

House Calendar

Monday, May 17, 2021

132nd DAY OF THE BIENNIAL SESSION

House Convenes at 10:00 A.M.

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ORDERS OF THE DAY

ACTION CALENDAR

Third Reading

S. 22

An act relating to health care practitioners administering stem cell products not approved by the U.S. Food and Drug Administration

S. 48

An act relating to Vermont's adoption of the interstate Nurse Licensure Compact

Senate Proposal of Amendment

H. 435

An act relating to miscellaneous Department of Corrections-related amendments

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

* * * Polygraph Examinations; Drug Testing; Report * * *

Sec. 1. [Deleted.]

* * * Organization * * *

Sec. 2. 28 V.S.A. § 123 is added to read:

§ 123. DEPARTMENT OF CORRECTIONS MONITORING COMMISSION

(a) Creation. There is created the Corrections Monitoring Commission to provide advice and counsel to the Commissioner of Corrections with regard to the Commissioner's responsibility to manage the reporting of sexual misconduct; promote adherence to anti-retaliation policies; ensure overall policy implementation and effectiveness; improve the transparency, accountability, and cultural impact of agency decisions; and ensure that the determination of investigatory findings and any resulting disciplinary actions are just and appropriate.

(b) Members.

(1) The Commission shall be composed of the following nine members:

(A) a former judge with knowledge of the criminal justice system, appointed by the Chief Justice of the Vermont Supreme Court;

(B) a retired attorney, appointed by the Department of State's Attorneys and Sheriffs;

(C) a former corrections officer, appointed by the Vermont State Employees' Association;

(D) two formerly incarcerated individuals who resided at different facilities, appointed by the Defender General;

(E) the Executive Director of the Vermont Network Against Domestic and Sexual Violence or designee;

(F) a former management-level employee of the Department of Corrections with experience in corrections management, appointed by the Governor;

(G) an individual at large with knowledge of and experience in the correctional system, crime prevention, human resources, or compliance, appointed by the Governor; and

(H) a former employee of a Vermont Community Justice Center, appointed by the Community Justice Network of Vermont.

(2) No member, at the time of appointment or during membership, shall be employed by the Department of Corrections or work in any part of the State correctional system. To the extent feasible, the appointing entities shall appoint members that will create a diverse Commission including gender, racial, and cultural diversity. Commission members shall demonstrate an understanding of and respect for the values, dignity, and diversity of individuals who are in the custody of the Commissioner of Corrections and those working within the State correctional system. If an appointing entity is unable to find a candidate for appointment to the Commission who meets the criteria of subdivision (1) of this subsection, the appointing entity may appoint an individual with relevant lived experience.

(c) Powers and duties. The Commission shall have the following duties:

(1) Provide advice and counsel to the Commissioner of Corrections in carrying out the Commissioner's responsibilities at the Department of Corrections to monitor reporting of sexual misconduct, oversee the implementation of the Department's anti-retaliation policy, create transparency and implement policies relating to misconduct, and review disciplinary actions.

(2) Examine facility staffing needs, employee retention, employee working conditions, and employee morale. The Commission may interview current Department employees and individuals in the custody of the

Department, review exit interview records for former Department employees, and meet with the Vermont State Employees' Association to further the Commission's understanding of these issues. The Commission shall report annually on or before January 15 to the Commissioner of Corrections, the Secretary of Human Services, the House Committees on Corrections and Institutions and Government Operations, and the Senate Committees on Judiciary and Government Operations on:

(A) the Department's progress in improving staffing retention, working conditions, and employee morale over the year;

(B) the largest barriers to further improvement in staffing retention, working conditions, and employee morale; and

(C) any recommendations for improving employee retention, working conditions, and employee morale, including identifying any efforts undertaken in other states that could be implemented at the Department.

(3) Monitor the Department in the following areas:

(A) the timely reporting of allegations of sexual misconduct;

(B) compliance with the Prison Rape Elimination Act;

(C) the Department's implementation of and adherence to policies relating to employee misconduct and discipline;

(D) employees' adherence to Department policies, procedures, and directives, particularly to code of ethics and anti-retaliation policies;

(E) maintenance of an independent reporting hotline to the State Police at the women's facility;

(F) investigations of employee misconduct, the movement of contraband in facilities, threats to personal safety, and the Department's response to major events that occur in the Department of Corrections, including the death of an individual in the custody of the Commissioner of Corrections and the escape of an individual from a Department facility or Department custody; and

(G) facility staffing needs, employee retention, and employees' working conditions and morale.

(4) Beginning on January 1, 2023, report annually to the Commissioner of Corrections, the Secretary of Human Services, the House Committees on Corrections and Institutions and Government Operations, and the Senate Committees on Judiciary and Government Operations on metrics that assess the Department's performance in the areas identified in subdivision (c)(3) of

this section, including listing the number of complaints of retaliation and complaints of sexual misconduct and the outcomes of those complaints; identifying areas of repeated noncompliance with policies, procedures, and directives; and providing recommendations for improving compliance and eliminating instances of sexual misconduct in the Department of Corrections.

(d) Member terms. The members of the Commission shall serve staggered three-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 appointed to fill a vacancy before the expiration of a term shall not be deemed to have served a term for the purpose of this subsection. Members of the Commission shall be eligible for reappointment. Members of the Commission shall serve not more than two consecutive terms. A member may be removed by a majority vote of the members of the Commission.

(e) Meetings.

(1) The Commission shall annually select a chair from among its members at the first meeting.

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

(f) Assistance. The Commission shall have the administrative, technical, and legal assistance of the Department of Corrections.

(g) Commissioner of Correction's duties. The creation and existence of the Commission shall not relieve the Commissioner of his or her duties under the law to manage, supervise, and control the Department of Corrections.

(h) Reimbursement. Members of the Commission shall be entitled to receive per diem compensation and reimbursement for expenses in accordance with 32 V.S.A. § 1010.

Sec. 3. SUNSET OF CORRECTIONS MONITORING COMMISSION

28 V.S.A. § 123 (Department of Corrections Monitoring Commission) is repealed on July 1, 2025.

Sec. 4. IMPLEMENTATION OF THE CORRECTIONS MONITORING COMMISSION

(a) The Corrections Monitoring Commission, created in Sec. 2 of this act, is established on January 1, 2022.

(b) Members of the Commission shall be appointed on or before December 1, 2021. Terms of members shall officially begin on January 1, 2022.

(c)(1) In order to stagger the terms of the members of the Corrections Monitoring Commission as described in 28 V.S.A. § 123 in Sec. 2 of this act, the initial terms of those members shall be as follows:

(A) the Chief Justice of the Vermont Supreme Court shall appoint a member for a three-year term;

(B) the Department of State's Attorneys and Sheriffs shall appoint a member for a two-year term;

(C) the Vermont State Employees' Association shall appoint a member for a three-year term;

(D) the Defender General shall appoint two members, one for a one-year term and one for a three-year term;

(E) the Executive Director of the Vermont Network Against Domestic and Sexual Violence or designee shall serve a two-year term;

(F) the Governor shall appoint a member to fill the position designated in subdivision (b)(1)(F) of Sec. 2 of this act for a two-year term;

(G) the Governor shall appoint a member to fill the position designated in subdivision (b)(1)(G) of Sec. 2 of this act for a one-year term; and

(H) the Community Justice Network of Vermont shall appoint a member for a one-year term.

(2) After the expiration of the initial terms set forth in subdivision (1) of this subsection, Commission member terms shall be as set forth in 28 V.S.A. § 123 in Sec. 2 of this act.

Sec. 5. 28 V.S.A. § 124 is added to read:

§ 124. DEPARTMENT OF CORRECTIONS; CORRECTIONS
INVESTIGATIVE UNIT

(a) Creation. There is created the Corrections Investigative Unit (CIU) within the Department. The CIU shall investigate the following topics to comply with federal law and to identify systemic issues within the Department:

(1) allegations of violations of the Prison Rape Elimination Act;

(2) major events that occur in the Department, including the death of an individual in the custody of the Department or the escape of an individual from a facility or the custody of Department staff;

(3) Department compliance with policies, procedures and directives;

(4) the movement of contraband in facilities; and

(5) threats against the personal safety of Department employees and individuals in the custody of the Department.

(b) Staff. The Commissioner of Corrections shall appoint and employ sufficient staff and adopt the necessary procedures for the CIU to carry out the duties required under this section.

(c) Coordination. The CIU shall coordinate with outside investigative agencies and law enforcement agencies concerning criminal allegations and shall coordinate with a designated point of contact at the Department of Human Resources on employee misconduct investigations and disciplinary actions. The CIU shall conduct personal safety planning as necessary for employees who receive threats.

(d) Employee rights.

(1) An employee who is subject to questioning or investigation by the CIU shall be entitled to all procedural and substantive rights afforded to the employee by State and federal law and any applicable collective bargaining agreement or employment contract, including any contractual rights that apply to proceedings or investigations that may result in an adverse employment action.

(2) Information gathered by the CIU in the course of an investigation shall be subject to discovery pursuant to the applicable rules of the Vermont Labor Relations Board or a court of competent jurisdiction, as appropriate.

(e) Collective bargaining. Nothing in this section shall be construed to limit the right of the State and the employee organization to collectively bargain with respect to matters related to investigations and employee discipline that are not otherwise controlled by statute.

* * * Crime * * *

Sec. 6. 13 V.S.A. § 3257 is amended to read:

§ 3257. SEXUAL EXPLOITATION OF AN INMATE A PERSON UNDER THE SUPERVISION OF THE DEPARTMENT OF CORRECTIONS

(a) ~~No~~ A correctional employee, contractor, or other person providing services to offenders on behalf of the Department of Corrections or pursuant to a court order or in accordance with a condition of parole, probation, supervised community sentence, or furlough shall not engage in a sexual act with:

(1) a person who the employee, contractor, or other person providing services knows:

(1) is confined to a correctional facility; or

(2) is any offender being supervised by the Department of Corrections while on parole, probation, supervised community sentence, or furlough, where the employee, contractor, or other service provider is currently engaged in a direct supervisory relationship with the person being supervised. For purposes of this subdivision, a person is engaged in a direct supervisory relationship with a supervisee if the supervisee is assigned to the caseload of that person knows or reasonably should have known that the offender is being supervised by the Department, unless the offender and the employee, contractor, or person providing services were married, parties to a civil union, or engaged in a consensual sexual relationship at the time of sentencing for the offense for which the offender is being supervised by the Department.

(b) A person who violates subsection (a) of this section shall be imprisoned for not more than five years or fined not more than \$10,000.00, or both.

Sec. 7. CRIMINAL JUSTICE COUNCIL; DEPARTMENT OF CORRECTIONS; CERTIFICATION PROCESS

During the 2021 legislative interim, the Criminal Justice Council and the Department of Corrections shall develop a proposal governing minimum training standards, complaint investigations, and a process for certification and decertification of correctional officers as defined in 28 V.S.A. § 3. The proposal shall address the relationship between the Council's and the Corrections Investigative Unit's scope of investigative authority. On or before December 1, 2021, the Council and the Department shall report the proposal to the Joint Legislative Justice Oversight Committee, including any fiscal and programmatic impact of the proposal.

* * * Effective Date * * *

Sec. 8. EFFECTIVE DATE

This act shall take effect on July 1, 2021.

(For text see House Journal March 24, 2021)

Amendment to be offered by Rep. Coffey of Guilford to H. 435

That the House concur in the Senate proposal of amendment with further proposals of amendment as follows:

First: In Sec. 2, 28 V.S.A. § 123, in subsection (b), in subdivision (1), following "shall be composed of the following," by striking out "nine" and inserting in lieu thereof "eight"

Second: In Sec. 2, 28 V.S.A. § 123, in subsection (b), in subdivision (1), by striking out subdivisions (F)–(H) in their entireties and inserting in lieu thereof the following:

(F) a former management-level employee of the Department of Corrections with experience in corrections management, appointed by the Governor; and

(G) an individual at large with knowledge of and experience in the correctional system, crime prevention, human resources, or compliance, appointed by the Governor.

Third: In Sec. 2, 28 V.S.A. § 123, in subsection (c), in subdivision (2), following “The Commission may,” by striking out “interview current Department employees and individuals in the custody of the Department, review exit interview records for former Department employees” and inserting in lieu thereof “engage with current and former Department employees and individuals in the custody of the Department, review the Analysis of State of Vermont Employee Engagement Survey Results from the Department of Human Resources”

Fourth: In Sec. 2, 28 V.S.A. § 123, in subsection (c), in subdivision (4), following “Beginning on January 1, 2023,” by striking out “, report annually” and inserting in lieu thereof “, submit an annual report”

Fifth: By striking out Sec. 3, sunset of Corrections Monitoring Commission, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. SUNSET OF CORRECTIONS MONITORING COMMISSION
REPORT; SUNSET OF COMMISSION

(a) 28 V.S.A. § 123(c)(4) (Commission report) is repealed on July 1, 2024.

(b) 28 V.S.A. § 123 (Department of Corrections Monitoring Commission) is repealed on July 1, 2025.

Sixth: In Sec. 4, implementation of the Corrections Monitoring Commission, in subsection (c), in subdivision (1), by striking out subdivisions (F)–(H) in their entireties and inserting in lieu thereof the following:

(F) the Governor shall appoint a member to fill the position designated in subdivision (b)(1)(F) of Sec. 2 of this act for a two-year term; and

(G) the Governor shall appoint a member to fill the position designated in subdivision (b)(1)(G) of Sec. 2 of this act for a one-year term.

NOTICE CALENDAR
Favorable with Amendment
H. 444

An act relating to approval of amendments to the charter of the City of Barre

Rep. Anthony of Barre City, for the Committee on Government Operations, recommends the bill be amended as follows:

by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. CHARTER AMENDMENT APPROVAL

The General Assembly approves the amendments to the charter of the City of Barre as set forth in this act. The voters approved the proposals of amendment on March 2, 2021.

Sec. 2. 24 App. V.S.A. chapter 1 is amended to read:

CHAPTER 1. CITY OF BARRE

* * *

§ 105. ORDINANCES - SUBJECT MATTER

The general grant of ordinance promulgating authority in section 104 shall include the authority:

* * *

~~(g) To adopt and enforce ordinances relating to the mediation of landlord tenant issues by the Housing Board of Review~~ Notwithstanding any contrary provision of 23 V.S.A. § 1007, to adopt and enforce ordinances establishing a speed limit of less than 25 miles per hour on specified City streets, or sections of City streets, within City boundaries as may be required for the safety and general welfare of the City.

* * *

§ 111. BONDING OF CITY OFFICIALS

The Mayor, councilors, members of the Police Department, City Manager, ~~First Constable~~ Finance Director, Superintendent of Public Works, Tax Collector, and Clerk and Treasurer shall annually be bonded by the City for the faithful discharge of their respective duties, as provided by State statute, and the expense of said bonds to be paid by the City.

* * *

§ 205. OFFICERS ELECTED

(a)(1) The legal voters shall elect biennially a Mayor, ~~a First Constable,~~ and one person to serve as Clerk and Treasurer.

* * *

Subchapter 4. City Officials

* * *

ARTICLE 8. ~~CONSTABLE~~ [Repealed.]

* * *

§ 418. DUTIES

~~The City Constable shall have the same powers and be under the same duties and liabilities as are prescribed by State statutes for constables of towns. [Repealed.]~~

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

(Committee Vote: 10-1-0)

S. 7

An act relating to expanding access to expungement and sealing of criminal history records

Rep. Colburn of Burlington, for the Committee on Judiciary, 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:

Sec. 1. 13 V.S.A. § 5301 is amended to read:

§ 5301. DEFINITIONS

As used in this chapter:

* * *

(7) "Listed crime" means any of the following offenses:

- (A) stalking as defined in section 1062 of this title;
- (B) aggravated stalking as defined in subdivision 1063(a)(3) ~~or (4)(b)~~ of this title;
- (C) domestic assault as defined in section 1042 of this title;
- (D) first degree aggravated domestic assault as defined in section 1043 of this title;

(E) second degree aggravated domestic assault as defined in section 1044 of this title;

(F) sexual assault as defined in section 3252 of this title or its predecessor as it was defined in section 3201 or 3202 of this title;

(G) aggravated sexual assault as defined in section 3253 of this title;

(H) lewd or lascivious conduct as defined in section 2601 of this title;

(I) lewd or lascivious conduct with a child as defined in section 2602 of this title;

(J) murder as defined in section 2301 of this title;

(K) aggravated murder as defined in section 2311 of this title;

(L) manslaughter as defined in section 2304 of this title;

(M) aggravated assault as defined in section 1024 of this title;

(N) assault and robbery with a dangerous weapon as defined in subsection 608(b) of this title;

(O) arson causing death as defined in section 501 of this title;

(P) assault and robbery causing bodily injury as defined in subsection 608(c) of this title;

(Q) maiming as defined in section 2701 of this title;

(R) kidnapping as defined in section 2405 of this title or its predecessor as it was defined in section 2401 of this title;

(S) unlawful restraint in the second degree as defined in section 2406 of this title;

(T) unlawful restraint in the first degree as defined in section 2407 of this title;

(U) recklessly endangering another person as defined in section 1025 of this title;

(V) violation of abuse prevention order as defined in section 1030 of this title, excluding violation of an abuse prevention order issued pursuant to 15 V.S.A. § 1104 (emergency relief) or 33 V.S.A. § 6936 (emergency relief);

(W) operating vehicle under the influence of alcohol or other substance with either death or serious bodily injury resulting as defined in 23 V.S.A. § 1210(f) and (g);

(X) ~~careless or~~ negligent or grossly negligent operation resulting in serious bodily injury or death as defined in 23 V.S.A. § 1091(b);

(Y) leaving the scene of an accident with serious bodily injury or death as defined in 23 V.S.A. § 1128(b) or (c);

(Z) burglary into an occupied dwelling as defined in subsection 1201(c) of this title;

(AA) the attempt to commit any of the offenses listed in this section;

(BB) abuse (section 1376 of this title), abuse by restraint (section 1377 of this title), neglect (section 1378 of this title), sexual abuse (section 1379 of this title), financial exploitation (section 1380 of this title), and exploitation of services (section 1381 of this title);

(CC) aggravated sexual assault of a child in violation of section 3253a of this title;

(DD) human trafficking in violation of section 2652 of this title; and

(EE) aggravated human trafficking in violation of section 2653 of this title.

