

# House Calendar

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Friday, April 22, 2022

109th DAY OF THE ADJOURNED SESSION

House Convenes at 9:30 A.M.

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**ACTION CALENDAR**

**Action Postponed Until April 22, 2022**

**Favorable with Amendment**

**S. 280**

An act relating to miscellaneous changes to laws related to vehicles

**Rep. Lanpher of Vergennes**, for the Committee on Transportation, recommends that the House propose to the Senate that the bill be amended as follows:

First: In Sec. 2, 23 V.S.A. § 1209a, in subdivision (b)(1)(A)(ii), by inserting “or a regulated drug” following “other than alcohol”

Second: By striking out Sec. 10, effective dates, and its corresponding reader assistance heading in their entireties and inserting in lieu thereof the following:

\* \* \* Transportation Network Companies (TNC);

Preemption; Sunset Extension; Report \* \* \*

Sec. 10. 23 V.S.A. § 754 is amended to read:

§ 754. PREEMPTION; SAVINGS CLAUSE

(a) Municipal ordinances, resolutions, or bylaws regulating transportation network companies are preempted to the extent they are inconsistent with the provisions of this chapter.

(b) Subsection (a) of this section shall not apply to a municipal ordinance, resolution, or bylaw regulating transportation network companies adopted by a municipality with a population of more than 35,000 residents based on the 2010 census and in effect on July 1, 2017. This subsection shall be repealed on July 1, ~~2022~~ 2025.

Sec. 11. TRANSPORTATION NETWORK COMPANIES (TNC) REPORT

(a) The Commissioner of Motor Vehicles, in consultation with the City of Burlington; the Vermont League of Cities and Towns; and transportation network companies (TNCs), as defined in 23 V.S.A. § 750(a)(4), doing business in Vermont, shall file a written report with recommendations on how, if at all, to amend 23 V.S.A. § 754 and, as applicable, 23 V.S.A. chapter 10 with the House Committees on Commerce and Economic Development, on

Judiciary, and on Transportation and the Senate Committees on Finance, on Judiciary, and on Transportation on or before March 15, 2024.

(b) In preparing the report, the Commissioner of Motor Vehicles shall review the following related to TNCs:

(1) changes in ridership and consumer practices for calendar years 2018 to 2023, including market penetration across the State;

(2) the results of and process for audits conducted on a State or municipal level;

(3) an analysis prepared by the City of Burlington and TNCs of the differences between the State's regulatory scheme and the City of Burlington's regulatory scheme, including whether allowing those inconsistencies is or will be detrimental or beneficial to any of the following: the State, the traveling public, TNCs, the City of Burlington, or other municipalities; and

(4) significant regulatory changes on a national level.

\* \* \* Gross Weight Limits on Highways; Permit Portal; Report \* \* \*

Sec. 12. REPORT ON INCREASING GROSS WEIGHT LIMITS ON  
HIGHWAYS THROUGH SPECIAL ANNUAL PERMIT AND  
STATUS OF PERMIT PORTAL

(a) The Secretary of Transportation or designee, in consultation with the Commissioner of Forests, Parks and Recreation or designee, the Executive Director of the Vermont League of Cities and Towns or designee, and the President of the Vermont Forest Products Association or designee and with the assistance of the Commissioner of Motor Vehicles or designee, shall examine adding one or more additional special annual permits to 23 V.S.A. § 1392 to allow for the operation of motor vehicles at a gross vehicle weight over 99,000 pounds and shall file a written report on the examination and any recommendations with the House and Senate Committees on Transportation on or before January 15, 2023.

(b) At a minimum, the examination shall address:

(1) allowing for a truck trailer combination or truck tractor, semi-trailer combination transporting cargo of legal dimensions that can be separated into units of legal weight without affecting the physical integrity of the load to bear a maximum of 107,000 pounds on six axles or a maximum of 117,000 pounds on seven axles by special annual permit;

(2) limitations for any additional special annual gross vehicle weight permits based on highway type, including limited access State highway, non-limited access State highway, class 1 town highway, and class 2 town highway;

(3) limitations for any additional special annual gross vehicle weight permits based on axle spacing and axle-weight provisions;

(4) reciprocity treatment for foreign trucks from a state or province that recognizes Vermont vehicles permitted at increased gross weights;

(5) permit fees for any additional special annual gross vehicle weight permits; and

(6) additional penalties, including civil penalties and permit revocation, for gross vehicle weight violations.

(c) The Secretary of Transportation or designee, in consultation with the Commissioner of Motor Vehicles or designee, shall also include an update on the development and implementation of the centralized online permitting system that the Commissioner of Motor Vehicles was authorized to initiate the design and development of pursuant to 2021 Acts and Resolves No. 149, Sec. 26(a) in the report required under subsection (a) of this section.

\* \* \* Distracted Driving; Report \* \* \*

### Sec. 13. DISTRACTED DRIVING; REPORT

(a) Findings. The General Assembly finds that:

(1) Distracted driving is any activity that diverts attention from driving, including talking or texting on a portable electronic device.

(2) Sending or reading a text could take an individual's eyes off the road for five seconds or more. At 55 miles per hour, that is like an operator driving the length of an entire football field with closed eyes.

(3) In 2020, 113 individuals were convicted under 23 V.S.A. § 1095a, 1095b, or 1099 (Vermont statutes that prohibit a non-commercial driver's license holder from using a portable electronic device or texting while operating a motor vehicle).

