a level 3 EVSE charging port available to the public within:

(1) five miles of every exit of the Dwight D. Eisenhower National System of Interstate and Defense Highways within the State; and



(2) 50 miles of another level 3 EVSE charging port available to the public along a State highway, as defined in 19 V.S.A. § 1(20).

(b) Notwithstanding 2 V.S.A. § 20(d), the Agency of Transportation shall file an up-to-date map showing the locations of all level 3 EVSE available to the public within the State with the House and Senate Committees on Transportation not later than January 15 each year until the goal identified in subsection (a) of this section is met.

\* \* \* Zero-Fare Public Transit in Fiscal Year 2022 \* \* \*

#### Sec. 24. ZERO-FARE PUBLIC TRANSIT IN FISCAL YEAR 2022

(a) Urban public transit. It is the intent of the General Assembly that public transit operated by transit agencies that are eligible to receive grant funds pursuant to 49 U.S.C. § 5307 in the State shall be operated on a zero-fare basis with monies for public transit from the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136 (CARES Act); the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260; and the American Rescue Plan Act of 2021, Pub. L. No. 117-2, as practicable and provided that such use is first approved by the governing body of the transit agency, during fiscal year 2022.

(b) Rural public transit. It is the intent of the General Assembly that public transit operated by transit agencies that are eligible to receive grant funds pursuant to 49 U.S.C. § 5311 in the State shall be operated on a zero-fare basis with monies for public transit from the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136 (CARES Act) and the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, as practicable, during fiscal year 2022.

\* \* \* Coordinated Intermodal Connections Review \* \* \*

#### Sec. 25. COORDINATED INTERMODAL CONNECTIONS REVIEW

The Agency, in coordination with public transit, passenger rail, and other transportation service providers, shall review and implement coordinated intermodal connections, to the extent practicable, to ensure efficient and accessible intermodal transportation opportunities in Vermont. The Agency shall also work with transportation service providers to support the cross promotion of intermodal connections.

\* \* \* PEV Electric Distribution Utility Rate Design \* \* \*

#### Sec. 26. PEV ELECTRIC DISTRIBUTION UTILITY RATE DESIGN

(a) This section serves to encourage efficient integration of PEVs and EVSE into the electric system and the timely adoption of PEVs and public

charging through managed loads or time-differentiated price signals.

(b) Unless an extension is granted pursuant to subsection (e) of this section, all State electric distribution utilities shall offer PEV rates, which may include rates for electricity sales to an entire customer premises, for public and private EVSE not later than June 30, 2024. These rates shall, pursuant to 30 V.S.A. § 225, be filed for review and approval by the Public Utility Commission and encourage:

(1) efficient use of PEV loads consistent with objectives of least-cost integrated planning, set out in 30 V.S.A. § 218c, and 30 V.S.A. § 202(b) and (c);

(2) participation in the PEV rates;

(3) travel by PEV relative to available alternatives; and

(4) greater adoption of PEVs.

(c) PEV rates approved by the Public Utility Commission under subdivisions (1) and (2) of this subsection comply with subsection (b) of this section.

(1) The Public Utility Commission shall approve PEV rates that it finds, at a minimum:

(A) support greater adoption of PEVs;

(B) adequately compensate PEV operators and owners of EVSE available to the public for the value of grid-related services, including costs avoided through peak management;

(C) adequately compensate the electric distribution utility and its customers for the additional costs that are directly attributable to the delivery of electricity through a PEV rate;

(D) include a reasonable contribution to historic or embedded costs required to meet the overall cost of service;

(E) do not discourage EVSE available to the public; and

(F) do not have an adverse impact to ratepayers not utilizing the PEV rate.

(2) The Public Utility Commission may approve PEV rates that utilize direct load control, third-party managed load control, static or dynamic time-varying rates, or other innovative practices that accomplish the goals set forth in subsection (a) of this section.

(d) Electric distribution utilities with PEV rates approved by the Public

Utility Commission prior to July 1, 2021 currently implemented as tariffs by those electric distribution utilities are exempt from subsection (b) of this section for the relevant rate classes, market segments, or customer segments in which the PEV rates are offered.