Sec. 2. 13 V.S.A. § 7282 is amended to read:

§ 7282. SURCHARGE

* * *

(b) The surcharges imposed by this section shall not be waived by the court except as part of an expungement or sealing proceeding where the petitioner demonstrates an inability to pay.

* * *

Sec. 3. 33 V.S.A. § 5119 is amended to read:

§ 5119. SEALING OF RECORDS

* * *

(e)(1) Except as provided in subdivision (2) of this subsection, upon the entry of an order sealing such files and records under this section, the proceedings in the matter ~~under this act~~ shall be considered never to have occurred, all general index references ~~thereto~~ to the sealed record shall be deleted, and the person, the court, and law enforcement officers and departments shall reply to any request for information that no record exists with respect to such person upon inquiry in any matter. Copies of the order shall be sent to each agency or official named in the order.

(2)(A) Any court, agency, or department that seals a record pursuant to an order under this section may keep a special index of files and records that have been sealed. This index shall only list the name and date of birth of the subject of the sealed files and records and the docket number of the proceeding ~~which~~ that was the subject of the sealing. The special index shall be confidential and may be accessed only for purposes for which a department or agency may request to unseal a file or record pursuant to subsection (f) of this section.

(B) Access to the special index shall be restricted to the following persons:

(i) the commissioner and general counsel of any administrative department;

(ii) the secretary and general counsel of any administrative agency;

(iii) a sheriff;

(iv) a police chief;

(v) a State's Attorney;

(vi) the Attorney General;

(vii) the Director of the Vermont Crime Information Center; and

(viii) a designated clerical staff person in each office identified in subdivisions (i)–(vii) of this subdivision (B) who is necessary for establishing and maintaining the indices for persons who are permitted access.

(C) Persons authorized to access an index pursuant to subdivision (B) of this subdivision (2) may access only the index of their own department or agency.

* * *

(g) On application of a person who has pleaded guilty to or has been convicted of the commission of a crime under the laws of this State ~~which~~ that the person committed prior to attaining ~~the age of 21~~ 25 years of age, or on the motion of the court having jurisdiction over such a person, after notice to all parties of record and hearing, the court shall order the sealing of all files and records related to the proceeding if it finds:

(1) two years have elapsed since the final discharge of the person;

(2) the person has not been convicted of a listed crime as defined in 13 V.S.A. § 5301 or adjudicated delinquent for such an offense ~~after the initial~~

~~conviction~~ for 10 years prior to the application or motion, and no new proceeding is pending seeking such conviction or adjudication; and

(3) the person's rehabilitation has been attained to the satisfaction of the court.

* * *

Sec. 4. 23 V.S.A. § 2303 is added to read:

§ 2303. EXPUNGEMENT OF VIOLATION RECORDS

(a) Expungement. Two years following the satisfaction of a judgment resulting from an adjudication or conviction of a violation identified in this subsection the Judicial Bureau shall make an entry of "expunged" and notify the Department of Motor Vehicles of such action consistent with the data transfer policy between the Judicial Bureau and the Department. The data transfer to the Department shall include the name, date of birth, ticket number, offense, license number, and personal identifying number. The Judicial Bureau shall make the expungement entry pursuant to this section for the following violations:

- (1) section 301 of this title (operating an unregistered vehicle);
- (2) subsection 307(a) of this title (failing to possess registration);
- (3) section 611 of this title (failing to possess license);
- (4) subsection 676(a) of this title (operating after suspension);
- (5) section 601 of this title (operating without a license);
- (6) section 800 of this title (operating without insurance); and
- (7) subsection 1222(c) of this title (operating an uninspected vehicle).

(b) Effect of expungement.

(1) Upon entry of an expungement order, the order shall be legally effective immediately and the individual whose record is expunged shall be treated in all respects as if he or she had never been convicted or adjudicated of the violation. This includes the expungement of any points accumulated pursuant to chapter 25 of this title.

(2) Upon an entry of expunged, the case will be accessible only by the Clerk of the Court for the Judicial Bureau or the Clerk's designee. Convictions or adjudications that have been expunged shall not appear in the results of any Judicial Bureau database search by name, date of birth, driver's license number, or any other data identifying the defendant. Except as provided in subsection (c) of this section, any documents or other records

related to an expunged conviction or adjudication that are maintained outside the Judicial Bureau's case management system shall be destroyed.

(3) Upon receiving an inquiry from any person regarding an expunged record, the Judicial Bureau and Department of Motor Vehicles shall respond that "NO RECORD EXISTS."

(c) Exception for research entities. Research entities that maintain conviction or adjudication records for purposes of collecting, analyzing and disseminating criminal justice data shall not be subject to the expungement requirements established in this section. Research entities shall abide by the policies established by the Court Administrator and shall not disclose any identifying information from the records they maintain.

(d) Policies for implementation. The Court Administrator shall establish policies for implementing this section.

Sec. 5. JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE;

EXPUNGEMENT AND SEALING STUDY

During the 2021 legislative interim, the Joint Legislative Justice Oversight Committee shall consider how to simplify and automate the process of expungement and sealing of criminal history records and consider a comprehensive policy that provides an avenue for expungement or sealing of records for all or most offenses except those listed in 33 V.S.A. § 5204(a). In its analysis of what offenses should be eligible, the Committee shall consider whether to exclude from eligibility those offenses associated with and resulting from domestic and sexual violence. The Committee shall propose legislation for the 2022 legislative session on its recommendations regarding:

(1) a policy to make all or most criminal history records eligible for sealing or expungement, except for conviction records of offenses listed in 33 V.S.A. § 5204(a) and any other offenses the Committee deems appropriate for exclusion;

(2) the individuals or entities that should have access to sealed criminal history records;

(3) whether Vermont should continue to employ a two-track system that provides for sealing or expungement of criminal history records based on the nature of the offense, or whether Vermont should employ a one-track system that provides for either sealing or expungement for all eligible offenses;

(4) implementing an automated process, not requiring a petition, to seal and expunge criminal conviction records that provides for notice to the

prosecuting office and an opportunity for the prosecutor to oppose the sealing or expungement.

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2021.

(Committee vote: 11-0-0)

(For text see Senate Journal March 12, 2021)

S. 13

An act relating to the implementation of the Pupil Weighting Factors Report

Rep. Conlon of Cornwall, for the Committee on Education, 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:

Sec. 1. FINDINGS

(a) 2018 Acts and Resolves No. 173, Sec. 11 directed the Agency of Education to undertake a study examining and evaluating the current formula used to weigh economically disadvantaged students, English language learners, and secondary-level students in Vermont for purposes of calculating equalized pupils. The study was also to consider whether new cost factors and weights should be included in the equalized pupil calculation.

(b) The findings from the Pupil Weighting Factors Report dated December 24, 2019 (Report), produced by a University of Vermont-led team of researchers, including national experts on student weighting, were stark, stating that “[n]either the factors considered by the [current] formula nor the value of the weights reflect contemporary educational circumstances and costs.” The Report also found that the current “values for the existing weights have weak ties, if any, with evidence describing the difference in the costs of educating students with disparate needs or operating schools in different contexts.”

(c) The major recommendations of the Report are straightforward, specifically that the General Assembly increase certain of the existing weights and that it add population density (rurality) as a new weighting factor, given the Report’s finding that rural districts pay more to educate a student. However, given the statewide and unique nature of Vermont’s education funding system and the reality that any change in the weighting formula is complex due to its relationship to other educational policies and will produce fluctuations in tax rates across the State, the General Assembly has chosen to develop a phased approach to revising the weighting formula.

Sec. 2. TASK FORCE ON THE IMPLEMENTATION OF THE PUPIL
WEIGHTING FACTORS REPORT

(a) Creation. There is created the Task Force on the Implementation of the Pupil Weighting Factors Report. The Task Force shall recommend to the General Assembly an action plan and proposed legislation to ensure that all public school students have equitable access to educational opportunities, taking into account the Pupil Weighting Factors Report dated December 24, 2019 (Report), produced by a University of Vermont-led team of researchers.

(b) Membership. The Task Force shall be a legislative task force and shall be composed of the following six members:

- (1) the Chair of the Senate Committee on Finance or designee;
- (2) the Chair of the Senate Committee on Education or designee;
- (3) the Chair of the House Committee on Ways and Means or designee;
- (4) the Chair of the House Committee on Education or designee;
- (5) the Secretary of Education or designee; and
- (6) the Chair of the State Board of Education or designee.

(c) Powers and duties. The Task Force shall recommend to the General Assembly an action plan and proposed legislation to ensure that all public school students have equitable access to educational opportunities, taking into account the Report, and shall:

(1) consider how to integrate the weighting calculations from the Report with Vermont's equalized pupil calculations, excess spending threshold, and yield calculations;

(2) consider how categorical aid can address cost differentials across school districts;

(3) for the purpose of calculating equalized pupils, recommend how to define a "person from an economically deprived background" taking into account the current definition in 16 V.S.A. § 4001(8) and similar definitions in Part A, Title I, of the Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act, and eligibility for free and reduced-priced lunch under the National School Lunch Act;

(4) in recognition that the current formula used to calculate equalized pupils uses more than one mathematical method, consider changes to the formula to simplify it and make its calculation more transparent;

(5) recommend statutory changes in the Agency of Education's powers and duties to ensure that all school districts are meeting education quality standards and improving student outcomes and opportunities;

(6) recommend how to transition to the recommended weights and categorical aid to promote equity and ease the financial impact on school districts during the transition, including the availability and use of federal funding;

(7) consider the relationship between the recommended weights and categorical aid and the changes to special education funding under 2018 Acts and Resolves No. 173, including the impact on federally required maintenance of effort and maintenance of financial support; and

(8) consider the impact of the recommended weights and categorical aid on the goals and outcomes of 1997 Acts and Resolves No. 60 and 2015 Acts and Resolves No. 46, each as amended.

(d) Consultant. The Task Force may retain a consultant or consultants to assist it with modeling education finance scenarios developed by the Task Force and in writing the report required under subsection (g) of this section.

(e) Collaboration. In performing its duties under this section, the Task Force shall collaborate with the Vermont Superintendents Association, the Vermont School Boards Association, the Vermont Council of Special Education Administrators, the Vermont Principals' Association, the Vermont Independent Schools Association, and the Vermont-National Education Association.

(f) Public meetings. The Task Force shall hold one or more meetings to share information and receive input from the public concerning its work, which may be part of or separate from its regular meetings.

(g) Report. On or before January 15, 2022, the Task Force shall submit a written report to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance with its action plan and proposed legislation.

(h) Meetings.

(1) The Secretary of Education shall call the first meeting of the Task Force to occur on or before August 1, 2021.

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

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

(4) The Task Force shall meet not more than 12 times.

(i) Assistance.

(1) The Task Force shall have the:

(A) administrative assistance from the Agency of Education, which shall include organizing meetings and taking minutes;

(B) technical assistance of the Joint Fiscal Office, which shall include contracting with, and overseeing the work of, the consultant and data analysis and computation;

(C) assistance from the consultant or consultants, if retained, which shall include assistance with modeling education finance scenarios and writing the report required under subsection (g) of this section; and

(D) legal assistance from Office of Legislative Counsel, which shall include legal advice and drafting proposed legislation.

(2) If a consultant or consultants are not retained, the Agency of Education, in collaboration with the Joint Fiscal Office, shall write the report required under subsection (g) of this section and model education finance scenarios.

(j) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Task Force shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than 12 meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 3. WEIGHTING FACTORS SIMULATOR

The Agency of Education, in collaboration with the Joint Fiscal Office, shall create a user-friendly weighting factors simulator that will allow users to model the impact of proposed changes in weights on all school district tax rates.

Sec. 4. REQUIREMENT FOR ADDITIONAL LEGISLATIVE ACTION

During the second year of the 2021–2022 biennium, the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance shall consider the action plan and legislation proposed by the Task Force on the Implementation of the Pupil Weighting Factors Report created under Sec. 2 of this act. It is the intent of the General Assembly that it pass legislation during the second year of the biennium that implements changes to how education is funded to ensure that all public school students have equitable access to educational opportunities.

Sec. 5. APPROPRIATIONS

(a) The sum of \$10,800.00 is appropriated from the General Fund in fiscal year 2022 to the General Assembly for per diem and reimbursement of expenses for members of the Task Force on the Implementation of the Pupil Weighting Factors Report created under Sec. 2 of this act.

(b) The sum of \$25,000.00 is appropriated from the General Fund in fiscal year 2022 to the Joint Fiscal Office for consultant expenses of the Task Force on the Implementation of the Pupil Weighting Factors Report created under Sec. 2 of this act.

Sec. 6. 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 the Pupil Weighting Factors Report”

(Committee vote: 11-0-0)

(For text see Senate Journal March 24, 2021)

Rep. Ancel of Calais, for the Committee on Ways and Means, recommends the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Education and when further amendment by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

(a) 2018 Acts and Resolves No. 173, Sec. 11 directed the Agency of Education to undertake a study examining and evaluating the current formula used to weigh economically disadvantaged students, English language learners, and secondary-level students in Vermont for purposes of calculating equalized pupils. The study was also to consider whether new cost factors and weights should be included in the equalized pupil calculation.

(b) The findings from the Pupil Weighting Factors Report dated December 24, 2019 (Report), produced by a University of Vermont-led team of researchers, including national experts on student weighting, were stark, stating that “[n]either the factors considered by the [current] formula nor the value of the weights reflect contemporary educational circumstances and costs.” The Report also found that the current “values for the existing weights have weak ties, if any, with evidence describing the difference in the costs of educating students with disparate needs or operating schools in different contexts.”

(c) The major recommendations of the Report are straightforward, specifically that the General Assembly increase certain of the existing weights and that it add population density (rurality) as a new weighting factor, given the Report’s finding that rural districts pay more to educate a student. However, given the statewide and unique nature of Vermont’s education funding system and the reality that any change in the weighting formula is complex due to its relationship to other educational policies and will produce fluctuations in tax rates across the State, the General Assembly has chosen to develop a phased approach to revising the weighting formula.

Sec. 2. TASK FORCE ON THE IMPLEMENTATION OF THE PUPIL

WEIGHTING FACTORS REPORT

(a) Creation. There is created the Task Force on the Implementation of the Pupil Weighting Factors Report. The Task Force shall recommend to the General Assembly an action plan and proposed legislation to ensure that all public school students have equitable access to educational opportunities, taking into account the Pupil Weighting Factors Report dated December 24, 2019 (Report), produced by a University of Vermont-led team of researchers.

(b) Membership.

(1) The Task Force shall be a legislative task force and shall be composed of the following eight members:

- (A) two members of the Senate Committee on Finance;
- (B) two members of the Senate Committee on Education;
- (C) two members of the House Committee on Ways and Means; and
- (D) two members of the House Committee on Education.

(2) Members from the House Committees shall be appointed by the Speaker of the House and shall not all be from the same party, and members from the Senate Committees shall be appointed by the Committee on Committees and shall not all be from the same party.

(c) Powers and duties. The Task Force shall recommend to the General Assembly an action plan and proposed legislation to ensure that all public school students have equitable access to educational opportunities, taking into account the Report, and shall:

(1) consider how to integrate the weighting calculations from the Report with Vermont’s equalized pupil calculations, excess spending threshold, and yield calculations;

(2) consider how categorical aid can address differences in the costs of educating students across school districts;

(3) for the purpose of calculating equalized pupils, recommend age ranges to be included and how to define a “person from an economically deprived background” taking into account the current definition in 16 V.S.A. § 4001(8) and similar definitions in Part A, Title I, of the Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act, and eligibility for free and reduced-priced lunch under the National School Lunch Act;

(4) in recognition that the current formula used to calculate equalized pupils uses more than one mathematical method, consider changes to the formula to simplify it and make its calculation more transparent;

(5) recommend statutory changes in the Agency of Education’s powers and duties to ensure that all school districts are meeting education quality standards and improving student outcomes and opportunities;

(6) recommend how to transition to the recommended weights and categorical aid to promote equity and ease the financial impact on school districts during the transition, including the availability and use of federal funding;

(7) consider the relationship between the recommended weights and categorical aid and the changes to special education funding under 2018 Acts and Resolves No. 173, including the impact on federally required maintenance of effort and maintenance of financial support;

(8) consider the interaction between the recommended weights and categorical aid and the goals and outcomes of 1997 Acts and Resolves No. 60, 2003 Acts and Resolves No. 68, and 2015 Acts and Resolves No. 46, each as amended;

(9) recommend ways to mitigate the impacts on residential property tax rates and consider tax rate equity between districts; and

(10) recommend whether to modify, retain, or repeal the excess spending threshold under 32 V.S.A. § 5401(12) and 16 V.S.A. § 4001(6)(B).

(d) Consultant. The Task Force may retain a consultant or consultants to assist it with modeling education finance scenarios developed by the Task Force and in writing the report required under subsection (g) of this section.