(4) In 2020, 3,142 individuals were killed by distracted driving in the United States.

(b) Recommendations.

(1) The Vermont State Highway Safety Office, in consultation with the Departments of Motor Vehicles and of Public Safety, the Vermont Sheriffs' Association, the Vermont League of Cities and Towns, the Vermont

Department of State's Attorneys and Sheriffs, the Vermont Association of Court Diversion and Pretrial Services, and the Vermont Judiciary, shall file written recommendations on how, if at all, the State should modify its approach to the education, enforcement, and conviction of the non-commercial driver's license distracted driving violations under 23 V.S.A. §§ 1095a, 1095b, and 1099 with the House and Senate Committees on Judiciary and on Transportation on or before January 15, 2023.

(2) As part of making any recommendations, the Vermont State Highway Safety Office shall review what is and what is not working to minimize distracted driving in Vermont and other states, especially amongst operators under 18 years of age, and examine:

(A) the use of monetary penalties, points, suspensions, revocations, and recalls, including escalations based on the number and location of distracted driving violations;

(B) the use of diversion programs and other mandated education; and

(C) how to balance education, enforcement, and conviction.

\* \* \* Idling; Public Outreach \* \* \*

#### Sec. 14. IDLING; PUBLIC OUTREACH CAMPAIGN

(a) The Department of Environmental Conservation, Air Quality and Climate Division, in consultation with the Departments of Motor Vehicles and of Public Safety, shall implement a public outreach campaign on idling that, at a minimum, addresses that:

(1) in most cases, idling violates 23 V.S.A. § 1110;

(2) unnecessary idling harms human health, pollutes the air, wastes fuel and money, and causes excess engine wear;

(3) based on estimates, if every motor vehicle in Vermont reduced unnecessary idling by just one minute per day, over the course of a year Vermonters would save over 1,000,000 gallons of fuel and over \$2,000,000.00 in fuel costs, and Vermont would reduce CO2 emissions by more than 10,000 metric tons; and

(4) while individual actions may be small, the cumulative impacts of idling are large.

(b) The public outreach campaign shall disseminate information on idling through e-mail; a dedicated web page on idling that is linked through the websites for the Agency of Natural Resources and the Departments of Environmental Conservation, of Motor Vehicles, and of Public Safety; social

media platforms; community posting websites; radio; television; and printed written materials.

\* \* \* General Statement of Policy; Transportation Planning \* \* \*

Sec. 15. 19 V.S.A. § 10b is amended to read:

§ 10b. STATEMENT OF POLICY; GENERAL

(a) The Agency shall be the responsible agency of the State for the development of transportation policy. It shall develop a mission statement to reflect:

(1) that State transportation policy shall be to encompass, coordinate, and integrate all modes of transportation and to consider “complete streets” principles, which are principles of safety and accommodation of all transportation system users, regardless of age, ability, or modal preference; ~~and~~

(2) the need for transportation projects that will improve the State’s economic infrastructure, as well as the use of resources in efficient, coordinated, integrated, cost-effective, and environmentally sound ways, and that will be consistent with the recommendations of the Comprehensive Energy Plan (CEP) issued under 30 V.S.A. § 202b, the recommendations of the Climate Action Plan (CAP) issued under 10 V.S.A. § 592, and any rules adopted in accordance with 10 V.S.A. § 593;

(3) the need for the Agency to lead, assist, and partner in the transformation of the transportation sector to meet the emissions reduction requirements of the Global Warming Solutions Act, codified at 10 V.S.A. § 578, and ensure that there is an environmentally clean, efficient, multimodal system that will have economic, environmental, equity, and public health benefits for all Vermonters; and

(4) the importance of transportation infrastructure resilience and strategies to construct or retrofit, or both, transportation infrastructure to prepare for and adapt to changes in the climate, add redundancy and efficiency to the transportation network, and use maintenance and operational strategies to address transportation disruptions.

(b) The Agency shall coordinate planning and education efforts with those of the Vermont ~~Climate Change Oversight Committee~~ Council, established under 10 V.S.A. § 591, and those of local and regional planning entities to:

(1) ~~to~~ ensure that the transportation system as a whole is integrated, that access to the transportation system as a whole is integrated, and that statewide, local, and regional conservation and efficiency opportunities and practices are integrated; and



(2) to support employer-led or local or regional government-led conservation, efficiency, rideshare, and bicycle programs and other innovative transportation advances, especially employer-based incentives.

(c) In developing the State's annual Transportation Program, the Agency shall, consistent with the planning goals listed in 24 V.S.A. § 4302 ~~as amended by 1988 Acts and Resolves No. 200~~ and with appropriate consideration to local, regional, and State agency plans:

(1) Develop or incorporate designs that provide integrated, safe, and efficient transportation and that are consistent with the recommendations of the CEP and the CAP.

\* \* \*

Sec. 16. 19 V.S.A. § 10i is amended to read:

§ 10i. TRANSPORTATION PLANNING PROCESS

(a) Long-range systems plan. The Agency shall establish and implement a planning process through the adoption of a long-range ~~multi-modal~~ multimodal systems plan integrating all modes of transportation. The long-range ~~multi-modal~~ multimodal systems plan shall be based upon Agency transportation policy developed under section 10b of this title; other policies approved by the General Assembly; Agency goals, mission, and objectives; and demographic and travel forecasts, design standards, performance criteria, and funding availability. The long-range systems plan shall be developed with participation of the public and local and regional governmental entities and pursuant to the planning goals and processes set forth in 1988 Acts and Resolves No. 200. The plan shall be consistent with the Comprehensive Energy Plan (CEP) issued under 30 V.S.A. § 202b and the Climate Action Plan (CAP) issued under 10 V.S.A. § 592.