(e) The Public Utility Commission may grant a petitioning electric distribution utility an extension of the June 30, 2024 implementation deadline. An extension may only be granted in response to a petition if the Public Utility Commission finds that the electric distribution utility's inability to meet the June 30, 2024 implementation deadline is due to a technical inability to implement a PEV rate, adverse economic impacts to ratepayers that would result from the implementation of a PEV rate, or other good cause demonstrated. The length of the extension shall be directly related to the demonstrated need for the extension.

(f) The Public Utility Commission, in consultation with the Department of Public Service and State electric distribution utilities, shall file written reports with the House Committees on Energy and Technology and on Transportation and the Senate Committees on Finance, on Natural Resources and Energy, and on Transportation that address the goals delineated in subdivisions (c)(1)(A)–(F) of this section, as applicable, and any progress barriers towards the goals contained in subsections (a) and (b) of this section not later than January 15, 2022, January 15, 2023, January 15, 2024, and January 15, 2025.

\* \* \* Public Transportation Electrification Plan \* \* \*

#### Sec. 27. PUBLIC TRANSPORTATION ELECTRIFICATION PLAN

(a) The Agency of Transportation, in consultation with the State's public transit providers, shall prepare a long-range plan that outlines the costs, timeline, training, maintenance, and operational actions required to move to a fully electrified public transportation fleet.

(b) The Agency shall file the long-range plan required under subsection (a) of this section with the House and Senate Committees on Transportation not later than January 31, 2022.

\* \* \* Airport and Rail Signs; Banners \* \* \*

Sec. 28. 10 V.S.A. § 494 is amended to read:

#### § 494. EXEMPT SIGNS

The following signs are exempt from the requirements of this chapter except as indicated in section 495 of this title:

\* \* \*

(6)(A) Official traffic control signs, including signs on limited access highways, consistent with the Manual on Uniform Traffic Control Devices (MUTCD) adopted under 23 V.S.A. § 1025, directing ~~people~~ persons to:

- (i) other towns;
- (ii) international airports;
- (iii) postsecondary educational institutions;
- (iv) cultural and recreational destination areas;
- (v) nonprofit diploma-granting educational institutions for ~~people~~ persons with disabilities; and
- (vi) official State visitor information centers.

(B) After having considered the six priority categories in subdivision (A) of this subdivision (6), the Travel Information Council may approve installation of a sign for any of the following provided the location is open a minimum of 120 days each year and is located within 15 miles of an interstate highway exit:

- (i) nonprofit museums;
- (ii) cultural and recreational attractions owned by the State or federal government;
- (iii) officially designated scenic byways;
- (iv) park and ride or multimodal centers; and
- (v) fairgrounds or exposition sites.

(C) The Agency of Transportation may approve and erect signs, including signs on limited access highways, consistent with the MUTCD, directing persons to State-owned airports and intercity passenger rail stations located within 25 miles of a limited access highway exit.

(D) Notwithstanding the limitations of this subdivision (6), supplemental guide signs consistent with the MUTCD for the President Calvin Coolidge State Historic Site may be installed at the following highway interchanges:

\* \* \*

~~(D)~~(E) Signs erected under this subdivision (6) shall not exceed a maximum allowable size of 80 square feet.

\* \* \*

(18)(A) A sign that is a banner erected over a highway right-of-way for

not more than 21 days if the bottom of the banner is not less than 16 feet 6 inches above the surface of the highway and is securely fastened with breakaway fasteners and the proposed banner has been authorized by the legislative body of the municipality in which it is located.

(B) As used in this subdivision (18), “banner” means a sign that is constructed of soft cloth or fabric or flexible material such as vinyl or plastic cardboard.