(e) Collaboration. In performing its duties under this section, the Task Force shall collaborate with the State Board of Education, the Vermont Superintendents Association, the Vermont School Boards Association, the Vermont Council of Special Education Administrators, the Vermont Principals' Association, the Vermont Independent Schools Association, and the Vermont-National Education Association.

(f) Public meetings. The Task Force shall hold two or more meetings to share information and receive input from the public concerning its work, which may be part of or separate from its regular meetings. The Task Force shall include time during each of its meetings for public comment.

(g) Report. On or before December 15, 2021, the Task Force shall submit a written report to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance with its action plan and proposed legislation.

(h) Meetings.

(1) The Joint Fiscal Office shall call the first meeting of the Task Force to occur on or before June 1, 2021.

(2) The Task Force shall select co-chairs from among its members at the first meeting, one a member of the House and the other a member from the Senate.

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

(i) Assistance. The Task Force shall have:

(1) Administrative assistance from the Joint Fiscal Office, which shall include organizing meetings and taking minutes.

(2) Technical assistance from the Agency of Education, the Department of Taxes, and the Joint Fiscal Office. If the consultant is retained, the Joint Fiscal Office shall contract with, and oversee the work of, the consultant.

(3) Legal assistance from Office of Legislative Counsel, which shall include legal advice and drafting proposed legislation.

(j) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Task Force

shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than 12 meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 3. WEIGHTING FACTORS SIMULATOR

The Agency of Education, in collaboration with the Joint Fiscal Office, shall create a user-friendly weighting factors simulator that will allow users to model the impact of proposed changes in weights on all school district tax rates. The creation of and use by the Task Force of the simulator shall be overseen by the Task Force.

Sec. 4. ADDITIONAL LEGISLATIVE ACTION

During the second year of the 2021–2022 biennium, the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance shall consider the action plan and legislation proposed by the Task Force on the Implementation of the Pupil Weighting Factors Report created under Sec. 2 of this act. It is the intent of the General Assembly that it pass legislation during the second year of the biennium that implements changes to how education is funded to ensure that all public school students have equitable access to educational opportunities.

Sec. 5. EXCESS SPENDING MORATORIUM

For fiscal years 2022 and 2023, for the purpose of determining a school district's education property tax rate under 32 V.S.A. chapter 135, education spending under 16 V.S.A. § 4001(6) and the education spending adjustments under 32 V.S.A. § 5401(13) shall be calculated without regard to excess spending under 32 V.S.A. § 5401(12) and 16 V.S.A. § 4001(6)(B).

Sec. 6. APPROPRIATIONS

(a) The sum of \$10,800.00 is appropriated from the General Fund in fiscal year 2022 to the General Assembly for per diem and reimbursement of expenses for members of the Task Force on the Implementation of the Pupil Weighting Factors Report created under Sec. 2 of this act.

(b) The sum of \$25,000.00 is appropriated from the General Fund in fiscal year 2022 to the Joint Fiscal Office for consultant expenses of the Task Force on the Implementation of the Pupil Weighting Factors Report created under Sec. 2 of this act.

Sec. 7. 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 the Pupil Weighting Factors Report”

(Committee Vote: 11-0-0)

Rep. Scheu of Middlebury, for the Committee on Appropriations, recommends the report of the Committee on Ways and Means be amended by striking out Sec. 6, appropriations, in its entirety and inserting in lieu thereof the following:

Sec. 6. APPROPRIATION

The sum of \$25,000.00 is appropriated from the General Fund in fiscal year 2022 to the Joint Fiscal Office for consultant expenses of the Task Force on the Implementation of the Pupil Weighting Factors Report created under Sec. 2 of this act.

(Committee Vote: 11-0-0)

S. 25

An act relating to miscellaneous cannabis regulation procedures

Rep. Gannon of Wilmington, 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:

* * * Town Vote on Retail Sales * * *

Sec. 1. 7 V.S.A. § 863 is amended to read:

§ 863. REGULATION BY LOCAL GOVERNMENT

(a)(1) Prior to a cannabis retailer or the retail portion of an integrated licensee operating within a municipality, the municipality shall affirmatively permit the operation of such cannabis establishments by majority vote of those present and voting by Australian ballot at an annual or special meeting warned for that purpose. A municipality may place retailers or integrated licensees, or both, on the ballot for approval.

* * *

* * * Cannabis Control Board Advisory Committee * * *

Sec. 2. 7 V.S.A. § 843 is amended to read:

§ 843. CANNABIS CONTROL BOARD; DUTIES; MEMBERS

* * *

(c) Membership.

* * *

(4) A member may be removed only for cause by the remaining members of the Commission in accordance with the Vermont Administrative Procedure Act. The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for removal.

* * *

(h) Advisory committee.

(1) There is an advisory committee established within the Board that shall be composed of members with expertise and knowledge relevant to the Board's mission. The Board shall collaborate with the advisory committee on recommendations to the General Assembly. The advisory committee shall be composed of the following ~~12~~ 14 members:

(A) one member with an expertise in public health, appointed by the Governor;

(B) the Secretary of Agriculture, Food and Markets or designee;

(C) one member with an expertise in laboratory science or toxicology, appointed by the Governor;

(D) one member with an expertise in systemic social justice and equity issues, appointed by the Speaker of the House;

(E) one member with an expertise in ~~women~~ women- and minority-owned business ownership, appointed by the Speaker of the House;

(F) ~~one member with an expertise in substance misuse prevention, appointed by the Senate Committee on Committees~~ the Chair of the Substance Misuse Prevention Oversight and Advisory Council or designee;

(G) one member with an expertise in the cannabis industry, appointed by the Senate Committee on Committees;

(H) one member with an expertise in business management or regulatory compliance, appointed by the Treasurer;

(I) one member with an expertise in municipal issues, appointed by the ~~Treasurer~~ Senate Committee on Committees;

(J) one member with an expertise in public safety, appointed by the Attorney General;

(K) one member with an expertise in criminal justice reform, appointed by the Attorney General; ~~and~~

(L) the Secretary of Natural Resources or designee;

(M) the Chair of the Cannabis for Symptom Relief Oversight Committee or designee; and

(N) one member appointed by the Vermont Cannabis Trade Association.

(2) Initial appointments to the advisory committee as provided in subdivision (1) of this subsection (h) shall be made on or before ~~May 1, 2021~~ July 1, 2021.

* * *

* * * Cannabis Control Board * * *

Sec. 3. 7 V.S.A. § 845 is amended to read:

§ 845. CANNABIS REGULATION FUND

* * *

(b) The Fund shall be composed of:

(1) all State application fees, annual license fees, renewal fees, advertising review fees, and civil penalties collected by the Board pursuant to chapters 33 (cannabis establishments) and 37 (medical cannabis dispensaries) of this title; and

(2) all annual and renewal fees collected by the Board pursuant to chapter 35 (medical cannabis registry) of this title.

* * *

Sec. 4. 2019 Acts and Resolves No. 164, Sec. 5 is amended to read:

Sec. 5. CANNABIS CONTROL BOARD REPORT TO THE GENERAL ASSEMBLY; PROPOSAL FOR POSITIONS, FEES, AND APPROPRIATIONS FOR FISCAL YEARS 2022 AND 2023; LAND USE, ENVIRONMENTAL, ENERGY, AND EFFICIENCY REQUIREMENTS OR STANDARDS; ADVERTISING; OUTREACH, TRAINING, AND EMPLOYMENT PROGRAMS; ONLINE ORDERING AND DELIVERY; ADDITIONAL TYPES OF LICENSES

(a) On or before April 1, 2021, the Executive Director of the Cannabis Control Board shall provide recommendations to the General Assembly on the following:

~~(1) Resources necessary for implementation of this act for fiscal years year 2022 and 2023, including positions and funding. The Board shall consider utilization of current expertise and resources within State government and cooperation with other State departments and agencies where there may be an overlap in duties.~~

~~(2) State fees to be charged and collected in accordance with the Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be accompanied by information justifying the recommended rate as required by 32 V.S.A. § 605(d). The State fees submitted in accordance with this subdivision shall be projected to be sufficient to fund the duties of the Cannabis Control Board as provided in 7 V.S.A. § 843. To the extent possible, the recommend fees shall include an amount to repay over a period, not greater than 10 years, to the General Fund any application of excise taxes to the Cannabis Regulation Fund made pursuant to Sec. 6c of this act.~~

~~(A) Application fees, initial annual license fees, and annual license renewal fees for each type of cannabis establishment license as provided in 7 V.S.A. § 846: cultivator, product manufacturer, wholesaler, retailer, testing laboratory, and integrated. If the Board establishes tiers within a licensing category, it shall provide a fee recommendation for each tier.~~

~~(B) Fee for a cannabis establishment identification card as provided in 7 V.S.A. § 884.~~

~~(3) Whether monies expected to be generated by State fees identified in subdivision (2) of this subsection are sufficient to support the statutory duties of the Board and whether any portion of the tax established pursuant to 32 V.S.A. § 7902 should be allocated to the Cannabis Regulation Fund to ensure these duties are met.~~

~~(4) Local fees to be charged and collected in accordance with the Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be accompanied by information justifying the recommended rate as required by 32 V.S.A. § 605(d). The Board shall recommend local fees that are designed to help defray the costs incurred by municipalities in which cannabis establishments are located.~~

* * *

Sec. 4a. CANNABIS CONTROL BOARD REPORT TO THE JOINT FISCAL COMMITTEE; FEES

(a) On or before September 1, 2021, the Cannabis Control Board shall provide draft recommendations to the Joint Fiscal Committee for its approval on the following:

(1) State fees to be charged and collected in accordance with the Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be accompanied by information justifying the recommended rate as required by 32 V.S.A. § 605(d). The State fees submitted in accordance with this subdivision shall be projected to be sufficient to fund the duties of the Cannabis Control Board as provided in 7 V.S.A. § 843. To the extent possible, the recommend fees shall include an amount to repay over a period, not greater than 10 years, to the General Fund any application of excise taxes to the Cannabis Regulation Fund made pursuant to Sec. 6c of the 2019 Acts and Resolves No. 164.

(A) Application fees, initial annual license fees, and annual license renewal fees for each type of cannabis establishment license as provided in 7 V.S.A. § 846: cultivator, product manufacturer, wholesaler, retailer, testing laboratory, and integrated. If the Board establishes tiers within a licensing category, it shall provide a fee recommendation for each tier.

(B) Fee for a cannabis establishment identification card as provided in 7 V.S.A. § 884.

(C) Fee for advertisement review for a cannabis establishment licensee as provided in 7 V.S.A. § 865.

(2) Whether monies expected to be generated by State fees identified in subdivision (1) of this subsection are sufficient to support the statutory duties of the Board and whether any portion of the tax established pursuant to 32 V.S.A. § 7902 should be allocated to the Cannabis Regulation Fund to ensure these duties are met.

(3) Local fees to be charged and collected in accordance with the Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be accompanied by information justifying the recommended rate as required by 32 V.S.A. § 605(d). The Board shall recommend local fees that are designed to help defray the costs incurred by municipalities in which cannabis establishments are located.

(b) Upon receiving the proposal, the Joint Fiscal Committee shall review the recommendations and provide feedback to the Board for any suggested changes.

(c) The Board shall revise the proposal, if necessary, to incorporate the Committee's recommendations and present a revised draft for approval to the Committee.

(d) Notwithstanding 32 V.S.A. § 603, the fees shall take effect upon approval of the Committee.

(e) Beginning on July 1, 2022 and every three years thereafter, all cannabis regulation fees shall be included in the annual consolidated Executive Branch fee report pursuant to 32 V.S.A. § 605.

Sec. 4b. CANNABIS CONTROL BOARD REPORTING REQUIRMENTS;
THC

On or before November 1, 2021, the Cannabis Control Board shall report to the General Assembly on the following:

(1) recommendations as to whether integrated licensees and product manufacturers licensees should be permitted to produce solid concentrate products with greater than 60 percent THC for purposes of incorporation into other cannabis products that otherwise comply with restrictions in 7 V.S.A. § 868 (prohibited products) and rules promulgated by the Board pursuant to 7 V.S.A. § 881(a)(3); and

(2) recommendations developed in consultation with the Agency of Agriculture as to whether the Board should permit hemp or CBD to be converted to Delta-9 THC and, if so, how it should be regulated.

Sec. 4c. CANNABIS CONTROL BOARD; POSITIONS

The following new permanent positions are created in the Cannabis Control Board:

(1) one full-time, exempt General Counsel; and

(2) one full-time, classified Administrative Assistant.

* * * Advertising * * *

Sec. 5. 7 V.S.A. § 861 is amended to read:

§ 861. DEFINITIONS

As used in this chapter:

(1) “Advertise” means the publication or dissemination of an advertisement.

(2) “Advertisement” means any written or verbal statement, illustration, or depiction that is calculated to induce sales of cannabis or cannabis products, including any written, printed, graphic, or other material, billboard, sign, or other outdoor display, other periodical literature, publication, or in a radio or television broadcast, the Internet, or in any other media. The term does not include:

(A) any label affixed to any cannabis or cannabis product, or any individual covering, carton, or other wrapper of that container that constitutes a part of the labeling under provisions of these standards;

(B) any editorial or other reading material, such as a news release, in any periodical or publication or newspaper for the publication of which no money or valuable consideration is paid or promised, directly or indirectly, by any cannabis establishment, and that is not written by or at the direction of the licensee;

(C) any educational, instructional, or otherwise noncommercial material that is not intended to induce sales and that does not propose an economic transaction, but that merely provides information to the public in an unbiased manner; or

(D) a sign attached to the premises of a cannabis establishment that merely identifies the location of the cannabis establishment.

~~(3)~~ “Affiliate” means a person that directly or indirectly owns or controls, is owned or controlled by, or is under common ownership or control with another person.

~~(2)~~~~(4)~~ “Applicant” means a person that applies for a license to operate a cannabis establishment pursuant to this chapter.

~~(3)~~~~(5)~~ “Board” means the Cannabis Control Board.

~~(4)~~~~(6)~~ “Cannabis” shall have the same meaning as provided in section 831 of this title.

~~(5)~~~~(7)~~ “Cannabis cultivator” or “cultivator” means a person licensed by the Board to engage in the cultivation of cannabis in accordance with this chapter.

~~(6)~~~~(8)~~ “Cannabis establishment” means a cannabis cultivator, wholesaler, product manufacturer, retailer, or testing laboratory licensed by the Board to engage in commercial cannabis activity in accordance with this chapter.

~~(7)~~~~(9)~~ “Cannabis product” shall have the same meaning as provided in section 831 of this title.

~~(8)~~~~(10)~~ “Cannabis product manufacturer” or “product manufacturer” means a person licensed by the Board to manufacture cannabis products in accordance with this chapter.

~~(9)~~(11) “Cannabis retailer” or “retailer” means a person licensed by the Board to sell cannabis and cannabis products to adults 21 years of age and older for off-site consumption in accordance with this chapter.

~~(10)~~(12) “Cannabis testing laboratory” or “testing laboratory” means a person licensed by the Board to test cannabis and cannabis products in accordance with this chapter.

~~(11)~~(13) “Cannabis wholesaler” or “wholesaler” means a person licensed by the Board to purchase, process, transport, and sell cannabis and cannabis products in accordance with this chapter.

~~(12)~~(14) “Chair” means the Chair of the Cannabis Control Board.

~~(13)~~(15) “Characterizing flavor” means a taste or aroma, other than the taste or aroma of cannabis, imparted either prior to or during consumption of a cannabis product. The term includes tastes or aromas relating to any fruit, chocolate, vanilla, honey, maple, candy, cocoa, dessert, alcoholic beverage, mint, menthol, wintergreen, herb or spice, or other food or drink or to any conceptual flavor that imparts a taste or aroma that is distinguishable from cannabis flavor but may not relate to any particular known flavor.

~~(14)~~(16) “Child-resistant packaging” means packaging that is designed or constructed to be significantly difficult for children under five years of age to open or obtain a toxic or harmful amount of the substance in the container within a reasonable time and not difficult for normal adults to use properly, but does not mean packaging that all children under five years of age cannot open or obtain a toxic or harmful amount of the substance in the container within a reasonable time.

~~(15)~~(17) “Controls,” “is controlled by,” and “under common control” mean the power to direct, or cause the direction or management and policies of a person, whether through the direct or beneficial ownership of voting securities, by contract, or otherwise. A person who directly or beneficially owns 10 percent or more equity interest, or the equivalent thereof, of another person shall be deemed to control the person.

~~(16)~~(18) “Dispensary” means a business organization licensed pursuant to chapter 37 of this title or 18 V.S.A. chapter 86.

~~(17)~~(19) “Enclosed, locked facility” means a building, room, greenhouse, outdoor fenced-in area, or other location that is enclosed on all sides and prevents cannabis from easily being viewed by the public. The facility shall be equipped with locks or other security devices that permit access only by:

(A) Employees, agents, or owners of the cultivator, all of whom shall be 21 years of age or older.

(B) Government employees performing their official duties.

(C) Contractors performing labor that does not include cannabis cultivation, packaging, or processing. Contractors shall be accompanied by an employee, agent, or owner of the cultivator when they are in areas where cannabis is being grown, processed, packaged, or stored.

(D) Registered employees of other cultivators, members of the media, elected officials, and other individuals 21 years of age or older visiting the facility, provided they are accompanied by an employee, agent, or owner of the cultivator.

~~(18)~~(20) “Flavored oil cannabis product” means any oil cannabis product that contains an additive to give it a characterizing flavor.

~~(19)~~(21) “Integrated licensee” means a person licensed by the Board to engage in the activities of a cultivator, wholesaler, product manufacturer, retailer, and testing laboratory in accordance with this chapter.

~~(20)~~(22) “Municipality” means a town, city, or incorporated village.