\* \* \*

(c) Transportation Program. The Transportation Program shall be developed in a fiscally responsible manner to accomplish the following objectives:

(1) managing, maintaining, and improving the State's existing transportation infrastructure to provide capacity, safety, and flexibility, and resiliency in the most cost-effective and efficient manner;

(2) developing an integrated transportation system that provides Vermonters with transportation choices;

(3) strengthening the economy, protecting the quality of the natural environment, and improving Vermonters' quality of life; ~~and~~

(4) achieving the recommendations of the CEP and the CAP; and

(5) transforming the transportation sector to meet the State's emissions reduction requirements and ensure that there is an environmentally clean, efficient, multimodal system that will have economic, environmental, equity, and public health benefits for all Vermonters.

\* \* \*

(f) Emissions modeling.

(1) The Agency of Natural Resources shall coordinate with the Agency of Transportation to consider and incorporate relevant elements of the proposed Transportation Program and the effectiveness of those elements in reducing greenhouse gas emissions when developing and updating the Tracking and Measuring Progress Tool pursuant to 10 V.S.A. § 591(b)(3).

(2) The following shall be included in the reports required pursuant to section 10g of this chapter:

(A) the portion of the Tracking and Measuring Progress Tool related to the Transportation Program;

(B) a qualitative estimation of how effective the relevant elements of the proposed Transportation Program for the upcoming fiscal year will be in reducing greenhouse gas emissions and a quantitative estimation, based on the emission projections published in the Greenhouse Gas Inventory, if available, of how much more the greenhouse gas emissions from the transportation sector need to be reduced for the State to achieve its emissions reductions requirements; and

(C) a strategy and plan for how to reduce the greenhouse gas emissions from the transportation sector to achieve the recommendations in the CEP and the CAP during fiscal years beyond the upcoming fiscal year, with the expectation that the strategy and plan shall be used in the Agency of Transportation's ongoing planning.

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

#### Sec. 17. EFFECTIVE DATES

(a) This section and Secs. 1 (new motor vehicle arbitration; 9 V.S.A. § 4173(d)), 3 (current Total Abstinence Program participants), 8 and 9 (abandoned vehicles; 23 V.S.A. §§ 2151 and 2153(a)), and 10 (transportation network companies regulation preemption; 23 V.S.A. § 754(b)) shall take effect on passage.

(b) Sec. 2 (Total Abstinence Program; 23 V.S.A. § 1209a) shall take effect on passage and apply to all individuals participating in or in the process of applying to participate in the Total Abstinence Program as of the effective date of this section without regard to when the individual's license was reinstated under the Total Abstinence Program.

(c) All other sections shall take effect on July 1, 2022.

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

**(For text see Senate Journal February 1, 2022 )**

**Rep. Brennan of Colchester**, 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 Transportation.

**(Committee Vote:10-0-1)**

## **NEW BUSINESS**

### **Third Reading**

#### **S. 197**

An act relating to the provision of mental health supports

#### **S. 206**

An act relating to planning and support for individuals and families impacted by Alzheimer's Disease and related disorders

### **Favorable with Amendment**

#### **S. 210**

An act relating to rental housing health and safety and affordable housing

**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 172 is added to read:

### CHAPTER 172. RENTAL HOUSING HEALTH AND SAFETY; INSPECTION; REGISTRATION

#### § 2676. DEFINITION

As used in this chapter, “rental housing” means:

(1) a “premises” as defined in 9 V.S.A. § 4451 that is subject to 9 V.S.A. chapter 137 (residential rental agreements); and

(2) a “short-term rental” as defined in 18 V.S.A. § 4301 and subject to 18 V.S.A. chapter 85, subchapter 7.

§ 2677. RENTAL HOUSING; RULES; INSPECTIONS; PENALTY

(a) Rules. The Commissioner of Public Safety may adopt rules to prescribe standards for the health, safety, sanitation, and fitness for habitation of rental housing that the Commissioner determines are necessary to protect the public, property owners, and property against harm.

(b) Inspections.

(1) After adopting rules pursuant to subsection (a) of this section, the Commissioner shall design and implement a complaint-driven system to conduct inspections of rental housing.

(2) When conducting an inspection, 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; and
- (D) make the inspection report available as a public record.

(c) Penalties. If the person responsible for a violation does not comply with the requirements and timelines specified in an inspection report issued pursuant to subsection (b) of this section, the Commissioner may impose an administrative penalty that is reasonably related to the severity of the violation, not to exceed \$1,000.00 per violation.

#### § 2678. 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 shall pay to the Department of Housing and Community Development an annual registration fee of \$35.00 per unit and provide the following information:

- (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) the location of the unit;
- (4) the year built;
- (5) the type of rental unit;
- (6) the number of units in the building;
- (7) the school property account number;
- (8) the accessibility of the unit; and
- (9) any other information the Department deems appropriate.

(b) Exceptions.

- (1) Unit registered with another program.

(A) The registration requirement imposed in subsection (a) 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 (a) of this section.

(B) The fee requirement imposed in subsection (a) 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 (a) of this section and for which program the owner is required to pay a registration fee.