\* \* \* Municipal Development Review; Section 1111 Permit Fees \* \* \*

Sec. 29. 24 V.S.A. § 4416 is amended to read:

§ 4416. SITE PLAN REVIEW

\* \* \*

(b) Whenever a proposed site plan involves access to a State highway or other work in the State highway right-of-way such as excavation, grading, paving, or utility installation, the application for site plan approval shall include a letter ~~of intent~~ from the Agency of Transportation confirming that the Agency has reviewed the proposed site plan and ~~is prepared to issue an access permit under 19 V.S.A. § 1111, and setting~~ determined whether a permit is required under 19 V.S.A. § 1111. If the Agency determines that a permit for the proposed site plan is required under 19 V.S.A. § 1111, then the letter from the Agency shall set out any conditions that the Agency proposes to attach to the section 1111 permit required under 19 V.S.A. § 1111.

Sec. 30. 24 V.S.A. § 4463(e) is added to read:

(e) Whenever a proposed subdivision is adjacent to a State highway, the application for subdivision approval shall include a letter from the Agency of Transportation confirming that the Agency has reviewed the proposed subdivision and determined whether a permit is required under 19 V.S.A. § 1111. If the Agency determines that a permit for the proposed subdivision is required under 19 V.S.A. § 1111, then the letter from the Agency shall set out any conditions that the Agency proposes to attach to the permit required under 19 V.S.A. § 1111.

Sec. 31. 19 V.S.A. § 1112(b) is amended to read:

(b) The Secretary shall collect the following fees for each application for the following types of permits ~~or permit amendments~~ issued pursuant to section 1111 of this title:

\* \* \*

(6) permit amendments: \$0.00.

\* \* \* Work Zone Highway Safety  
Automated Traffic Law Enforcement Study and Report \* \* \*

Sec. 32. WORK ZONE HIGHWAY SAFETY AUTOMATED TRAFFIC  
LAW ENFORCEMENT STUDY AND REPORT

(a) Definitions. As used in this section:

(1) “Automated traffic law enforcement system” means a device with one or more sensors working in conjunction with a speed measuring device to produce recorded images of motor vehicles traveling at more than 10 miles above the speed limit or traveling in violation of another traffic control device, or both.

(2) “Recorded image” means a photograph, microphotograph, electronic image, or electronic video that shows the front or rear of the motor vehicle clearly enough to identify the registration number plate of the motor vehicle or that shows the front of the motor vehicle clearly enough to identify the registration number plate of the motor vehicle and shows the operator of the motor vehicle.

(3) “Traffic control device” means any sign, signal, marking, channelizing, or other device that conforms with the Manual on Uniform Traffic Control Devices, which is the standards for all traffic control signs, signals, and markings within the State pursuant to 23 V.S.A. § 1025, and is used to regulate, warn, or guide traffic and placed on, over, or adjacent to a highway, pedestrian facility, or bicycle path by authority of the State or the municipality with jurisdiction over the highway, pedestrian facility, or bicycle path.

(b) Study. The Agency of Transportation shall, in consultation with at least the Department of Public Safety and the Associated General Contractors of Vermont, study the feasibility of implementing automated traffic law enforcement systems in work zones in Vermont and make specific recommendations on whether to pursue a program that utilizes automated traffic law enforcement systems within work zones in Vermont, with a specific focus on affecting driver behavior. At a minimum, the Agency shall:

(1) research the cost to procure equipment and services to assist in the implementation of a program that utilizes automated traffic law enforcement systems within work zones in Vermont;

(2) research how images are collected, stored, accessed, used, and disposed of; by whom; and under what timeline or timelines when automated traffic law enforcement systems are used to collect a recorded image of a motor vehicle in violation of a traffic control device in a work zone;

(3) make recommendations on how images should be collected, stored, accessed, used, and disposed of; by whom; and under what timeline or timelines if a program that utilizes automated traffic law enforcement systems within work zones in Vermont is implemented; and

(4) define the system components needed to implement a program that utilizes automated traffic law enforcement systems within work zones in Vermont.

(c) Report. On or before January 15, 2022, the Agency shall submit a written report to the House and Senate Committees on Judiciary and on Transportation with its findings and any proposals for implementation.