~~(21)~~(23) “Person” shall include any natural person; corporation; municipality; the State of Vermont or any department, agency, or subdivision of the State; and any partnership, unincorporated association, or other legal entity.

~~(22)~~(24) “Plant canopy” means the square footage dedicated to live plant production and does not include areas such as office space or areas used for the storage of fertilizers, pesticides, or other products.

~~(23)~~(25) “Principal” means an individual vested with the authority to conduct, manage, or supervise the business affairs of a person, and may include the president, vice president, secretary, treasurer, manager, or similar executive officer of a business; a director of a corporation, nonprofit corporation, or mutual benefit enterprise; a member of a nonprofit corporation, cooperative, or member-managed limited liability company; and a partner of a partnership.

~~(24)~~(26) “Small cultivator” means a cultivator with a plant canopy or space for cultivating plants for breeding stock of not more than 1,000 square feet.

Sec. 6. 7 V.S.A. § 864 is added to read:

§ 864. ADVERTISING

(a) “Advertise” and “advertisement” have the same meaning as in section 861 of this title.

(b) A cannabis establishment advertisement shall not contain any statement or illustration that:

(1) is deceptive, false, or misleading;

(2) promotes overconsumption;

(3) represents that the use of cannabis has curative effects;

(4) offers a prize, award, or inducement for purchasing cannabis or a cannabis product, except that price discounts are allowed;

(5) offers free samples of cannabis or cannabis products;

(6) depicts a person under 21 years of age consuming cannabis or cannabis products; or

(7) is designed to be or has the effect of being particularly appealing to persons under 21 years of age.

(c) Cannabis establishments shall not advertise their products via any medium unless the licensee can show that not more than 15 percent of the audience is reasonably expected to be under 21 years of age.

(d) All advertisements shall contain health warnings adopted by rule by the Board in consultation with the Department of Health.

(e) All advertisements shall be submitted to the Board on a form or in a format prescribed by the Board, prior to the dissemination of the advertisement. The Board may:

(1) require a specific disclosure be made in the advertisement in a clear and conspicuous manner if the Board determines that the advertisement would be false or misleading without such a disclosure; or

(2) require changes that are necessary to protect the public health, safety, and welfare or consistent with dispensing information for the product under review.

(f) The Board may charge and collect fees for review of advertisements.

Sec. 7. 7 V.S.A. § 866(d) is added to read:

(d) In accordance with section 864 of this title, advertising by a cannabis establishment shall not depict a person under 21 years of age consuming cannabis or cannabis products or be designed to be or have the effect of being particularly appealing to persons under 21 years of age. Cannabis establishments shall not advertise their products via any medium unless the

licensee can show that not more than 15 percent of the audience is reasonably expected to be under 21 years of age.

Sec. 8. 7 V.S.A. § 881 is amended to read:

§ 881. RULEMAKING; CANNABIS ESTABLISHMENTS

(a) The Board shall adopt rules to implement and administer this chapter in accordance with subdivisions (1)–(7) of this subsection.

(1) Rules concerning any cannabis establishment shall include:

* * *

(P) disclosure or eligibility requirements for a financier, its owners and principals, and its affiliates, which may include:

(i) requirements to disclose information to a licensed establishment, the Board, or the Department of Financial Regulation;

(ii) a minimum age requirement and a requirement to conduct a background check for natural persons;

(iii) requirements to ensure that a financier complies with applicable State and federal laws governing financial institutions, licensed lenders, and other financial service providers; and

(iv) any other requirements, conditions, or limitations on the type or amount of loans or capital investments made by a financier or its affiliates, which the Board, in consultation with the Department of Financial Regulation, determines is necessary to protect the public health, safety, and general welfare; and

(Q) policies and procedures for conducting outreach and promoting participation in the regulated cannabis market by diverse groups of individuals, including those who have been disproportionately harmed by cannabis prohibition; and

(R) advertising and marketing.

Sec. 9. 7 V.S.A. § 978 is added to read:

§ 978. ADVERTISING

(a) “Advertise” and “advertisement” have the same meaning as in section 861 of this title.

(b) A dispensary advertisement shall not contain any statement or illustration that:

(1) is deceptive, false, or misleading;

- (2) promotes overconsumption;
- (3) represents that the use of cannabis has curative effects;
- (4) offers a prize, award, or inducement for purchasing cannabis or a cannabis product, except that price discounts are allowed;
- (5) offers free samples of cannabis or cannabis products;
- (6) depicts a person under 21 years of age consuming cannabis or cannabis products; or
- (7) is designed to be or has the effect of being particularly appealing to persons under 21 years of age.

(c) Dispensaries shall not advertise their products via any medium unless the licensee can show that not more than 15 percent of the audience is reasonably expected to be under 21 years of age.

(d) All advertisements shall contain health warnings adopted by rule by the Board in consultation with the Department of Health.

(e) All advertisements shall be submitted to the Board on a form or in a format prescribed by the Board, prior to the dissemination of the advertisement. The Board may:

(1) require a specific disclosure be made in the advertisement in a clear and conspicuous manner if the Board determines that the advertisement would be false or misleading without such a disclosure; or

(2) require changes that are necessary to protect the public health, safety, and welfare or consistent with dispensing information for the product under review.

(f) The Board may charge and collect fees for review of advertisements.

* * * Cultivation * * *

Sec. 10. 2019 Acts and Resolves No. 164, Sec. 8 is amended to read:

Sec. 8. IMPLEMENTATION OF LICENSING CANNABIS

ESTABLISHMENTS

(a)(1) The cannabis plant, cannabis product, and useable cannabis possession limits for a registered dispensary set forth in 18 V.S.A. chapter 86 shall no longer apply on and after February 1, 2022. A dispensary shall be permitted to cultivate cannabis and manufacture cannabis products for the purpose of transferring or selling such products to an integrated licensee on or after April 1, 2022 and engaging in the activities permitted by 7 V.S.A. chapter 33.

(2) On or before April 1, 2022, the Board shall begin accepting applications for integrated licenses.

(3) On or before May 1, 2022, the Board shall begin issuing integrated licenses to qualified applicants. An integrated licensee may begin selling cannabis and cannabis products transferred or purchased from a dispensary immediately. Between August 1, 2022 and October 1, 2022, 25 percent of cannabis flower sold by an integrated licensee shall be obtained from a licensed small cultivator, if available.

(b)(1) On or before April 1, 2022, the Board shall begin accepting applications for small cultivator licenses and testing laboratories. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before May 1, 2022, the Board shall begin issuing small cultivator and testing laboratories licenses to qualified applicants. Upon licensing, small cultivators shall be permitted to sell cannabis legally grown pursuant to the license to an integrated licensee and a dispensary licensed pursuant to 18 V.S.A. chapter 86 prior to other types of cannabis establishment licensees beginning operations.

(c)(1) On or before May 1, 2022, the Board shall begin accepting applications for all cultivator licenses. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before June 1, 2022, the Board shall begin issuing all cultivator licenses to qualified applicants.

(d)(1) On or before July 1, 2022, the Board shall begin accepting applications for product manufacturer licenses and wholesaler licenses. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before August 1, 2022, the Board shall begin issuing product manufacturer and wholesaler licenses to qualified applicants.

(e)(1) On or before September 1, 2022, the Board shall begin accepting applications for retailer licenses. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before October 1, 2022, the Board shall begin issuing retailer licenses to qualified applicants and sales of cannabis and cannabis products by licensed retailers to the public shall be allowed immediately.

* * * Social Equity * * *

Sec. 11. FEES; SOCIAL EQUITY

When reporting to the General Assembly regarding recommended fees for licensing cannabis establishments pursuant to Sec. 4a of this act, the Cannabis Control Board shall propose a plan for reducing or eliminating licensing fees for individuals from communities that historically have been disproportionately impacted by cannabis prohibition or individuals directly and personally impacted by cannabis prohibition.

Sec. 12. 7 V.S.A. chapter 39 is added to read:

CHAPTER 39. CANNABIS SOCIAL EQUITY PROGRAMS

§ 986. DEFINITIONS

As used in this chapter:

(1) “Agency” means the Agency of Commerce and Community Development.

(2) “Board” means the Cannabis Control Board.

§ 987. CANNABIS BUSINESS DEVELOPMENT FUND

(a) There is established the Cannabis Business Development Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5.

(b) The Fund shall comprise:

(1) three percent of gross sales made by integrated licensees prior to October 15, 2022, with a maximum contribution of \$50,000.00 per integrated licensee; and

(2) monies allocated to the fund by the General Assembly.

(c) The Fund shall be used for the following purposes:

(1) to provide low-interest rate loans and grants to social equity applicants to pay for ordinary and necessary expenses to start and operate a licensed cannabis establishment;

(2) to pay for outreach that may be provided or targeted to attract and support social equity applicants;

(3) to assist with job training and technical assistance for social equity applicants; and

(4) to pay for necessary costs incurred in administering the Fund.

(d) Amounts from loans that are repaid shall provide additional funding through the Fund.

§ 988. SOCIAL EQUITY LOANS AND GRANTS

The Agency of Commerce and Community Development shall establish a program using funds from the Cannabis Business Development Fund for the purpose of providing financial assistance, loans, grants, and outreach to social equity applicants. The Agency may procure by contract all or part of the necessary underwriting, execution, and administration services required for loans and grants to be made from the Cannabis Business Development Fund to eligible social equity applicants as allowed under this chapter. Should the Agency be unable to do so, the program shall not move forward until the General Assembly appropriates the operational resources necessary for the Agency to make loans and provide financial assistance to social equity applicants.

§ 989. REPORTING

The Cannabis Control Board, in consultation with the Advisory Committee, the Agency of Commerce and Community Development, and the Executive Director of Racial Equity, shall report to the General Assembly on or before January 15, 2023 and biennially thereafter regarding the implementation and application of this chapter, including data on the number of applicants, the number of recipients, the number and amounts of loans and grants, and the identification of continuing barriers to accessing the cannabis market for social equity applicants. This information shall be presented in a manner that can be quantified and tracked over time.

Sec. 13. SOCIAL EQUITY APPLICANTS; CRITERIA

The Cannabis Control Board, in consultation with the Advisory Committee, the Agency of Commerce and Community Development, and the Executive Director of Racial Equity, shall develop criteria for social equity applicants for the purpose of obtaining social equity loans and grants from the Cannabis Business Development Fund pursuant to 7 V.S.A. chapter 39. The Board shall provide the criteria to the General Assembly not later than October 15, 2021.

Sec. 14. TRANSFER AND APPROPRIATION

(a) In fiscal year 2022, \$500,000.00 is transferred from General Fund to the Cannabis Business Development Fund established pursuant to 7 V.S.A. § 987.

(b) In fiscal year 2022, \$500,000.00 is appropriated from the Cannabis Business Development Fund to the Agency of Commerce and Community Development to make loans and grants pursuant to 7 V.S.A. § 987.

* * * Medical Cannabis Program * * *

Sec. 15. IMPLEMENTATION OF MEDICAL CANNABIS REGISTRY

(a) On January 1, 2022, the following shall transfer from the Department of Public Safety to the Cannabis Control Board:

(1) the authority to administer the Medical Cannabis Registry and the regulation of cannabis dispensaries pursuant to 18 V.S.A. chapter 86;

(2) the cannabis registration fee fund established pursuant to 18 V.S.A. chapter 86; and

(3) the positions dedicated to administering 18 V.S.A. chapter 86.

(b) The Registry shall continue to be governed by 18 V.S.A. chapter 86 and the rules adopted pursuant to that chapter until 7 V.S.A. chapters 35 and 37 and the rules adopted by the Board pursuant to those chapters take effect on March 1, 2022 as provided in 2019 Acts and Resolves No. 164.

Sec. 16. REPEAL

2019 Acts and Resolves No. 164, Secs. 10 (implementation of Medical Cannabis Registry) and 13 (implementation of medical cannabis dispensaries) are repealed.

Sec. 16a. MEDICAL CANNABIS OVERSIGHT ADVISORY PANEL

2019 Acts and Resolves No. 164 repeals the Cannabis for Symptom Relief Oversight Committee on March 1, 2022. The General Assembly recognizes the value of continuing to employ an advisory entity focused on medical cannabis and the patients and caregivers on Vermont's Medical Cannabis Registry. However, the General Assembly finds that the structure and mission of such an entity should be updated to reflect the changing approach to cannabis since the establishment of the current Oversight Committee in 2011. Therefore, in the 2022 legislative session, the General Assembly intends to establish the Medical Cannabis Oversight Advisory Panel and requests that the Cannabis Control Board submit its recommendations for the membership and duties of this panel to the General Assembly on or before November 1, 2021.

* * * Highway Safety * * *

Sec. 17. 20 V.S.A. § 2358 is amended to read:

§ 2358. MINIMUM TRAINING STANDARDS; DEFINITIONS

* * *

(f) The criteria for all minimum training standards under this section shall include Advanced Roadside Impaired Driving Enforcement training as

approved by the Vermont Criminal Justice Council. On or before ~~December 31, 2021~~, law enforcement officers shall receive a minimum of 16 hours of training as required by this subsection December 31, 2026, law enforcement officers shall receive the training required by this section.

* * * Substance Misuse Prevention Funding * * *

Sec. 18. 32 V.S.A. § 7909 is added to read:

§ 7909. SUBSTANCE MISUSE PREVENTION FUNDING

(a) Thirty percent of the revenues raised by the cannabis excise tax imposed by section 7902 of this title, not to exceed \$10,000,000.00 per fiscal year, shall be used to fund substance misuse prevention programming.

(b) If any General Fund appropriations for substance misuse prevention programming remain unexpended at the end of a fiscal year, that balance shall be carried forward and shall only be used for the purpose of funding substance misuse prevention programming in the subsequent fiscal year.

(c) Any appropriation balance carried forward pursuant to subsection (b) of this section shall be in addition to revenues allocated for substance misuse prevention programming pursuant to subsection (a) of this section.

Sec. 19. REPEAL

2019 Acts and Resolves No. 164, Sec. 19 (substance misuse prevention funding) is repealed.

* * * Effective Dates * * *

Sec. 20. EFFECTIVE DATE

(a) Sec. 18 (substance misuse prevention) shall take effect on March 1, 2022.

(b) The remaining sections shall take effect on passage.

(Committee vote: 9-2-0)

(For text see Senate Journal March 24, 2021)

Rep. Beck of St. Johnsbury, for the Committee on Ways and Means, recommends the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Government Operations and when further amended as follows:

First: By striking out Sec. 3, 7 V.S.A. § 845, in its entirety and inserting in lieu thereof:

Sec. 3. [Deleted.]

Second: By striking out Sec. 4a in its entirety and inserting in lieu thereof a new Sec. 4a to read as follows:

Sec. 4a. CANNABIS CONTROL BOARD REPORT; FEES

On or before October 1, 2021, the Cannabis Control Board shall provide recommendations to the House Committee on Ways and Means, the Senate Committee on Finance, and the House and Senate Committees on Government Operations on the following:

(1) State fees to be charged and collected in accordance with the Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be accompanied by information justifying the recommended rate as required by 32 V.S.A. § 605(d). The State fees submitted in accordance with this subdivision shall be projected to be sufficient to fund the duties of the Cannabis Control Board as provided in 7 V.S.A. § 843. To the extent possible, the recommend fees shall include an amount to repay over a period, not greater than 10 years, to the General Fund any application of excise taxes to the Cannabis Regulation Fund made pursuant to 2019 Acts and Resolves No. 164, Sec. 6c.

(A) Application fees, initial annual license fees, and annual license renewal fees for each type of cannabis establishment license as provided in 7 V.S.A. § 846: cultivator, product manufacturer, wholesaler, retailer, testing laboratory, and integrated. If the Board establishes tiers within a licensing category, it shall provide a fee recommendation for each tier.

(B) Fee for a cannabis establishment identification card as provided in 7 V.S.A. § 884.

(2) Whether monies expected to be generated by State fees identified in subdivision (1) of this section are sufficient to support the statutory duties of the Board and whether any portion of the tax established pursuant to 32 V.S.A. § 7902 should be allocated to the Cannabis Regulation Fund to ensure these duties are met.

(3) Local fees to be charged and collected in accordance with the Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be accompanied by information justifying the recommended rate as required by 32 V.S.A. § 605(d). The Board shall recommend local fees that are designed to help defray the costs incurred by municipalities in which cannabis establishments are located.

Third: In Sec. 6, 7 V.S.A. § 864, by striking out subsection (f) in its entirety

Fourth: In Sec. 12, 7 V.S.A. chapter 39, in section 987, in subdivision (b)(1), by striking out “three percent of gross sales made by integrated licensees prior to October 15, 2022, with a maximum contribution of \$50,000.00 per integrated licensee” and inserting in lieu thereof “a one-time contribution of \$50,000.00 per integrated license to be made on or before October 15, 2022”

(Committee Vote: 9-1-1)

Rep. Scheu of Middlebury, 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 Ways and Means.

(Committee Vote: 8-2-1)

S. 79

An act relating to improving rental housing health and safety

Rep. Stevens of Waterbury, for the Committee on General, Housing, and Military Affairs, 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:

* * * Department of Public Safety; Authority for Rental Housing
Health and Safety * * *

Sec. 1. 20 V.S.A. chapter 173 is amended to read:

CHAPTER 173. PREVENTION AND INVESTIGATION OF FIRES;
PUBLIC BUILDINGS; HEALTH AND SAFETY; ENERGY STANDARDS

* * *

Subchapter 2. Division of Fire Safety; Public Buildings; Building Codes;
Rental Housing Health and Safety; Building Energy Standards

* * *

§ 2729. GENERAL PROVISIONS; FIRE SAFETY; CARBON MONOXIDE

(a) A person shall not build or cause to be built any structure that is unsafe or likely to be unsafe to other persons or property in case of fire or generation and leakage of carbon monoxide.