(2) Mobile homes.

(A) The registration requirement imposed in subsection (a) 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 subsection (a) of this section and pay a fee equal to the fee required, 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 home-sharing program; and

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

(4) Licensed lodging establishment. The registration and fee requirements imposed in subsection (a) of this section do not apply to a lodging establishment, as defined in 18 V.S.A. § 4301, that is required to be licensed by the Department of Health.

(5) Units accessory to an owner-occupied residence. The registration and fee requirements imposed in subsection (a) of this section do not apply to a property if:

(A) the property has four or fewer units; and

(B) the owner of the property occupies one of the units as a primary residence.

(6) Nonwinterized, seasonal units. The registration and fee requirements imposed in subsection (a) of this section do not apply to a seasonal unit that is unheated and unavailable for rent during the winter months.

(7) Units rented for fewer than 90 days. The registration and fee requirements imposed in subsection (a) of this section do not apply to a unit that is rented for fewer than 90 days per calendar year.

(8) 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) Administration.

(1) The Department of Housing and Community Development shall maintain the registry of rental housing data in coordination with the Department of Public Safety, the Department of Health, the Enhanced 911 Board, and the Department of Taxes.

(2) Upon request, 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 its registry shall provide to the Department of Housing and Community Development the data for each unit that is required pursuant to subsection (a) of this section.

(3)(A) 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).

(B) The Department:

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

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

(iii) shall require, as a condition of receiving data collected pursuant to this section, that a person to whom the Department discloses the data takes steps necessary to protect the privacy of persons whom the data concerns and to prevent further disclosure.

(d) Rental Housing Safety Special Fund. The Department 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

(2) to provide funding to the Department of Public Safety to hire authorized staff to conduct inspections and regulate rental housing pursuant to section 2677 of this title.

\* \* \* Penalty for Failure to Register \* \* \*

Sec. 2. 20 V.S.A. § 2678(e) is added to read:

(e) Failure to register; penalty. The Department of Housing and Community Development 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. 3. REPEAL

20 V.S.A. § 2678(b)(8) (exemption for housing provided as a benefit of farm employment) 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 172.

(b) The Department may hire the Inspectors authorized by this section with funds appropriated for that purpose and to the extent additional funds become



available from the Rental Housing Safety Special Fund created and maintained pursuant to 20 V.S.A. § 2678(d).

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 design and implement the registry created in, and to administer and enforce the registry requirements of, 20 V.S.A. § 2678.

(b) The Department may hire staff authorized by this section with funds appropriated for that purpose and to the extent additional funds become available from the Rental Housing Safety Special Fund created and maintained pursuant to 20 V.S.A. § 2678(d).

\* \* \* 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 Department of Public Safety in inspecting rental housing pursuant to 20 V.S.A. chapter 172, 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 § 2677(b)(2).

(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.~~

~~(c) 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. § 2677, 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. § 2677:

(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 172, 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 IMPROVEMENT 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 Improvement 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 IMPROVEMENT PROGRAM

(a) Creation of program.

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

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

(B) The unit will be newly created on a lot with an existing structure.

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

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

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

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

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

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

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

(3) A project may include a weatherization component.

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

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

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

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

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

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

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

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

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

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

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

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

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

(f) Requirements applicable to forgivable loans. For a forgivable loan awarded under 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, 2023, the Department of Housing and Community Development shall report to the General Assembly concerning the design, implementation, and outcomes of the Vermont Housing Improvement Program, including findings and any recommendations related to the amount of grant awards.

#### Sec. 11. APPROPRIATIONS

(a) Purpose. The purpose of the appropriations in this section are:

(1) to respond to the far-reaching public health and negative economic impacts of the COVID-19 pandemic; and

(2) to ensure that Vermonters and Vermont communities have an adequate supply of safe, affordable housing.

(b) In fiscal year 2022, the amount of \$20,400,000.00 is appropriated from the America Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds as follows:

(1) \$100,000.00 to the Department of Public Safety as one-time startup funding to hire one or more Inspector positions authorized pursuant to Sec. 4 of this act.

(2) \$300,000.00 to the Department of Housing and Community Development as one-time startup funding to hire one or more of the positions authorized pursuant to Sec. 5 of this act.

(3) \$20,000,000.00 to the Department of Housing and Community Development to implement the Vermont Rental Housing Improvement Program created in 10 V.S.A. § 699. The Department may use not more than \$1,000,000.00 of the appropriation to facilitate a statewide education and navigation system to assist homeowners with designing, financing, permitting, and constructing accessory dwelling units.

#### Sec. 12. 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; rental housing registration).

(2) Sec. 4 (DPS positions).

(3) Sec. 5 (DHCD positions).

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

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

(6) Secs. 8–10 (Vermont Rental Housing Improvement Program).

(8) Sec. 11 (FY 2022 ARPA appropriations).

(b) Sec. 2 (administrative penalty for failure to register rental housing) shall take effect on July 1, 2023.

(c) Sec. 3 (repeal of registration exemption for housing provided as a benefit of farm employment) shall take effect on July 1, 2025.

**(Committee vote:7-2-2)**

**(For text see Senate Journal February 9, 2022 )**



**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.

**(Committee Vote:6-4-1)**

**Rep. Jessup of Middlesex**, for the Committee on Appropriations, recommends the bill ought to pass in concurrence with proposal of amendment when the proposal of amendment offered by the Committee on General, Housing, and Military Affairs is amended as follows:

In Sec. 1, in 20 V.S.A. chapter 172, in section 2678, by striking out subsection (d) in its entirety and inserting in lieu thereof a new subsection (d) to read as follows:

(d) Rental Housing Safety Special Fund.