\* \* \* Transportation Equity Framework \* \* \*

### Sec. 33. TRANSPORTATION EQUITY FRAMEWORK; REPORT

(a) The Agency of Transportation, in consultation with the State's 11 Regional Planning Commissions (RPCs), shall undertake a comprehensive analysis of the State's existing transportation programs and develop a recommendation on a transportation equity framework through which the annual Transportation Program, and the Agency's Annual Project Prioritization Process, can be evaluated so as to advance mobility equity, which is a transportation system that increases access to mobility options, reduces air pollution, and enhances economic opportunity for Vermonters in communities that have been underserved by the State's transportation system.

(b) In conducting the analysis required under subsection (a) of this section, the Agency, in coordination with the State's 11 RPCs, shall seek input from individuals who are underserved by the State's current transportation system or who may not have previously been consulted as part of the Agency's planning processes.

(c) In order to aid the Agency in conducting the analysis required under subsection (a) of this section, the State's 11 RPCs shall convene regional meetings focused on achieving equity and inclusion in the transportation planning process. Meeting facilitation shall include identification of and outreach to underrepresented local communities and solicitation of input on the transportation planning process pursuant to the transportation planning efforts required under 19 V.S.A. § 101.

(d) The Agency shall file a written report with its analysis and a recommendation on a transportation equity framework as required under subsection (a) of this section with the House and Senate Committees on Transportation not later than January 15, 2022.

\* \* \* New Haven Train Depot \* \* \*

Sec. 34. NEW HAVEN TRAIN DEPOT

In fiscal year 2022, the Agency is authorized to spend up to \$400,000.00 in one-time Transportation Fund monies to provide a grant to the Town of New Haven to cover a portion of the costs associated with relocating the New Haven Train Depot currently located at the junction of Routes 7 and 17.

\* \* \* Effective Dates \* \* \*

Sec. 35. EFFECTIVE DATES

(a) This section and Secs. 7 (federal infrastructure funding), 10 (authorization for the Incentive Program for New PEVs), and 13 (authorization for MileageSmart) shall take effect on passage.

(b) Sec. 6 (repeal of 23 V.S.A. § 1432(c)) shall take effect on January 1, 2022.

(c) All other sections shall take effect on July 1, 2021.

(For text see House Journal March 23, 2021 )

**Information 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 #3045** - 48 (forty-eight) limited-service positions to carry out the ongoing work for an effective public health response to COVID-19. *[NOTE: Positions to be funded through ongoing CDC grants #2254 (Immunization) and #2478 (Epidemiology and Laboratory Capacity) previously approved in 2006 and 2010, respectively.] [JFO received 4/13/2021]*

**JFO #3046** – One (1) limited service position, Grants Program Manager, to the VT Dept. of Economic Development to provide management, oversight and technical assistance to grantees. This position is funded through the Norther Border Regional Commission Capacity Grants through previously approved JFO Grant #2971. Position is for one year with expected approval for a second year. *[JFO received 4/21/2021]*

**JFO #3047** – \$1,000,000 to the VT Department of Public Service from the Norther Border Regional Commission. Funds will be used to build out infrastructure and expand broadband throughout Vermont. This grant includes a \$1.75M match as follows: \$1.5M from Act 154 (2020), \$60,000K from Act



79 (2019) and the rest from an existing position – Rural Broadband Technical Assistant. *[JFO received 4/21/2021]*

**JFO #3048** – One (1) limited-service position, Recreation Vehicle Equipment Technician, to the VT Department of Public Safety from the United States Coast Guard Recreational Boating Safety Grant to service the Dept. of Public Safety and Dept. of Fish and Wildlife recreational vehicle fleet. *[JFO received 5/3/2021]*

**JFO #3049** – \$1,250,000.00 to the VT Dept. of Public Service from the Northern Border Regional Commission. Funds will be used as the award to the VT Dept. of Public Service’s request for proposals to promote a public-private partnership between one of Vermont’s Communications Union Districts and a broadband provider. The successful proposal will provide service to the greatest quantity of eligible locations. *[JFO received 5/3/2021]*

**JFO #3050** – \$49,490.00 to the VT Dept. for Children and Families from the VT Community Foundation. Funds will be used for subgrants to Weatherization Agencies to fund low-income weatherization projects not covered by current funding streams. *[JFO received 5/3/2021]*