(b) A person shall not maintain, keep or operate any premises or any part thereof, or cause or permit to be maintained, kept, or operated, any premises or part thereof, under his or her control or ownership in a manner that causes or is

likely to cause harm to other persons or property in case of fire or generation and leakage of carbon monoxide.

(c) On premises under a person's control, excluding single family owner-occupied houses and premises, that person shall observe rules adopted under this subchapter for the prevention of fires and carbon monoxide leakage that may cause harm to other persons or property.

(d) Any condominium or multiple unit dwelling using a common roof, or row houses so-called, or other residential buildings in which people sleep, including hotels, motels, and tourist homes, excluding single family owner-occupied houses and premises, whether the units are owned or leased or rented, shall be subject to the rules adopted under this subchapter and shall be provided with one or more carbon monoxide detectors, as defined in 9 V.S.A. § 2881(3), properly installed according to the manufacturer's requirements.

§ 2730. DEFINITIONS

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

* * *

(D) a building in which people rent accommodations, whether overnight or for a longer term, including "rental housing" as defined in subsection (f) of this section;

* * *

(2) Use of any portion of a building in a manner described in this subsection shall make the entire building a "public building" for purposes of this subsection. For purposes of this subsection, a "person" does not include an individual who is directly related to the employer and who resides in the employment-related building.

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

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

* * *

~~(4) A single family residence with an accessory dwelling unit as permitted under 24 V.S.A. § 4406(4)(D). [Repealed.]~~

* * *

(f) "Rental housing" means housing that is leased or offered for lease and includes a "dwelling unit" as defined in 9 V.S.A. § 4451 and a "short-term rental" as defined in 18 V.S.A. § 4301.

§ 2731. RULES; INSPECTIONS; VARIANCES

(a) Rules.

(1) The Commissioner is authorized to adopt rules regarding the construction, health, safety, sanitation, and fitness for habitation of buildings, maintenance and operation of premises, and prevention of fires and removal of fire hazards, and to prescribe standards necessary to protect the public, employees, and property against harm arising out of or likely to arise out of fire.

* * *

(b) Inspections.

(1) The Commissioner shall conduct inspections of premises to ensure that the rules adopted under this subchapter are being observed and may establish priorities for enforcing these rules and standards based on the relative risks to persons and property ~~from fire~~ of particular types of premises.

(2) The Commissioner may also conduct inspections to ensure that buildings are constructed in accordance with approved plans and drawings.

(3) When conducting an inspection of rental housing, the Commissioner shall:

(A) issue a written inspection report on the unit or building that:

(i) contains findings of fact that serve as the basis of one or more violations;

(ii) specifies the requirements and timelines necessary to correct a violation;

(iii) provides notice that the landlord is prohibited from renting the affected unit to a new tenant until the violation is corrected; and

(iv) provides notice in plain language that the landlord or agents of the landlord must have access to the rental unit to make repairs as ordered by the Commissioner consistent with the access provisions in 9 V.S.A. § 4460;

(B) provide a copy of the inspection report to the landlord, to the person who requested the inspection, and to any tenants who are affected by a violation:

(i) electronically, if the Department has an electronic mailing address for the person; or

(ii) by first-class mail, if the Department does not have an electronic mailing address for the person;

(C) if an entire building is affected by a violation, provide a notice of inspection directly to the individual tenants, and may also post the notice in a common area, that specifies:

(i) the date of the inspection;

(ii) that violations were found and must be corrected by a certain date;

(iii) how to obtain a copy of the inspection electronically or by first-class mail; and

(iv) if the notice is posted in a common area, that the notice shall not be removed until authorized by the Commissioner;

(D) make the inspection report available as a public record.

* * *

§ 2733. ORDERS TO REPAIR, REHABILITATE, OR REMOVE STRUCTURE

(a)(1) Whenever the ~~commissioner~~ Commissioner finds that premises or any part of them does not meet the standards adopted under this subchapter, the ~~commissioner~~ Commissioner may order it repaired or rehabilitated.

(2) If ~~it~~ the premises is not repaired or rehabilitated within a reasonable time as specified by the ~~commissioner~~ Commissioner in his or her order, the ~~commissioner~~ Commissioner may order the premises or part of them closed, if by doing so the public safety will not be imperiled; otherwise he or she shall order demolition and removal of the structure, or fencing of the premises.

(3) Whenever a violation of the rules is deemed to be imminently hazardous to persons or property, the ~~commissioner~~ Commissioner shall order the violation corrected immediately.

(4) If the violation is not corrected, the ~~commissioner~~ Commissioner may ~~then~~ order the premises or part of them immediately closed and to remain closed until the violation is corrected.

(b) Whenever a structure, by reason of age, neglect, want of repair, action of the elements, destruction, either partial or total by fire or other casualty or other cause, is so dilapidated, ruinous, decayed, filthy, unstable, or dangerous as to constitute a material menace or damage in any way to adjacent property, or to the public, and has so remained for a period of not less than one week, the ~~commissioner~~ Commissioner may order such structure demolished and removed.

(c) Orders issued under this section shall be served by certified mail with return receipt requested or in the discretion of the ~~commissioner~~ Commissioner, shall be served in the same manner as summonses are served under the Vermont Rules of Civil Procedure promulgated by the ~~supreme court~~ Supreme Court, to all persons who have a recorded interest in the property recorded in the place where land records for the property are recorded, and to all persons who will be temporarily or permanently displaced by the order, including owners, tenants, mortgagees, attaching creditors, lien holders, and public utilities or water companies serving the premises.

§ 2734. PENALTIES

(a)(1) A person who violates any provision of this subchapter or any order or rule issued pursuant thereto shall be fined not more than \$10,000.00.

(2) The ~~state's attorney~~ State's Attorney of the county in which such violation occurs shall prosecute the violation and may commence a proceeding in the ~~superior court~~ Superior Court to compel compliance with such order or rule, and such court may make orders and decrees therein by way of writ of injunction or otherwise.

(b)(1) A person who fails to comply with a lawful order issued under authority of this subchapter in case of sudden emergency shall be fined not more than \$20,000.00.

(2) A person who fails to comply with an order requiring notice shall be fined \$200.00 for each day's neglect commencing with the effective date of such order or the date such order is finally determined if an appeal has been filed.

(c)(1) The ~~commissioner~~ Commissioner may, after notice and opportunity for hearing, assess an administrative penalty of not more than \$1,000.00 for each violation of this subchapter or any rule adopted under this subchapter.

(2) Penalties assessed pursuant to this subsection shall be based on the severity of the violation.

(3) An election by the ~~commissioner~~ Commissioner to proceed under this subsection shall not limit or restrict the ~~commissioner's~~ Commissioner's authority under subsection (a) of this section.

(d) Violation of any rule adopted under this subchapter shall be prima facie evidence of negligence in any civil action for damage or injury ~~which~~ that is the result of the violation.

* * *

§ 2736. MUNICIPAL ENFORCEMENT

(a)(1) The legislative body of a municipality may appoint one or more trained and qualified officials and may establish procedures to enforce rules and standards adopted under subsection 2731(a) of this title.

(2) After considering the type of buildings within the municipality, if the ~~commissioner~~ Commissioner determines that the training, qualifications, and procedures are sufficient, he or she may assign responsibility to the municipality for enforcement of some or all of these rules and standards.

(3) The ~~commissioner~~ Commissioner may also assign responsibility for enforcement of the rules of the access board adopted under section 2902 of this title.

(4) The ~~commissioner~~ Commissioner shall provide continuing review, consultation, and assistance as may be necessary.

(5) The assignment of responsibility may be revoked by the ~~commissioner~~ Commissioner after notice and an opportunity for hearing if the ~~commissioner~~ Commissioner determines that the training, qualifications, or procedures are insufficient.

(6) The assignment of responsibility shall not affect the ~~commissioner's~~ Commissioner's authority under this subchapter.

(b) If a municipality assumes responsibility under subsection (a) of this section for performing any functions that would be subject to a fee established under subsection 2731(a) of this title, the municipality may establish and collect reasonable fees for its own use, and no fee shall be charged for the benefit of the state State.

(c)(1) Subject to rules adopted under section 2731 of this title, municipal officials appointed under this section may enter any premises in order to carry out the responsibilities of this section.

(2) The officials may order the repair, rehabilitation, closing, demolition, or removal of any premises to the same extent as the ~~commissioner~~ Commissioner may under section 2732 of this title.

(d) Upon a determination by the ~~commissioner~~ Commissioner that a municipality has established sufficient procedures for granting variances and exemptions, such variances and exemptions may be granted to the same extent authorized under subsection 2731(b) of this title.

(e) The results of all activities conducted by municipal officials under this section shall be reported to the ~~commissioner~~ Commissioner periodically upon request.

(f) Nothing in this section shall be interpreted to decrease the authority of municipal officials under other laws, including laws concerning building codes and laws concerning housing codes.

* * *

§ 2738. FIRE PREVENTION AND BUILDING INSPECTION SPECIAL
FUND

(a) The fire prevention and building inspection special fund revenues shall be from the following sources:

(1) fees relating to construction and inspection of public building and fire prevention inspections under section 2731 of this title;

(2) fees relating to boilers and pressure vessels under section 2883 of this title;

(3) fees relating to electrical installations and inspections and the licensing of electricians under 26 V.S.A. §§ 891-915;

(4) fees relating to cigarette certification under section 2757 of this title; and

(5) fees relating to plumbing installations and inspections and the licensing of plumbers under 26 V.S.A. §§ 2171-2199.

(b) Fees collected under subsection (a) of this section shall be available to the ~~department of public safety~~ Department of Public Safety to offset the costs of the ~~division of fire safety~~ Division of Fire Safety.

(c) The ~~commissioner of finance and management~~ Commissioner of Finance and Management may anticipate receipts to this fund and issue warrants based thereon.

* * *

* * * State Rental Housing Registry; Registration Requirement * * *

Sec. 2. 3 V.S.A. § 2478 is added to read:

§ 2478. STATE RENTAL HOUSING REGISTRY; HOUSING DATA

(a) The Department of Housing and Community Development, in coordination with the Division of Fire Safety, the Department of Health, the Enhanced 911 Board, and the Department of Taxes, shall create and maintain a registry of the rental housing in this State, which includes a “dwelling unit” as defined in 9 V.S.A. § 4451 and a “short-term rental” as defined in 18 V.S.A. § 4301.

(b) The Department of Housing and Community Development shall require for each unit that is registered the following data:

(1) the name and mailing address of the owner, landlord, and property manager of the unit, as applicable;

(2) the phone number and electronic mail address of the owner, landlord, and property manager of the unit, as available;

(3) location of the unit;

(4) year built;

(5) type of rental unit;

(6) number of units in the building;

(7) school property account number;

(8) accessibility of the unit; and

(9) any other information the Department deems appropriate.

(c) Upon request of the Department of Housing and Community Development, and at least annually, a municipal, district, or other local government entity that operates a rental housing health and safety program that requires registration of a rental housing unit and a fee for inclusion on the registry shall provide to the Department the data for each unit that is required pursuant to subsection (b) of this section.

(d)(1) The data the Department collects pursuant to this section is exempt from public inspection and copying pursuant to 1 V.S.A. § 317(c)(1), and the Department shall not disclose such data except as provided in subdivision (2) of this subsection.

(2) The Department:

(A) may disclose data it collects pursuant to this section to other State, municipal, or regional government entities; to nonprofit organizations; or to other persons for the purposes of protecting public health and safety;

(B) shall not disclose data it collects pursuant to this section for a commercial purpose; and

(C) shall require, as a condition of receiving data collected pursuant to this section, that a person to whom the Department discloses the data takes necessary steps to protect the privacy of persons whom the data concerns, to protect the data from further disclosure and to comply with subdivision (B) of this subsection (d).

Sec. 3. 3 V.S.A. § 2479 is added to read:

§ 2479. RENTAL HOUSING REGISTRATION

(a) Except as provided in subsection (c) of this section, the owner of a dwelling unit, as defined in 9 V.S.A. § 4501, that is leased or offered for lease shall:

(1) file with the Department of Taxes the landlord certificate required for the renter's rebate or the renter credit program; and

(2) within 30 days of filing the certificate, register, provide the information required by subsection 2478(b) of this title, and pay to the Department of Housing and Community Development an annual registration fee of \$35.00 per rental unit, unless the owner has within the preceding 12 months:

(A) registered the unit pursuant to subsection (b) of this section; or

(B) registered the unit with a municipal, district, or other local government entity that operates a rental housing health and safety program with a rental registry that complies with subsection 2478(b) of this title.

(b) Except as provided in subsection (c) of this section, an owner of a short-term rental, as defined in 18 V.S.A. § 4301, shall, annually, within 30 days of renting a unit, register, provide the information required by subsection 2478(b) of this title, and pay to the Department of Housing and Community Development an annual registration fee of \$35.00 per rental unit, unless the owner has within the preceding 12 months:

(1) registered the unit pursuant to subsection (a) of this section; or

(2) registered the unit with a municipal, district, or other local government entity that operates a rental housing health and safety program with a rental registry that complies with subsection 2478(b) of this title.

(c)(1)(A) An owner of a mobile home lot within a mobile home park who has registered the lot with the Department of Housing and Community Development and who does not own a mobile home on the lot is exempt from registering the lot pursuant to this section.

(B) An owner of a mobile home lot within a mobile home park who has registered the lot with the Department and who owns a mobile home on the lot that is available for rent or rented shall register the property with the Department and pay a fee equal to the fee required by subdivision (a)(2) of this section less any fee paid within the previous 12 months pursuant to 10 V.S.A. § 6254(c).

(C) An owner of a mobile home who rents the mobile home, whether or not located in a mobile home park, shall register pursuant to this section.

(2) The registration requirements of this section do not apply to housing that an owner provides to another person, whether or not for consideration, if, and only to the extent that, the owner does not otherwise make such housing available for lease to the general public, and includes:

(A) housing provided to a member of the owner's family or personal acquaintances;

(B) housing provided to a person who is not related to a member of the owner's household and who occupies the housing as part of a nonprofit homesharing program; and

(C) housing provided to a person who provides personal care to the owner or a member of the owner's household.

(3) An owner of housing that is provided as a benefit of farm employment, as defined in 9 V.S.A. § 4469a(a)(3), is exempt from the registration requirements imposed in this section.

(d) An owner who fails to register pursuant to this section shall pay a late registration fee of \$100.00 per unit if the registration is more than 15 days late and may be subject to an administrative penalty not to exceed \$5,000.00 for each violation.

(e) The Department of Housing and Community Development shall maintain the registration fees collected pursuant to this section in a special fund entitled the Rental Housing Safety Special Fund, the proceeds of which the Department shall use:

(1) to hire authorized staff to administer the registry and registration requirements imposed in this section and in section 2478 of this title; and

(2) to provide funding to the Department of Public Safety to hire authorized staff to conduct inspections and regulate rental housing pursuant to 20 V.S.A. chapter 173, subchapter 2.

* * * Registration; Prospective Repeal * * *

Sec. 3a. REPEAL

3 V.S.A. § 2479(c)(3) is repealed.

* * * Positions Authorized * * *

Sec. 4. DEPARTMENT OF PUBLIC SAFETY; POSITIONS

(a) The Department of Public Safety is authorized to create five full-time, classified Inspector positions in order to conduct rental housing health and

safety inspections and enforcement pursuant to 20 V.S.A. chapter 173, subchapter 2.

(b) In fiscal year 2022, the amount of \$100,000.00 is appropriated from the General Fund to the Department of Public Safety as one-time startup funding to hire one or more Inspector positions authorized pursuant to subsection (a) of this section.

(c) The Department may hire additional Inspectors authorized by this section to the extent funds become available from the Rental Housing Safety Special Fund created and maintained pursuant to 3 V.S.A. § 2479.

Sec. 5. DEPARTMENT OF HOUSING AND COMMUNITY

DEVELOPMENT; POSITIONS

(a) The Department of Housing and Community Development is authorized to create one full-time classified position and one half-time classified position to administer and enforce the registry requirements created in 3 V.S.A. § 2478.

(b) In fiscal year 2022, the amount of \$300,000.00 is appropriated from the General Fund to the Department of Housing and Community Development as one-time startup funding to hire one or more of the positions authorized pursuant to subsection (a) of this section.

(c) The Department may hire additional staff authorized by this section to the extent funds become available from the Rental Housing Safety Special Fund created and maintained pursuant to 3 V.S.A. § 2479.

* * * Conforming Changes to Current Law Governing the Department of Health, State Board of Health, and Local Health Officials * * *

Sec. 6. 18 V.S.A. chapter 11 is amended to read:

CHAPTER 11. LOCAL HEALTH OFFICIALS

* * *

§ 602a. DUTIES OF LOCAL HEALTH OFFICERS

(a) A local health officer, within his or her jurisdiction, shall:

(1) ~~upon request of a landlord or tenant, or~~ upon receipt of information regarding a condition that may be a public health hazard, conduct an investigation;

(2) enforce the provisions of this title, the rules promulgated, and permits issued thereunder;

(3) prevent, remove, or destroy any public health hazard; or mitigate any significant public health risk in accordance with the provisions of this title;

(4) in consultation with the Department, take the steps necessary to enforce all orders issued pursuant to chapter 3 of this title; and

(5) have the authority to assist the Division of Fire Safety in inspecting rental housing pursuant to 20 V.S.A. chapter 173, subchapter 2, provided that if the local health officer inspects a rental property without an inspector from the Division, the officer shall issue an inspection report in compliance with 20 V.S.A § 2731(b).