(1) The Rental Housing Safety Special Fund is created pursuant to 32 V.S.A. chapter 7, subchapter 5.

(2) The Department shall maintain the fees collected pursuant to this section in the Fund, the proceeds of which the Department shall use:

(A) to hire authorized staff to administer the registry and registration requirements imposed in this section; and

(B) to provide funding to the Department of Public Safety to hire authorized staff to conduct inspections and regulate rental housing pursuant to section 2677 of this title.

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

### **Favorable**

### **S. 162**

An act relating to the collective bargaining rights of teachers

**Rep. Arrison of Weathersfield**, for the Committee on Education, recommends that the bill ought to pass in concurrence.

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

**(For text see Senate Journal March 18, 2022 )**

### **Senate Proposal of Amendment**

### **H. 635**

An act relating to secondary enforcement of minor traffic offenses

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. MOTOR VEHICLE OFFENSES REPORT

(a) The Executive Director of Racial Equity, the Commissioner of Motor Vehicles, and the Commissioner of Public Safety jointly shall examine all motor vehicle violations for the purpose of making recommendations on whether or not statutes should be repealed, modified, or limited to secondary enforcement.

(b) The Executive Director and Commissioners jointly shall provide an interim report to the House and Senate Committees on Judiciary and on Transportation on or before January 15, 2023 and a final written report to the committees on or before October 1, 2023.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

(For text see House Journal March 22, 23, 2022 )

**NOTICE CALENDAR**

**Favorable with Amendment**

**H. 743**

An act relating to amending the charter of the Town of Hardwick

**Rep. Lefebvre of Orange**, for the Committee on Government Operations, recommends the bill be amended as follows:

First: In Sec. 2, 24 App. V.S.A. chapter 123, in section 107, in subsection (c) immediately following the words “with or without amendment.” by striking out “If ~~it~~ the Board amends the ordinance prior to passage, ~~it~~ the Board shall cause the amended ordinance” and inserting in lieu thereof “If ~~it~~ the Selectboard amends the ordinance prior to passage, ~~it~~ the Selectboard shall cause the amended ordinance”

Second: In Sec. 2, 24 App. V.S.A. chapter 123, in section 116, immediately following the words “agreement with the United States of America or” and immediately before the words “the State of Vermont” by striking out the word “in”

Third: In Sec. 2, 24 App. V.S.A. chapter 123, in section 309, immediately following the words “Town Clerk,” and immediately before the words “the following oath” by inserting the words “and Treasurer”

Fourth: In Sec. 2, 24 App. V.S.A. chapter 123, in section 1103, immediately following the words “or special Town” by striking out the words “or Town School District”

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

## **S. 100**

An act relating to universal school breakfast and the creation of the Task Force on Universal School Lunch

**Rep. Brady of Williston**, 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:

\* \* \* Title \* \* \*

### Sec. 1. SHORT TITLE

This act may be cited as the “Universal School Meals Act.”

\* \* \* Findings \* \* \*

### Sec. 2. FINDINGS

The General Assembly finds that:

(1) According to the Vermont Agency of Education, an average of 38 percent of students across all supervisory unions during the 2019–2020 school year qualified for free or reduced-price lunch. The General Assembly recognizes that students need fresh and nutritional foods to enable them to focus on their education and that many students come to school hungry. Providing universal school meals offered at no cost to students or their families creates a necessary foundation for learning readiness during the school day.

(2) A 2021 study by the National Food Access and COVID Research Team found that in the first year of the pandemic, nearly one-third of people in Vermont faced hunger, and families with children were five times more likely to face hunger. Food insecurity rates remained above pre-pandemic levels a year after the start of the pandemic.

(3) In a 2019 research report, the Urban Institute found that up to 42 percent of children living in food-insecure homes may not be eligible for free or reduced-price school meals.

(4) In 2016, the Center for Rural Studies at the University of Vermont partnered with the Vermont Farm to School Network to measure the economic contribution and impacts of Farm to School in Vermont. The final report found that school meal programs support a vibrant agricultural economy with

every \$1.00 spent on local food in schools contributing \$1.60 to the Vermont economy.

(5) A study conducted by researchers at the University of Vermont and Hunger Free Vermont, and published in the Journal of Hunger and Environmental Nutrition, found that universal school meals programs in Vermont were associated with, among other benefits, improved overall school climate as a result of financial differences being less visible and improved readiness to learn among students overall.

\* \* \* Universal Meals \* \* \*

### Sec. 3. UNIVERSAL MEALS

(a) Notwithstanding provision. The provisions of this section shall apply notwithstanding any provision of law to the contrary.

(b) Definition. As used in this section, “approved independent school” means an approved independent school physically located in Vermont.

(c) Universal food program.

(1) In addition to the requirements of 16 V.S.A. § 1264(a)(1) (food program), each school board operating a public school shall cause to operate within each school in the school district the same school breakfast and school lunch program made available to students who qualify for those meals under the National Child Nutrition Act and the National School Lunch Act, as amended, for each attending student every school day at no charge. An approved independent school located in Vermont may operate the same school lunch and the same school breakfast program made available to students who qualify for those meals under the National Child Nutrition Act and the National School Lunch Act, each as amended, to each student attending on public tuition every school day at no charge.

(2) In operating its school breakfast and lunch program, a school district and an approved independent school shall seek to achieve the highest level of student participation, which may include any or all of the following:

(A) providing breakfast meals that can be picked up by students;

(B) making breakfast available to students in classrooms after the start of the school day; and

(C) for school districts, collaborating with the school’s wellness community advisory council, as established under subsection 136(e) of this title, in planning school meals.

(3) A school district and an approved independent school shall count time spent by students consuming school meals during class as instructional time.

(d) Award of Grants.

(1) Public schools. From State funds appropriated to the Agency for this subsection, the Agency shall reimburse each school district that made available both school breakfast and lunch to students at no charge under subsection (c) of this section for the cost of each meal actually provided in the district during the previous quarter that qualifies as a paid breakfast or paid lunch under the federal school breakfast and federal school lunch programs. Reimbursement from State funds shall be available only to districts that maximize access to federal funds for the cost of the school breakfast and lunch program by participating in the Community Eligibility Provision or Provision 2 of these programs, or any other federal provision that in the opinion of the Agency draws down the most possible federal funding for meals served in that program.

(2) Approved independent schools.

(A) Subject to subdivision (B) of this subsection (2), from State funds appropriated to the Agency for this subsection (d), the Agency shall reimburse each approved independent school that made available both school breakfast and lunch to students attending on public tuition at no charge under subsection (c) of this section for the cost of each meal actually provided by the approved independent school to those students during the previous quarter that qualifies as a paid breakfast or paid lunch under the federal school breakfast and federal school lunch programs.

(B) An approved independent school is eligible for reimbursement under this subsection (d) only if it operates a food program that makes available a school lunch, as provided in the National School Lunch Act as amended, and a school breakfast, as provided in the National Child Nutrition Act as amended, to each attending student who qualifies for those meals under these Acts every school day.

(C) Reimbursement from State funds shall be available only to approved independent schools that maximize access to federal funds for the cost of the school breakfast and lunch program by participating in the Community Eligibility Provision or Provision 2 of these programs, or any other federal provision that in the opinion of the Agency draws down the most possible federal funding for meals served in that program.

(3) Reimbursement amounts for public schools and approved independent schools. The reimbursement amount for breakfast shall be a sum equal to the federal reimbursement rate for a free school breakfast less the federal reimbursement rate for a paid school breakfast, using rates identified annually by the Agency of Education from payment levels established annually by the U.S. Department of Agriculture. The reimbursement amount for lunch shall be a sum equal to the federal reimbursement rate for a free school lunch less the federal reimbursement rate for a paid school lunch, using rates identified annually by the Agency of Education from payment levels established annually by the U.S. Department of Agriculture.

(e) Notwithstanding any provision of law to the contrary, 16 V.S.A. § 1265 shall not apply to school year 2022–2023.

#### Sec. 4. REPEAL

Sec. 3 of this act is repealed on July 1, 2023.

#### Sec. 5. APPROPRIATION; UNIVERSAL MEALS

Notwithstanding 16 V.S.A. § 4025(d) and any other provision of law to the contrary, the sum of \$29,000,000.00 is appropriated from the Education Fund to the Agency of Education for fiscal year 2023 to provide reimbursement for school meals under Sec. 3 this act.

\* \* \* Agency of Education; Staffing \* \* \*

#### Sec. 6. AGENCY OF EDUCATION; STAFFING

(a) The following five positions are created in the Agency of Education:

(1) two full-time, classified positions to develop and maintain the universal household income declaration form and provide guidance to school districts on its use; and

(2) three full-time, classified positions to provide financial and data analysis for the Agency of Education.

(b) There is appropriated to the Agency of Education from the General Fund for fiscal year 2023 the amount of \$500,000.00 for salaries, benefits, and operating expenses for the positions created under subsection (a) of this section.

\* \* \* Universal Income Declaration Form \* \* \*

#### Sec. 7. UNIVERSAL INCOME DECLARATION FORM

(a) A universal income declaration form is used by some other states and school districts in Vermont with universal school meals programs to collect

household size and income information that was previously collected using the Free and Reduced-Price Meal Application. A universal income declaration form is used to collect income bracket information from all families, reducing stigma and resulting in the collection of more accurate pupil eligibility counts throughout a school district.

(b) On or before October 1, 2022, the Agency of Education shall convene a working group that includes school staff and hunger and nutrition experts to develop the universal income declaration form that shall be fully accessible to all Vermont families both in paper form and electronically. The new form shall be implemented statewide for the 2023–24 school year.

(c) The Agency of Education shall establish a process for verifying the accuracy of data collected through the universal income declaration form, which could include requesting that a sample of households submit additional documentation or using other sources of income data available to the Agency.

(d) The sum of \$200,000.00 is appropriated from the Education Fund to the Agency of Education for fiscal year 2023 to fund operating expenses associated with the creation of the electronic universal income declaration form.

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

#### Sec. 8. AGENCY OF EDUCATION; CONSULTATION; REPORT

On or before January 15, 2023, the Agency of Education shall report to the House and Senate Committees on Education and on Appropriations, the House Committee on Ways and Means, and the Senate Committee on Finance on the impact and status of implementation under this act. The report shall include data on student participation rates in the universal meals program on an individual school level and, if possible, on a grade level; the relationship of federal rules to the State-funded program; and strategies for minimizing the use of State funds.