(b) Upon discovery of violation or a public health hazard or public health risk that involves a public water system, a food or lodging establishment, or any other matter regulated by Department rule, the local health officer shall immediately notify the Division of Environmental Health. Upon discovery of any other violation, public health hazard, or public health risk, the local health officer shall notify the Division of Environmental Health within 48 hours of discovery of such violation or hazard and of any action taken by the officer.

~~§ 603. RENTAL HOUSING SAFETY; INSPECTION REPORTS~~

~~(a)(1) When conducting an investigation of rental housing, a local health officer shall issue a written inspection report on the rental property using the protocols for implementing the Rental Housing Health Code of the Department or the municipality, in the case of a municipality that has established a code enforcement office.~~

~~(2) A written inspection report shall:~~

~~(A) contain findings of fact that serve as the basis of one or more violations;~~

~~(B) specify the requirements and timelines necessary to correct a violation;~~

~~(C) provide notice that the landlord is prohibited from renting the affected unit to a new tenant until the violation is corrected; and~~

~~(D) provide notice in plain language that the landlord and agents of the landlord must have access to the rental unit to make repairs as ordered by the health officer consistent with the access provisions in 9 V.S.A. § 4460.~~

~~(3) A local health officer shall:~~

~~(A) provide a copy of the inspection report to the landlord and any tenants affected by a violation by delivering the report electronically, in~~

~~person, by first class mail, or by leaving a copy at each unit affected by the deficiency; and~~

~~(B)(i) if a municipality has established a code enforcement office, provide information on each inspection according to a schedule and in a format adopted by the Department in consultation with municipalities that have established code enforcement offices; or~~

~~(ii) if a municipality has not established a code enforcement office, provide information on each inspection to the Department within seven days of issuing the report using an electronic system designed for that purpose, or within 14 days by mail if the municipality is unable to utilize the electronic system.~~

~~(4) If an entire property is affected by a violation, the local health officer shall post a copy of the inspection report in a common area of the property and include a prominent notice that the report shall not be removed until authorized by the local health officer.~~

~~(5) A municipality shall make an inspection report available as a public record.~~

~~(b)(1) A local health officer may impose a civil penalty of not more than \$200.00 per day for each violation that is not corrected by the date provided in the written inspection report, or when a unit is re-rented to a new tenant prior to the correction of a violation.~~

~~(2)(A) If the cumulative amount of penalties imposed pursuant to this subsection is \$800.00 or less, the local health officer, Department of Health, or State's Attorney may bring a civil enforcement action in the Judicial Bureau pursuant to 4 V.S.A. chapter 29.~~

~~(B) The waiver penalty for a violation in an action brought pursuant to this subsection is 50 percent of the full penalty amount.~~

~~(3) If the cumulative amount of penalties imposed pursuant to this subsection is more than \$800.00, or if injunctive relief is sought, the local health officer, Department of Health, or State's Attorney may commence an action in the Civil Division of the Superior Court for the county in which a violation occurred.~~

~~(e) If a local health officer fails to conduct an investigation pursuant to section 602a of this title or fails to issue an inspection report pursuant to this section, a landlord or tenant may request that the Department, at its discretion, conduct an investigation or contact the local board of health to take action.~~

~~[Repealed.]~~

* * *

* * * Transition Provisions * * *

Sec. 7. RENTAL HOUSING HEALTH AND SAFETY; TRANSITION
PROVISIONS

(a) Notwithstanding any provision of law to the contrary:

(1) Until the Commissioner of Public Safety adopts rules governing rental housing health and safety pursuant to 20 V.S.A. § 2731, the Department of Health, local officials authorized by law, and the Department of Public Safety have concurrent authority to enforce the Vermont Rental Housing Health Code adopted by the Department of Health pursuant to 18 V.S.A. § 102, 3 V.S.A. § 3003(a), and 3 V.S.A. § 801(b)(11).

(2) The Commissioner of Public Safety may immediately adopt a rule incorporating the Rental Housing Health Code without following the procedures otherwise required for general rulemaking in 3 V.S.A. chapter 25.

(3) Except as provided in subdivision (2) of this subsection, the Commissioner of Public Safety shall comply with the requirements for general rulemaking in 3 V.S.A. chapter 25 when adopting rules governing rental housing health and safety.

(b) Upon the adoption of rules governing rental housing health and safety pursuant to the authority in 20 V.S.A. § 2731:

(1) the Department of Public Safety is the State government entity with primary authority to enforce State laws governing rental housing health and safety;

(2) the Department of Public Safety and local officials have concurrent authority to enforce State and local laws governing rental housing health and safety pursuant to 18 V.S.A. chapter 11; 20 V.S.A. chapter 173, subchapter 2; 24 V.S.A. chapters 83 and 123; and applicable municipal law; and

(3) the Department of Health, the State Board of Health, and local health officials have concurrent authority to enforce State and local laws governing public health hazards and public health risks, as those terms are defined in 18 V.S.A. § 2, pursuant to 18 V.S.A. chapters 1, 3, and 11.

* * * Vermont Housing Investments * * *

Sec. 8. VERMONT RENTAL HOUSING INVESTMENT PROGRAM;

PURPOSE

(a) Recognizing that Vermont's rental housing stock is some of the oldest in the country and that much of it needs to be updated to meet code requirements and other standards, the Vermont Rental Housing Investment Program is intended to incentivize private apartment owners to make significant improvements to both housing quality and weatherization by providing grants and forgivable loans that are matched in part by the property owner.

(b) The Program seeks to take the lessons learned from the successful Re-housing Recovery Program established with funds provided by the Federal CARES Act and implement them in a State-funded program.

Sec. 9. 10 V.S.A. chapter 29, subchapter 3 is added to read:

Subchapter 3. Housing; Investments

§ 699. VERMONT RENTAL HOUSING INVESTMENT PROGRAM

(a) Creation of program.

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

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

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

(1) Non-code compliant. The unit does not comply with the requirements of applicable building, housing, or health laws.

(2) New accessory dwelling. The unit will be a newly created accessory dwelling unit that meets the requirements of 24 V.S.A. § 4412(1)(E).

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

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

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

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

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

(1) A grant or loan shall not exceed \$30,000.00 per unit.

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

(3) A project may include a weatherization component.

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

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

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

(e) Program requirements applicable to grants. For a grant awarded under the Program, the following requirements apply for a minimum period of five years:

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

(2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a landlord shall lease the unit to a household that is exiting homelessness.

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

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

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

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

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

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

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

(f) Requirements applicable to forgivable loans. For a forgivable loan awarded under the Program, the following requirements apply for a minimum period of 10 years:

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

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

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

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

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

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

Sec. 10. REPORT

On or before February 15, 2022, the Department of Housing and Community Development shall report to the General Assembly concerning the design, implementation, and outcomes of the Vermont Housing Investment Program, including findings and any recommendations related to the amount of grant awards.

Sec. 11. VERMONT HOMEOWNERSHIP REVOLVING LOAN FUND;

PURPOSE

(a) The purpose of the Vermont Homeownership Revolving Loan Fund created in Sec. 12 of this act is to provide no-interest loans to increase access to homeownership.

(b) The Program is intended to assist Vermonters who otherwise may be unable to purchase a home or who may be unable to afford the costs to

rehabilitate, weatherize, or otherwise make necessary improvements to a home they purchase.

(c) The Program is also intended to place a special focus on increasing the homeownership rates of households identifying as Black, Indigenous, or Persons of Color, who are systematically disenfranchised from financing real estate through traditional banking and have therefore been generationally dispossessed of the ability to develop lasting wealth.

Sec. 12. 10 V.S.A. § 699a is added to read:

§ 699a. VERMONT HOMEOWNERSHIP REVOLVING LOAN FUND

(a) Creation of Program. The Department of Housing and Community Development shall design and implement the Vermont Homeownership Revolving Loan Fund, through which the Department shall provide funding to statewide or regional nonprofit housing organizations, or both, to issue no-interest loans to first-time homebuyers.

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

(1) Existing structure. The unit is an existing single-family dwelling, a multifamily dwelling with not more than four units, a mobile home, or a condominium.

(2) Accessory dwelling. The unit is an accessory dwelling unit that meets the requirements of 24 V.S.A. § 4412(1)(E).

(c) Eligible applicants; priorities.

(1) To be eligible for a loan through the Program, an applicant shall:

(A) be a first-time homebuyer in Vermont;

(B) have a household income of not more than 120 percent of the area median income; and

(C) occupy the dwelling, or a unit within the dwelling, as his or her full-time residence.

(2) A housing organization may give priority to an applicant whose employer provides down payment assistance or funding for rehabilitation costs.

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

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

(2) an award process that ensures equitable selection of homebuyers; and

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

(e) Outreach. Recognizing that Black, Indigenous, and Persons of Color have historically not had access to capital for homeownership purchases and have been systemically discriminated against in the housing market, the Department, working with Vermont chapters of the NAACP, AALV, USCRI, the Executive Director of Racial Equity, the Vermont Commission on Native American Affairs, local racial justice organizations, the Vermont Housing Finance Agency, and the nonprofit homeownership centers, shall develop a plan of active outreach and implementation to ensure that program opportunities are effectively communicated, and that funds are equitably awarded, to communities of Vermonters who have historically suffered housing discrimination.

(f) Program requirements.

(1) A loan issued through the Program:

(A) shall not exceed a standard limit set by the Department, which shall not exceed \$50,000.00;

(B) shall be zero interest, and payments shall be suspended while the homebuyer occupies the home; and

(C) shall become due in full upon the sale or transfer of the home or upon refinancing with approval by the Department and the housing organization that issued the loan.

(2) A rehabilitation project that is funded by a loan through the Program may include a weatherization component and shall comply with applicable building, housing, and health laws.

(3) A homebuyer may use not more than 25 percent of a loan for down payment and closing costs and fees.

(4) A homebuyer shall repay a loan.

(g) Revolving loan fund. The Department shall use the amounts from loans that are repaid to provide additional funding through the Program.

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

(1) a lien on the property in existence at the time the lien for the loan is filed in the land records; and

(2) a first mortgage on the property that is refinanced and recorded after the lien for the loan is filed in the land records.

Sec. 13. DUTIES CONTINGENT ON FUNDING

The duties of the Department of Housing and Community Development specified in Secs. 10 and 12 of this act are contingent upon available funding.

Sec. 14. REPORT

On or before February 15, 2022, the Department of Housing and Community Development shall report to the General Assembly concerning the design, implementation, and outcomes of the Vermont Homeownership

Revolving Loan Fund created in Sec. 12 of this act, including findings and any recommendations related to the amount of loans.

* * * Appropriations * * *

Sec. 15. APPROPRIATIONS

The amount of \$4,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development to provide grants and loans as follows:

(1) \$3,000,000.00 for grants and loans through the Vermont Rental Housing Investment Program created in 10 V.S.A. § 699; and

(2) \$1,000,000.00 for loans through the Vermont Homeownership Revolving Loan Fund created in 10 V.S.A. § 699a.

* * * Eviction Moratorium * * *

Sec. 16. 2020 Acts and Resolves No. 101, Sec. 1(b)(4) is amended to read:

(4) limit a court's ability to act in an emergency pursuant to Administrative Order 49, issued by the Vermont Supreme Court, as amended, which may include an action that involves criminal activity, illegal drug activity, or acts of violence, or other circumstances that seriously threaten the health or safety of other residents including in response to an action for ejection on an emergency basis pursuant to subsection (i) of this section.

Sec. 17. 2020 Acts and Resolves No. 101, Sec. 1(i) is added to read:

(i) Action for ejection on an emergency basis.

(1) Notwithstanding any provision of this section to the contrary, a court may allow an ejection action to proceed on an emergency basis pursuant to Vermont Rule of Civil Procedure 65, which may include an action that involves the following circumstances:

(A) criminal activity, illegal drug activity, acts of violence, or other circumstances that seriously threaten the health or safety of other residents, including a tenant tampering with, disabling, or removing smoke or carbon monoxide detectors;

(B) the landlord needs to occupy the rental premises;

(C) the tenant is not participating or does not qualify for the Vermont Emergency Rental Assistance Program; or

(D) continuation of the tenancy would cause other immediate or irreparable injury, loss, or damage to the property, the landlord, or other residents.

(2) Upon a plaintiff's motion to proceed under this subsection (i) supported by an affidavit, the court shall determine whether the plaintiff has alleged sufficient facts to warrant a hearing concerning emergency circumstances as provided in subdivision (1) of this subsection (i), and if so, the court shall:

(A) issue any necessary preliminary orders;

(B) schedule a hearing;

(C) allow the plaintiff to serve the defendant with the motion, affidavit, complaint, any preliminary orders, and a notice of hearing; and

(D) after hearing, issue any necessary orders, which may include issuance of a writ of possession.

* * * Effective Dates * * *

Sec. 18. EFFECTIVE DATES

(a) This section and the following sections shall take effect on passage:

(1) Sec. 1 (DPS authority for rental housing health and safety).

(2) Sec. 2 (rental housing registry).

(3) Sec. 6 (conforming changes to Department of Health statutes).

(4) Sec. 7 (DPS rulemaking authority and transition provisions).

(5) Secs. 16–17 (amendment to eviction moratorium).

(b) The following sections take effect on July 1, 2021:

(1) Sec. 4 (DPS positions).

(2) Sec. 5 (DHCD positions).

(3) Secs. 8–10 (Vermont Housing Investment Program).

(4) Secs. 11–14 (Vermont Homeownership Revolving Loan Fund).

(5) Sec. 15 (appropriations).

(c) Sec. 3 (rental housing registration) shall take effect on January 1, 2022.

(d) Sec. 3a (repeal of registration exemption for housing provided as a benefit of farm employment) shall take effect on January 1, 2024.

(Committee vote: 8-3-0)

(For text see Senate Journal March 25, 26, 2021)

Rep. Masland of Thetford, for the Committee on Ways and Means, recommends the bill ought to pass in concurrence with proposal of amendment

as recommended by the Committee on General, Housing, and Military Affairs and when further amended as follows:

First: By striking out Secs. 3–3a and the reader assistance heading for Sec. 3a in their entireties and inserting in lieu thereof Secs. 3–3b and their reader assistance headings to read as follows:

Sec. 3. 3 V.S.A. § 2479 is added to read:

§ 2479. RENTAL HOUSING REGISTRATION

(a) Registration. Except as otherwise provided in subsection (b) of this section, annually, on or before March 1, the owner of each unit of rental housing that in the previous year was leased or offered for lease as a dwelling unit, as defined in 9 V.S.A. § 4501, or was a “short-term rental,” as defined in 18 V.S.A. § 4301, shall:

(1) register with the Department of Housing and Community Development and provide the information required by subsection 2478(b) of this title; and

(2) pay to the Department an annual registration fee of \$35.00 per unit.

(b) Exceptions.

(1) Unit registered with another program.

(A) The registration requirement imposed in subdivision (a)(1) of this section does not apply to a unit that is currently registered with a municipal, district, or other local government rental housing health and safety program that requires the owner to register the unit and provide the data required in subsection 2478(b) of this title.

(B) The fee requirement imposed in subdivision (a)(2) of this section does not apply to a unit that is currently registered with a municipal, district, or other local government rental housing health and safety program that requires the owner to register the unit and provide the data required in subsection 2478(b) of this title and for which program the owner is required to pay a registration fee.

(2) Mobile homes.

(A) The registration requirement imposed in subdivision (a)(1) of this section does not apply to a mobile home lot within a mobile home park if:

(i) the owner has registered the lot with the Department of Housing and Community Development; and

(ii) the owner does not own a mobile home on the lot.

(B) An owner of a mobile home lot within a mobile home park who has registered the lot with the Department and who owns a mobile home on the lot that is available for rent or rented shall register the property with the Department pursuant to subdivision (a)(1) of this section and pay a fee equal to the fee required by subdivision (a)(2) of this section less any fee paid within the previous 12 months pursuant to 10 V.S.A. § 6254(c).

(C) An owner of a mobile home who rents the mobile home, whether or not located in a mobile home park, shall register pursuant to this section.

(3) Unit not offered to general public. The registration and fee requirements imposed in subsection (a) of this section do not apply to a unit that an owner provides to another person, whether or not for consideration, if, and only to the extent that, the owner does not otherwise make the unit available for lease to the general public, and includes:

(A) housing provided to a member of the owner's family or personal acquaintances;

(B) housing provided to a person who is not related to a member of the owner's household and who occupies the housing as part of a nonprofit homesharing program; and

(C) housing provided to a person who provides personal care to the owner or a member of the owner's household.

(4) Housing provided as a benefit of farm employment. The registration and fee requirements imposed in subsection (a) of this section do not apply to a unit of housing that is provided as a benefit of farm employment, as defined in 9 V.S.A. § 4469a(a)(3).

(c) Rental Housing Safety Special Fund. The Department of Housing and Community Development shall maintain the fees collected pursuant to this section in a special fund entitled the Rental Housing Safety Special Fund, the proceeds of which the Department shall use:

(1) to hire authorized staff to administer the registry and registration requirements imposed in this section and in section 2478 of this title; and

(2) to provide funding to the Department of Public Safety to hire authorized staff to conduct inspections and regulate rental housing pursuant to 20 V.S.A. chapter 173, subchapter 2.

* * * Penalty for Failure to Register * * *

Sec. 3a. 3 V.S.A. § 2479(d) is added to read:

(d) Penalty. The Department shall impose an administrative penalty of not more than \$200.00 per unit for an owner of rental housing who knowingly fails to register or pay the fee required pursuant to this section.