#### Sec. 9. JOINT FISCAL OFFICE; REPORT

On or before February 1, 2023, the Joint Fiscal Office (JFO) shall prepare a report examining possible revenue sources including expansion of the sales tax base, enactment of an excise tax on sugar sweetened beverages, and other sources of revenue not ordinarily used for General Fund purposes. The report shall include preliminary revenue estimates and other policy considerations.

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

#### Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2022.

and that after passage the title of the bill be amended to read: “An act relating to universal school meals”

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

**(For text see Senate Journal April 29, 2021 )**

**Rep. Durfee of Shaftsbury**, 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 amended as follows:

First: In Sec. 3, universal meals, by adding a subsection (f) to read as follows:

(f) The Agency of Education may use the universal income declaration form to collect the household income information necessary for the implementation of a universal meals program.

Second: By striking out Secs. 6 and 7 and their reader assistance headings in their entireties and renumbering the remaining sections to be numerically correct.

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

**Rep. Scheu of Middlebury**, for the Committee on Appropriations, recommends the bill ought to pass in concurrence with proposal of amendment with further proposals of amendment as recommended by the Committees on Education and Ways and Means.

**(Committee Vote:7-4-0)**

### **S. 127**

An act relating to the procedures and review of community supervision furlough revocation or interruption appeals

**Rep. Dolan of Essex**, for the Committee on Corrections and Institutions, 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. 28 V.S.A. § 724 is amended to read:

§ 724. TERMS AND CONDITIONS OF COMMUNITY SUPERVISION  
FURLOUGH

\* \* \*

(c) Appeal.



(1) An offender whose community supervision furlough status is revoked or interrupted for 90 days or longer for a technical violation shall have the right to appeal the Department's determination to the Civil Division of the Superior Court in accordance with Rule 74 of the Vermont Rules of Civil Procedure. The appeal shall be based on a de novo review of the record. The appellant may offer testimony, and, in its discretion for good cause shown, the court may accept additional evidence to supplement the record. If additional evidence is accepted by the court, the Department, through the Office of the Vermont Attorney General, shall have the opportunity to present rebuttal evidence, including testimony, for the court's consideration. The notice of appeal filed pursuant to Rule 74 shall include a certification that the court has subject matter jurisdiction. The Department shall file an objection to subject matter jurisdiction within 14 days, which shall stay the filing of the record on appeal until the court issues an order on the Department's objection. The appellant shall have the burden of proving by a preponderance of the evidence that the Department abused its discretion in imposing a furlough revocation or interruption for 90 days or longer pursuant to subsection (d) of this section.

(2) An appeal filed pursuant to this subsection shall be limited to determine whether the decision to interrupt or revoke an offender's community supervision furlough status was an abuse of discretion by the Department based on the criteria set forth in subdivision (d)(2) of this section. The length of interruption or revocation may be a consideration in the abuse of discretion determination.

(3) An appeal filed pursuant to this subsection shall be brought in the unit of the Superior Court in which the offender resided at the time that the offender's furlough status was revoked or interrupted or the unit in which the offender is detained after the offender's furlough status was revoked or interrupted. If an appeal is filed pursuant to this subsection in a unit lacking proper venue, the court, on its own motion or on timely motion of a party to the appeal, may transfer the appeal to a unit having proper venue.

(d) Technical violations.

(1) As used in this section, "technical violation" means a violation of conditions of furlough that does not constitute a new crime.

(2) It shall be abuse of the Department's discretion to revoke furlough or interrupt furlough status for 90 days or longer for a technical violation, unless:

(A) ~~the~~ The offender's risk to reoffend can no longer be adequately controlled in the community, and no other method to control noncompliance is suitable; ~~or.~~

(B) ~~the~~ The violation or pattern of violations indicate the offender poses a danger to others ~~or to the community or poses a threat to abscond or escape from furlough.~~

(C) The offender's violation is absconding from community supervision furlough. As used in this subdivision, "absconding" means:

(i) the offender has not met supervision requirements, cannot be located with reasonable efforts, and has not made contact with Department staff within three days if convicted of a listed crime as defined in 13 V.S.A. § 5301(7) or seven days if convicted of a crime not listed in 13 V.S.A. § 5301(7);

(ii) the offender flees from Department staff or law enforcement;  
or

(iii) the offender left the State without Department authorization.

Sec. 2. 28 V.S.A. § 123 is amended 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~~ Department's investigations and any resulting disciplinary actions are ~~just and appropriate~~ compliant with Department policies, procedures, and directives.

\* \* \*

(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~~ review the reporting of sexual misconduct, ~~oversee~~ the implementation of adherence to the Department's anti-retaliation policy, ~~create~~ the transparency and ~~implement~~ implementation of policies relating to misconduct, and ~~review the disciplinary actions policies.~~

(2) ~~Examine~~ Review facility staffing needs, employee retention, employee working conditions, and employee morale. The Commission may 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, 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 on Government Operations, and the Senate Committees on Judiciary and on Government Operations on:

\* \* \*

(3) Monitor the Department in the following areas:

\* \* \*

(F) ~~investigations of compliance with the policies, procedures, or directives governing employee misconduct; investigations; 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~~

\* \* \*

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

(g) Commissioner of Correction's duties.

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

(2) The Commissioner or designee shall produce all relevant Department policies, procedures, and directives requested by the Commission pursuant to its monitoring duties under this section.