* * * Registration; Prospective Repeal * * *

Sec. 3b. REPEAL

3 V.S.A. § 2479(b)(4) (exemption for housing provided as a benefit of farm employment) is repealed.

Second: In Sec. 18, effective dates, by striking out subsections (c)–(d) in their entireties and inserting in lieu thereof subsections (c)–(e) to read as follows:

(c) Sec. 3 (rental housing registration) shall take effect on January 1, 2022.

(d) Sec. 3a (administrative penalty for failure to register) shall take effect on January 1, 2023.

(e) Sec. 3b (repeal of registration exemption for housing provided as a benefit of farm employment) shall take effect on January 1, 2024.

(Committee Vote: 7-3-1)

S. 101

An act relating to promoting housing choice and opportunity in smart growth areas

Rep. Bongartz of Manchester, for the Committee on Natural Resources, Fish, and Wildlife, recommends that the House propose to the Senate that the bill be amended as follows:

First: In Sec. 2, 24 V.S.A. § 4307, by striking it out in its entirety and inserting in lieu thereof the following:

Sec. 2. 24 V.S.A. § 4307 is added to read:

§ 4307. MUNICIPAL BYLAW MODERNIZATION GRANTS

(a) There is created Municipal Bylaw Modernization Grants to assist municipalities in updating their land use and development bylaws to support a development pattern that is pedestrian oriented and consistent with the smart growth principles established in section 2791 of this title. The Grants shall be funded by monies allocated from the municipality allocation of the Municipal and Regional Planning Funds established in subdivision 4306 (a)(3)(C) of this title and any other monies appropriated for this purpose.

(b) A municipality that receives a grant shall use the funds for the adoption of bylaws that increase housing choice, affordability, and opportunity in smart

growth areas. These smart growth areas shall be areas that reflect the smart growth principles established in section 2791 of this title, that are located outside important natural resource areas, and are located outside identified flood hazard areas and river corridors or are acceptable for infill development as defined in § 29–201 of the Vermont Flood Hazard Area and River Corridor Rule.

(c) Disbursement to municipalities shall be administered by the Department of Housing and Community Development through a competitive process providing the opportunity for all regions and any eligible municipality to compete regardless of size. The Department shall, to the extent reasonably possible, ensure that grants are awarded with the intent of achieving geographic distribution across the State.

(d) Funds may be disbursed by the Department in installments to ensure the municipal bylaw updates meet the goals of this section.

(e) Funding may be used for mapping, the cost of regional planning commission staff or consultant time, carrying out the provisions of subchapters 5 through 10 of this chapter, and any other purpose approved by the Department.

(f) To receive a grant, the municipality shall:

(1) identify any municipal water supply and wastewater disposal capacity, opportunities, and constraints within mapped service areas in both traditional water and wastewater systems and smaller scale municipal systems, including soil-based wastewater treatment and decentralized water and wastewater systems;

(2) allow, at a minimum, duplexes within smart growth areas to the same extent that single-family dwellings are allowed;

(3) require parking waiver provisions in appropriate smart growth areas and situations;

(4) review and modify street standards that implement the complete streets principles as described in 19 V.S.A. § 309d and that are oriented to pedestrians;

(5) adopt dimensional, use, parking, and other standards that allow compact neighborhood form and support walkable lot and unit density, which may be achieved with a standard allowing at least four units per acre with site and building design standards or by other means established in guidelines issued by the Department; and

(6) demonstrate how the bylaws support implementation of the housing element of its municipal plan as provided in 24 V.S.A. § 4382(a)(10) related to addressing lower and moderate-income housing needs.

(g) On or before September 1, 2021, the Department shall adopt guidelines to assist municipalities applying for grants under this section.

Second: By striking out Secs. 7 (10 V.S.A. § 1974) and 8 (10 V.S.A. § 1983) and their reader assistance heading in their entirety.

and by renumbering the remaining sections to be numerically correct.

(Committee vote: 8-2-1)

(For text see Senate Journal March 26, 2021)

Rep. Kornheiser of Brattleboro, for the Committee on Ways and Means, recommends the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Natural Resources, Fish, and Wildlife when further amended as follows:

By striking out Secs. 3–6, tax credits, and their reader assistance heading in their entireties and inserting in lieu thereof the following:

* * * Property Transfer Tax Surcharge * * *

Sec. 3. 32 V.S.A. § 9602 is amended to read:

§ 9602. TAX ON TRANSFER OF TITLE TO PROPERTY

A tax is hereby imposed upon the transfer by deed of title to property located in this State, or a transfer or acquisition of a controlling interest in any person with title to property in this State. The amount of the tax equals one and one-quarter percent of the value of the property transferred, or \$1.00, whichever is greater, except as follows:

* * *

(4) With respect to all transfers by deed of title to property located in this State, a surcharge shall be imposed at the rate of one half of a percent of the value of the property transferred in excess of \$1,000,000.00.

(5) The Commissioner shall annually estimate the amount of revenue raised by the surcharge imposed pursuant to subdivision (4) of this section and transfer that same amount to the General Fund established under section 435 of this title.

* * * Allocation of Property Transfer Tax Surcharge Revenue * * *

Sec. 4. 32 V.S.A. § 435(b) is amended to read:

(b) The General Fund shall be composed of revenues from the following sources:

* * *

(10)(A) 33 percent of the revenue from the property transfer taxes levied pursuant to chapter 231 of this title and the revenue from the gains taxes levied each year pursuant to chapter 236 of this title; and

(B) notwithstanding subdivision (A) of this subdivision (b)(10), the revenue raised by the surcharge imposed pursuant to subdivision 9602(4) of this title;

* * *

Sec. 5. 32 V.S.A. § 9610 is amended to read:

§ 9610. REMITTANCE OF RETURN AND TAX; INSPECTION OF
RETURNS

* * *

(c) Prior to distributions of property transfer tax revenues under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), and subdivision 435(b)(10) of this title, two percent of the revenues received from the property transfer tax shall be deposited in a special fund in the Department of Taxes for Property Valuation and Review administration costs.

(d)(1) Prior to any distribution of property transfer tax revenue under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and subsection (c) of this section, \$2,500,000.00 of the revenue received from the property transfer tax shall be transferred to the Vermont Housing Finance Agency to pay the principal of and interest due on the bonds, notes, and other obligations authorized to be issued by the Agency pursuant to 10 V.S.A. § 621(22), the proceeds of which the Vermont Housing and Conservation Board shall use to create affordable housing pursuant to 10 V.S.A. § 314.

* * *

(e) Notwithstanding subsections (c) and (d) of this section and any other provision of law to the contrary, the Commissioner of Taxes shall annually estimate the revenue raised by the surcharge imposed pursuant to subdivision 9602(4) of this chapter and transfer that same amount to the General Fund established under section 435 of this title.

* * * Affordable Housing Tax Credit; Manufactured Homes * * *

Sec. 6. 32 V.S.A. § 5930u(g) is amended to read:

(g)(1) In any fiscal year, the allocating agency may award up to:

(A) \$400,000.00 in total first-year credit allocations to all applicants for rental housing projects, for an aggregate limit of \$2,000,000.00 over any given five-year period that credits are available under this subdivision (A);

(B) ~~\$425,000.00~~ \$675,000.00 in total first-year credit allocations for loans or grants for owner-occupied unit financing or down payment loans as provided in subdivision (b)(2) of this section consistent with the allocation plan, including for new construction and manufactured housing, for an aggregate limit of ~~\$2,125,000.00~~ \$3,375,000.00 over any given five-year period that credits are available under this subdivision (B). Of the total first-year credit allocations made under this subdivision (B), \$250,000.00 shall be used each fiscal year for manufactured home purchase and replacement.

(2) If the full amount of first-year credits authorized by an award are not allocated to a taxpayer, the Agency may reclaim the amount not allocated and re-award such allocations to other applicants, and such re-awards shall not be subject to the limits set forth in subdivision (1) of this subsection.

(Committee Vote: 8-3-0)

Rep. Feltus of Lyndon, for the Committee on Appropriations, recommends the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Natural Resources, Fish, and Wildlife and Ways and Means.

(Committee Vote: 7-4-0)

Senate Proposal of Amendment

H. 122

An act relating to boards and commissions

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

By striking out Sec. 12, effective date, and its reader assistance heading in their entireties and adding eight sections to be Secs. 11a–18 with reader assistance headings to read as follows:

Sec. 11a. [Deleted.]

* * * State Emergency Response Commission; Regional Committees * * *

Sec. 12. 20 V.S.A. § 6 is amended to read:

§ 6. LOCAL ORGANIZATION FOR EMERGENCY MANAGEMENT

(a) Each town and city of this state is hereby authorized and directed to establish a local organization for emergency management in accordance with the state State emergency management plan and program. ~~Except in a town that has a town manager in accordance with chapter 37 of Title 24, the~~ The executive officer or legislative branch of the town or city is authorized to appoint a town or city emergency management director who shall have direct responsibility for the organization, administration, and coordination of the local organization for emergency management, subject to the direction and control of the executive officer or legislative branch. If the town or city that has not adopted the town manager form of government in accordance with chapter 37 of Title 24 and the executive officer or legislative branch of the town or city has not appointed an emergency management director, the executive officer or legislative branch shall be the town or city emergency management director. The town or city emergency management director may appoint an emergency management coordinator and other staff as necessary to accomplish the purposes of this chapter.

(b) ~~Except as provided in subsection (d) of this section, each~~ Each local organization for emergency management shall perform emergency management functions within the territorial limits of the town or city within which it is organized, and, in addition, shall conduct such functions outside of the territorial limits as may be required pursuant to the provisions of this chapter and in accord with such regulations as the governor may prescribe.

(c) Each local organization shall ~~participate in the development of~~ develop and maintain an all-hazards emergency management plan ~~with the local emergency planning committee and the public safety district~~ in accordance with guidance set forth by the Division of Emergency Management.

(d) ~~Each local organization shall annually notify the local emergency planning committee on forms provided by the state emergency response commission of its capacity to perform emergency functions in response to an all-hazards incident. Each local organization shall perform the emergency functions indicated on the most recently submitted form in response to an all-hazards incident.~~ Regional emergency management committees shall be established by the Division of Emergency Management.

(1) Regional emergency management committees shall coordinate emergency planning and preparedness activities to improve their regions' ability to prepare for, respond to, and recover from all disasters.

(2) The Division of Emergency Management shall establish geographic boundaries and guidance documents for regional emergency planning

committees in coordination with regional planning commissions and mutual aid associations.

(3) A regional emergency management committee shall consist of voting and nonvoting members.

(A) Voting members. The local emergency management director or designee and one representative from each town and city in the region shall serve as the voting members of the committee. A representative from a town or city shall be a member of the town's or city's emergency services community and shall be appointed by the town's or city's executive or legislative branch.

(B) Nonvoting members. Nonvoting members may include representatives from the following organizations serving within the region: fire departments; emergency medical services; law enforcement; media; transportation; regional planning commissions; hospitals; the Department of Health's district office; the Division of Emergency Management; organizations serving vulnerable populations; and any other interested public or private individual or organization.

(4) Voting members shall annually elect a chair and vice chair of the committee from the voting membership. The Chair shall develop a meeting schedule, agenda, and facilitate each meeting. The Vice Chair shall fill in for the Chair during the Chair's absence.

(5) Committees shall develop and maintain a regional plan, consistent with guidance provided by the Division of Emergency Management in coordination with regional planning commissions, that describes regional coordination and regionally available resources.

Sec. 13. 20 V.S.A. § 30 is amended to read:

§ 30. STATE EMERGENCY RESPONSE COMMISSION; CREATION

(a) ~~A state emergency response commission~~ The State Emergency Response Commission is created within the ~~department~~ Department of ~~public safety~~ Public Safety. The commission shall consist of ~~15~~ 17 members, ~~six~~ eight ex officio members, including the ~~commissioner of public safety~~ Commissioner of Public Safety, the ~~secretary of natural resources~~ Secretary of Natural Resources, the ~~secretary of transportation~~ Secretary of Transportation, the ~~commissioner of health~~ Commissioner of Health, the ~~secretary of agriculture, food~~ Secretary of Agriculture, Food and ~~markets~~ Markets, and the ~~commissioner of labor~~ Commissioner of Labor, the Director of Fire Safety, and the Director of Emergency Management, or their designees; and nine public members, including a representative from each of the following: local

government, a ~~the~~ local emergency planning committee, a regional planning commission, the fire service, law enforcement, emergency medical service, a hospital, a transportation entity required under EPCRA to report chemicals to the ~~state emergency response commission~~ State Emergency Response Commission, and another entity required to report extremely hazardous substances under EPCRA. ~~The director of emergency management shall be the secretary of the commission without a vote.~~

(b) The nine public members shall be appointed by the ~~governor~~ Governor for staggered three year terms. The ~~governor~~ Governor shall appoint the chair of the commission.

(c) Members of the commission, except state employees who are not otherwise compensated as part of their employment and who attend meetings, shall be entitled to a per diem and expenses as provided in 32 V.S.A. § 1010.

Sec. 14. 20 V.S.A. § 31 is amended to read:

§ 31. STATE EMERGENCY RESPONSE COMMISSION; DUTIES

(a) The commission shall have authority to:

(1) Carry out all the requirements of a commission under the Emergency Planning and Community Right-To-Know Act, 42 U.S.C. § § 11000-11050 (1986) (EPCRA), ~~and all hazards mitigation, response, recovery, and preparedness, as hereafter amended and other applicable federal initiatives.~~

(2) Adopt rules necessary for the implementation of EPCRA and for the reporting of hazardous chemicals or substances, including setting minimum limits on the level of hazardous chemicals to be reported.

(3) Designate and appoint local emergency planning committees.

(4) Review and comment on the development and implementation of local emergency ~~response~~ plans by ~~the~~ local emergency planning ~~committees~~ committee and provide assistance to ~~those committees~~ that committee in executing ~~their~~ its duties.

(5) Review and comment on the comprehensive ~~state~~ State emergency ~~operations~~ management plan and ~~the~~ local emergency planning committee response plans.

(6) Meet with interested parties, which may include representatives of the carrier industry shippers, and state and local agencies, having an interest, responsibility, or expertise concerning hazardous materials.

(7) Ensure that a ~~state~~ State plan will go into effect when an accident occurs involving the transportation of hazardous materials. The plan shall be

~~field tested~~ exercised at least once annually and shall be coordinated with local and State emergency plans.

(8) Jointly adopt rules concerning reportable quantities of economic poison as defined in 6 V.S.A. § 911(5) with the ~~agency of agriculture, food and markets~~ Agency of Agriculture, Food and Markets. The commission may enter into contracts with governmental agencies or private organizations to carry out the duties of this section.

~~(9) Coordinate statewide efforts and draft policies regarding planning, mitigation, preparedness, and response to all hazards events to be approved by the commissioner.~~

~~(10) Recommend funding for awards to be made by the commissioner~~ Commissioner for planning, training, special studies, citizen corps councils, community emergency response teams (CERT), medical reserve corps, and hazardous materials response teams exercises, and response capabilities from funds that are available from federal sources or through the hazardous substances fund created in section 38 of this title. The commission may create committees as necessary for other related purposes and delegate funding recommendation powers to those committees.

(b) The Department of Public Safety shall provide administrative support to the State Emergency Response Commission.

Sec. 15. 20 V.S.A. § 32 is amended to read:

§ 32. LOCAL EMERGENCY PLANNING COMMITTEES; CREATION;
DUTIES

~~(a) Local~~ One or more local emergency planning committees shall be appointed by the ~~state emergency response commission~~ State Emergency Response Commission.

~~(b) Local~~ All local emergency planning committees ~~should~~ shall include representatives from the following: fire departments; local and regional emergency medical services; local, county, and state law enforcement; media; transportation; regional planning commissions; hospitals; industry; the ~~national guard~~ Vermont National Guard; the ~~department~~ Department of ~~health~~ Health's district office; an animal rescue organization; and may include any other interested public or private individual or organization. Where the local emergency planning committee represents more than one region of the State, the commission shall appoint representatives that are geographically diverse.

(c) A local emergency planning committee shall perform all the following duties:

(1) Carry out all the requirements of a committee pursuant to EPCRA, including preparing a local emergency planning committee ~~response~~ plan. The plan shall be coordinated with the state State emergency ~~operations management~~ plan and may be expanded to address all hazards ~~and all phases of emergency management~~ identified in the State emergency management plan. At a minimum, the local emergency planning committee ~~response~~ plan shall include the following:

(A) Identifies facilities and transportation routes of extremely hazardous substances.

(B) Describes emergency response procedures, including those identified in facility plans.

(C) Designates a local emergency planning committee coordinator and facility coordinators to implement the plan.

(D) Outlines emergency notification procedures.

(E) Describes how to determine the probable affected area and population by releases of hazardous substances.

(F) Describes local emergency equipment and facilities and the persons responsible for them.

(G) Outlines evacuation plans.

(H) Provides for coordinated local training to ensure integration with the state State emergency ~~operations management~~ plan.

(I) Provides methods and schedules for exercising emergency ~~response~~ plans.

(2) Upon receipt by the committee or the committee's designated community emergency coordinator of a notification of a release of a hazardous chemical or substance, ~~insure~~ ensure that the local emergency ~~response~~ plan has been implemented.

(3) Consult and coordinate with the heads of local government emergency services, the emergency management director or designee, regional planning commissions, and the managers of all facilities within the ~~district~~ jurisdiction regarding the facility plan.

(4) Review and evaluate requests for funding and other resources and advise the state ~~emergency response commission~~ State Emergency Response Commission and ~~district coordinators~~ concerning disbursement of funds.

(5) Work to support the various emergency services, mutual aid systems, town governments, regional planning commissions, state agency district

offices, and others in their area in conducting coordinated all-hazards emergency management activities.

Sec. 16. 20 V.S.A. § 38 is amended to read:

§ 38. SPECIAL FUNDS

~~(a)(1) There is created a radiological emergency response plan fund, into which any entity operating a nuclear reactor or storing nuclear fuel and radioactive waste in this state (referred to hereinafter as “the nuclear power plant”) shall deposit the amount appropriated to support the Vermont radiological response plan for that fiscal year, adjusted by any balance in the radiological emergency response plan fund from the prior fiscal year. There shall also be deposited into the fund any monies received from any other source, public or private, that is intended to support the radiological emergency response planning process. The fund shall be managed in accordance with subchapter 5 of chapter 7 of Title 32. Any interest earned on the balance in the fund shall be retained by the fund.~~

~~(2) Expenditures from the fund shall be made by the division of emergency management, subject to an annual legislative appropriation. As part of the annual appropriations process, the division of emergency management shall present a budget for the ensuing fiscal year that anticipates the expenditures that will be made from the fund. Each fiscal year, the division of emergency management in collaboration with the state and local agencies, the management of the nuclear power plant, the selectboards of the municipalities in the emergency planning zone, the Windham regional planning commission, and any other municipality or emergency planning zone entity defined by the state as required to support the radiological emergency response plan shall develop the budget for expenditures from the radiological emergency response plan fund. State personnel with responsibility for local coordination and plan development shall be physically located in the region. The annual budget shall include only expenditures necessary to support the radiological emergency response plan.~~

* * *

~~(5) The state shall bill the nuclear power plant on a monthly basis based on the budget presented and approved by the legislature. The nuclear power plant shall have the right to audit the books and records of the fund.~~

~~(6) Upon the permanent cessation of operation of the nuclear reactor and final removal of all nuclear fuel and radioactive waste, and the removal of emergency response plan regulations and state responsibilities applicable to it by the Federal Nuclear Regulatory Commission and any other federal agency~~

~~having regulatory jurisdiction, and after all outstanding debts have been paid, all monies remaining in the fund shall be repaid to the nuclear power plant, and the fund terminated.~~

(b) There is created a hazardous chemical and substance emergency response fund ~~which that~~ shall include all moneys paid to the state State pursuant to section 39 of this title. The fund shall be managed pursuant to the provisions of subchapter 5 of chapter 7 of Title 32. The fund shall be used to implement and administer this chapter, including planning, training and response activities as well as the purchase of equipment and assisting local organizations referred to in section 6 of this chapter to develop emergency response plans. Each local emergency planning committee shall receive a ~~minimum grant of \$1,500.00, and \$4,000.00 as of July 1, 2007, annually and may petition the state emergency response commission for additional funds if needed and available~~ an annual grant from the Commissioner of Public Safety. The annual total grant amount to be allocated to local emergency planning committees statewide shall not exceed \$52,000.00, and the Commissioner shall divide the total annual grant amount equally among the local emergency planning committees. After disbursement of the ~~minimum grant amounts~~ funding and after consideration of the comments and evaluation received from the ~~appropriate~~ local emergency planning committee and the State Emergency Response Commission, the commissioner Commissioner of Public Safety at the Commissioner's discretion ~~with the approval of the emergency response commission~~ may make additional grants from the fund to any local emergency planning committee or regional emergency response commission as well as to any political subdivisions including any city, town, fire district, incorporated village and other incorporated entities in the state in accordance with rules adopted by the ~~state emergency response commission~~ State Emergency Response Commission. Unless waived by the ~~state emergency response commission~~ State Emergency Response Commission, grants shall be matched by local governments in the amount of 25 percent of the grant. The matching may be by contribution or by privately furnished funds or by in-kind services, space, or equipment ~~which that~~ would otherwise be purchased by a local emergency planning committee.

Sec. 17. 20 V.S.A. § 3a is amended to read:

§ 3a. EMERGENCY MANAGEMENT DIVISION; DUTIES; BUDGET

(a) In addition to other duties required by law, the ~~emergency management division~~ Division of Emergency Management shall:

(1) ~~Establish and define emergency planning zones and prepare and maintain a comprehensive state~~ State emergency management strategy that

includes an emergency ~~operations~~ management plan, establish and define emergency planning zones and ~~prepare and maintain a radiological emergency response plan for use in those zones~~ regional emergency management committees, and prepare an all-hazards mitigation plan in cooperation with other state, regional, and local agencies for use in such zones and in compliance with adopted federal standards for emergency management. The strategy shall be designed to protect the lives and property, including domestic animals, of persons within this state State who might be threatened as the result of all-hazards and shall align state State coordination structures, capabilities, and resources into a unified and ~~multi-disciplined~~ multidisciplined all-hazards approach to incident management.

~~(2) Design the radiological emergency response plan to protect persons and property within this state who or which might be threatened as the result of their proximity to any operating nuclear reactor. The plan shall be formulated in accordance with procedures approved by the Federal Nuclear Regulatory Commission. At a minimum, the plan shall provide for all the following:~~

~~(A) Monitoring radiological activity within the state.~~

~~(B) Emergency evacuation routes within a ten-mile radius of any operating nuclear reactor.~~

~~(C) Adequate notification and communications systems.~~

~~(D) Contingency procedures as deemed necessary in the event of an incident or accident involving an operating nuclear reactor.~~

~~(3) Assist the state emergency response commission~~ State Emergency Response Commission, the local emergency planning committees, ~~the regional emergency management committees~~, and the municipally established local organizations referred to in section 6 of this title in carrying out their designated emergency functions, including developing, implementing, and coordinating emergency response plans.

~~(4) Provide administrative support to the state emergency response commission.~~

* * *

* * * Effective Dates * * *

Sec. 18. EFFECTIVE DATES

This section and Secs. 1–11a (misc. boards and commissions) shall take effect on passage, and Secs. 12–17 (emergency management commission/committees) shall take effect on July 1, 2021.

(For text see House Journal February 16, 2021)

H. 225

An act relating to possession of a therapeutic dosage of buprenorphine

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. INTENT

It is the intent of the General Assembly to remove criminal penalties for possession of 224 milligrams or less of buprenorphine. Persons under 21 years of age in possession of 224 milligrams or less of buprenorphine would be referred to the Court Diversion Program for the purpose of enrollment in the Youth Substance Awareness Safety Program. Persons under 16 years of age in possession of 224 milligrams or less of buprenorphine would be subject to delinquency proceedings in the Family Division of the Superior Court. Knowing and unlawful possession of more than 224 milligrams of buprenorphine would continue to be criminal and penalized in the same manner as other narcotics pursuant to 18 V.S.A. § 4234.

Sec. 2. 18 V.S.A. § 4234 is amended to read:

§ 4234. DEPRESSANT, STIMULANT, AND NARCOTIC DRUGS

(a) Possession.

(1)(A) A Except as provided by subdivision (B) of this subdivision (1), a person knowingly and unlawfully possessing a depressant, stimulant, or narcotic drug, other than heroin or cocaine, shall be imprisoned not more than one year or fined not more than \$2,000.00, or both.

(B) A person knowingly and unlawfully possessing 224 milligrams or less of buprenorphine shall not be punished in accordance with subdivision (A) of this subdivision (1).

* * *

(c) Possession of buprenorphine by a person under 21 years of age.

(1) Except as provided in subdivision (2) of this subsection, a person under 21 years of age who knowingly and unlawfully possesses 224 milligrams or less of buprenorphine commits a civil violation and shall be subject to the provisions of section 4230b of this title.

(2) A person under 16 years of age who knowingly and unlawfully possesses 224 milligrams or less of buprenorphine commits a delinquent act and shall be subject to the provisions of section 4230j of this title.

Sec. 3. 18 V.S.A. § 4234 is amended to read:

§ 4234. DEPRESSANT, STIMULANT, AND NARCOTIC DRUGS

(a) Possession.

~~(1)(A) Except as provided by subdivision (B) of this subdivision (1), a~~
A person knowingly and unlawfully possessing a depressant, stimulant, or narcotic drug, other than heroin or cocaine, shall be imprisoned not more than one year or fined not more than \$2,000.00, or both.

~~(B) A person knowingly and unlawfully possessing 224 milligrams or less of buprenorphine shall not be punished in accordance with subdivision (A) of this subdivision (1).~~

* * *

~~(c) Possession of buprenorphine by a person under 21 years of age.~~

~~(1) Except as provided in subdivision (2) of this subsection, a person under 21 years of age who knowingly and unlawfully possesses 224 milligrams or less of buprenorphine commits a civil violation and shall be subject to the provisions of section 4230b of this title.~~

~~(2) A person under 16 years of age who knowingly and unlawfully possesses 224 milligrams or less of buprenorphine commits a delinquent act and shall be subject to the provisions of section 4230j of this title.~~

Sec. 4. EFFECTIVE DATES

(a) This section and Secs. 1 (intent) and 2 (buprenorphine exemption) shall take effect on passage.

(b) Sec. 3 (repeal of buprenorphine exemption) shall take effect July 1, 2023.

(For text see House Journal April 8, 2021)

H. 313

An act relating to miscellaneous amendments to alcoholic beverage laws

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. 7 V.S.A. § 204 is amended to read:

§ 204. APPLICATION AND RENEWAL FEES FOR LICENSES AND PERMITS; DISPOSITION OF FEES

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

* * *

(6) For a third-class license, \$1,095.00 for an annual license and \$550.00 for a six-month license. For a stand-alone third-class license, the issuing municipality may assess an additional \$50.00 local processing fee.

* * *

(24) For a third-class license granted to the holder of a manufacturer's or rectifier's license, \$230.00.

(b) Except for fees collected for first-, second-, and third-class licenses, the fees collected pursuant to subsection (a) of this section shall be deposited in the Liquor Control Enterprise Fund. The other fees shall be distributed as follows:

(1) Third-class license fees: 55 percent shall go to the Liquor Control Enterprise Fund, and 45 percent shall go to the General Fund and shall fund alcohol abuse prevention and treatment programs. The local processing fee for stand-alone third-class licenses shall be retained by the issuing municipality.

* * *

Sec. 2. 7 V.S.A. § 230 is added to read:

§ 230. SALE OF ALCOHOLIC BEVERAGES FOR OFF-PREMISES CONSUMPTION

(a) The Board of Liquor and Lottery and the local control commissioners may authorize:

(1) First- and third-class licensees to sell malt beverages, vinous beverages, and spirits-based prepared drinks for off-premises consumption. All sales of alcoholic beverages for off-premises consumption must be accompanied by a food order.

(2) Second-class licensees to provide curbside pickup of unopened containers of the alcoholic beverages that the licensee is permitted to sell from the licensed premises pursuant to section 222 of this subchapter.

(3) Fourth-class licensees to provide curbside pickup of unopened containers of the alcoholic beverages that the licensee is permitted to sell from the licensed location pursuant to section 224 of this subchapter.

(b) For any alcoholic beverage sold pursuant to subdivision (a)(1) of this section, the first- or third-class licensee shall provide the alcoholic beverage in a container:

(1) with a securely affixed tamper-evident seal; and

(2) bearing a label that:

(A) states that the beverage contains alcohol; and

(B) lists the ingredients and serving size.

(c) A licensee may sell alcoholic beverages pursuant to this section between 10:00 a.m. and 11:00 p.m.

(d) The Board of Liquor and Lottery may adopt rules and forms necessary to implement this section.

Sec. 3. 7 V.S.A. § 253 is amended to read:

§ 253. FESTIVAL PERMITS

* * *

(b)(1) A festival required to be permitted under this section is any event that is open to the public for which the primary purpose is to serve one or more of the following: malt beverages, vinous beverages, fortified wines, or spirits.

(c) A festival permit holder is permitted to conduct an event that is open to the public at which one or more of the following are served: malt beverages, vinous beverages, fortified wines, or spirits.

(d) The permit holder shall ensure the following:

(1) Attendees at the festival shall be required to pay an entry fee of not less than \$5.00.

(2)(A) Malt beverages for sampling shall be offered in glasses that contain not more than 12 ounces with not more than 60 ounces served to any patron at one event.

(B) Vinous beverages for sampling shall be offered in glasses that contain not more than five ounces with not more than 25 ounces served to any patron at one event.

(C) Fortified wines for sampling shall be offered in glasses that contain not more than three ounces with not more than 15 ounces served to any patron at one event.

(D) Spirits for sampling shall be offered in glasses that contain not more than one ounce with not more than five ounces served to any patron at one event.

(E) Patrons attending a festival where combinations of malt, vinous, fortified wines, or spirits are mutually sampled shall not be served more than a combined total of six U.S. standard drinks containing 3.6 fluid ounces or

84 grams of pure ethyl alcohol.

(3) The event shall be conducted in compliance with all the requirements of this title.

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

(2) The invoiced volumes of malt or vinous beverages may be transported to the site and sold by the glass to the public by the permit holder or its employees and volunteers only during the event.

~~(e)(f)~~ A festival permit holder shall be subject to the provisions of this title, including section 214 of this title, and the rules of the Board regarding the sale of the alcoholic beverages and shall pay the tax on the malt or vinous beverages pursuant to section 421 of this title.

~~(d)(g)~~ A person shall be granted ~~no~~ not more than four festival permits per year, and each permit shall be valid for ~~no~~ not more than four consecutive days.

Sec. 4. 7 V.S.A. § 256 is amended to read:

§ 256. PROMOTIONAL TASTINGS FOR LICENSEES

(a)(1) At the request of a first- or second-class licensee, a holder of a manufacturer's, rectifier's, or wholesale dealer's license may distribute without charge to the first- or second-class licensee's management and staff, provided they are of legal age ~~and are off duty for the rest of the day~~, two ounces per person of vinous or malt beverages for the purpose of promoting the beverage.

(2) At the request of a holder of a third-class license, a manufacturer or rectifier of spirits or fortified wines may distribute without charge to the third-class licensee's management and staff, provided they are of legal age ~~and are off duty for the rest of the day~~, one-quarter ounce of each beverage and ~~no~~ not more than a total of one ounce to each individual for the purpose of promoting the beverage.

(3) No permit is required for a tasting pursuant to this subsection, ~~but written notice of the event shall be provided to the Division of Liquor Control at least two days prior to the date of the tasting.~~

* * *

Sec. 5. FEE REDUCTION FOR RENEWAL OF FIRST- AND THIRD-
CLASS LICENSES BY CLUBS; TEMPORARY PROVISION

Notwithstanding 7 V.S.A. § 204(a)(4) and (6), in the year 2021, the first- and third-class license renewal fees shall be waived for any club as defined in 7 V.S.A. § 2.

Sec. 6. REPORTS; SPORTS BETTING STUDY; IMPACTS OF SALE OF
ALCOHOLIC BEVERAGES FOR OFF-PREMISES
CONSUMPTION

(a) On or before October 15, 2021, the Office of Legislative Counsel and the Joint Fiscal Office shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs concerning the current state of the regulated sports betting market in the United States. In particular, the report shall examine and analyze:

(1) the sports betting laws in each state that has an active or proposed sports betting market;

(2) studies carried out by other states concerning the legalization, taxation, and regulation of sports betting;

(3) the models for regulation of sports betting that are currently operating in other states, including a summary of the tax or revenue sharing structures used in each state;

(4) for each state with an active sports betting market, the state revenue resulting from sports betting; and

(5) any reports or information concerning impacts on problem gaming in the states with regulated sports betting markets.

(b) In the preparation of the report, the Office of Legislative Counsel and the Joint Fiscal Office shall solicit input from the Department of Liquor and Lottery, the Department of Taxes, the Office of the Attorney General, and other stakeholders.

(c) On or before January 15, 2023, the Department of Liquor and Lottery shall submit a report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General, Housing, and Military Affairs concerning the sale of alcoholic beverages for delivery and curbside pickup by first-, second-, third-, and fourth-class licensees. The report shall include an analysis of:

(1) the economic impact on the licensees that were approved to sell alcoholic beverages pursuant to 7 V.S.A. § 230; and

(2) the impact on public safety and compliance with the State's alcoholic beverage laws.

(d) The Department shall collect data from licensees that is sufficient to demonstrate the economic impact of the authority granted to the licensees pursuant to 7 V.S.A. § 230.

Sec. 7. REPEAL

7 V.S.A. § 230 is repealed on July 1, 2023.

Sec. 8. EFFECTIVE DATES

This act shall take effect on July 1, 2021, except that this section and Sec. 5 (fee reduction for first- and third-class licenses) shall take effect on passage.

(For text see House Journal March 19, 2021)

H. 337

An act relating to the printing and distribution of State publications

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

In Sec. 6, 22 V.S.A. § 611 (d), immediately following the words “by the State Librarian” by inserting , provided that the sale is permitted by the publishing contract before the period.

(For text see House Journal March 17, 2021)

Senate Proposal of Aendment to House Proposal of Amendment to Senate Proposal of Amendment

H. 171

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

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

By striking out Sec. 10, recommendations; American Rescue Plan Act of 2021; Child Care Development Block Grant; Child Care Stabilization Grants, 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 Development Block Grant 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 Child Care Development Block Grant funds, received by the State pursuant to the American Rescue Plan Act of 2021 (ARPA), Pub. L. No. 117-2 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 a proposal for consideration as part of the fiscal year 2022 budget adjustment process to utilize State funds or alternative federal funds to cover the child care workforce support programs.

(For House Proposal of Amendment see House Journal May 11, 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 #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 Northern 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 Northern 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]*

JFO #3051 - Three (3) limited-service positions, Adult Protective Services Service Navigator, to assess needs of victims and work with community providers to ensure proper services are in place. Funded through previously

approved grant JFO #2986. Positions expected to be funded through 9/30/2022. *[JFO received 5/3/2021, expedited requested on 5/12/2021]*