\* \* \*

(i) Confidentiality. Any information or report related to employee or incarcerated individual misconduct or discipline that is provided to the Commission shall be in a form that does not include personally identifiable information of any of the parties to the alleged misconduct and does not disclose any information that is required to be kept confidential pursuant to applicable State and federal law or any applicable collective bargaining or employment contract.

(j) Definition.

As used in subdivision (c)(3) of this section, “monitor” shall, when appropriate, include access to incident information in a form sufficient to discern the nature of the incident in question and compliance with the policies, procedures, or directives governing the incident.

Sec. 3. APPLICABILITY

Notwithstanding 1 V.S.A. §§ 213 and 214, the following provisions of Sec. 1 of this act shall apply retroactively to any pending appeal filed at any time prior to the effective date of this act:

(1) the provisions of 28 V.S.A. § 724(c)(1) related to subject matter jurisdiction certification and the Department’s ability to object to subject matter jurisdiction; and

(2) 28 V.S.A. § 724(c)(3) (venue).

Sec. 4. 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 clarifying community supervision furlough appeals and the powers of the Corrections Monitoring Commission”

**(Committee vote:10-1-0)**

**(For text see Senate Journal March 17, 2022 )**

**S. 195**

An act relating to the certification of mental health peer support specialists

**Rep. Burrows of West Windsor**, for the Committee on Health Care, 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

The General Assembly finds:

(1) The Centers for Medicare and Medicaid Services (CMS) recognizes that the experiences of peer support specialists, as part of an evidence-based model of care, can be an important component in a state’s delivery of effective mental health treatment. CMS encourages states to offer comprehensive programs.

(2) Research studies have demonstrated that peer supports improve an individual’s functioning, increase an individual’s satisfaction, alleviate

symptoms, reduce hospitalizations and hospital days, increase an individual's satisfaction with treatment, and enhance an individual's self-advocacy.

(3) Certification can encourage an increase in the number, diversity, and availability of peer support specialists.

(4) The U.S. Department of Veterans Affairs, more than 46 states, and the District of Columbia have created statewide mental health peer certification programs.

(5) Mental health peers in Vermont are currently providing individualized support, coaching facilitation, and education to individuals with mental health needs, in a variety of settings, yet no statewide scope of practice, standardized curriculum, training standards, supervision standards, or certification protocols are available.

## Sec. 2. PEER SUPPORT SPECIALIST CERTIFICATION

(a) The Department of Mental Health shall initiate the next steps toward the creation of a statewide peer support specialist certification program through execution of the grant for advancing peer certification in Vermont included in the allocation of monies appropriated to the Department in 2022 Acts and Resolves No. 83, Sec. 72a(c)(4).

(b) On or before December 15, 2022, the Department shall submit a written report to the House Committee on Health Care and to the Senate Committee on Health and Welfare that:

(1) incorporates recommendations of the grantee selected pursuant to subsection (a) of this section; and

(2) provides policy guidance and recommendations for any legislation necessary to create the program.

(c) The report required pursuant to subsection (b) of this section shall include input from:

(1) the Office of Professional Regulation; and

(2) the Department of Vermont Health Access regarding the options and steps required to seek Medicaid funding for certified peer support specialists.

## Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2022.

and that after passage the title of the bill be amended to read: "An act relating to examining mental health peer support certification"

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

(For text see Senate Journal March 25, 2022 )

S. 286

An act relating to amending various public pension and other postemployment benefits

**Rep. Gannon of Wilmington**, for the Committee on Government Operations, recommends that the House propose to the Senate that the bill be amended as follows:

First: In Sec. 4, 3 V.S.A. § 459a, by striking out subdivision (b)(2) in its entirety and inserting in lieu thereof the following:

(2) Notwithstanding subdivision (1) of this subsection, for a Group C member who has attained the later of 50 years of age and has completed 20 or more years of service, in no event shall the member's separately computed retirement allowance increase by an amount equal to more than one and one-half percent of the member's average final compensation per year of service actually performed during the period beginning with the member's last restoration to service.

Second: By striking out Sec. 5, 3 V.S.A. § 470, in its entirety and inserting in lieu thereof the following:

Sec. 5. 3 V.S.A. § 470 is amended to read:

§ 470. POSTRETIREMENT ADJUSTMENTS TO RETIREMENT ALLOWANCES

~~(a) For Group A, Group C, and Group D members, as of June 30th in each year, commencing June 30, 1972, a determination shall be made of any increase or decrease, to the nearest one-tenth of a percent, in the ratio of the average of the Consumer Price Index for the month ending on that date to the average of said index for the month ending on June 30, 1971, or the month ending on June 30th of the most recent year subsequent thereto. In the event of an increase, and provided that the net increase following the application of any offset as provided in this subsection equals or exceeds one percent, the retirement allowance of each beneficiary in receipt of an allowance for at least one year on the next following December 31st shall be increased by an equal percentage. Such increase shall commence on the January 1st immediately following such December 31st. Such percentage increase shall also be made in the retirement allowance payable to a beneficiary in receipt of an allowance under an optional election, provided the member on whose account the allowance is payable and such other person shall have received a total of at least 12 monthly payments by such December 31st. In the event of a decrease~~

~~of the Consumer Price Index as of June 30th for the preceding year, the retirement allowance of a beneficiary shall not be subject to any adjustment on the next following January 1st; provided, however, that:~~

~~(1) such decrease shall be applied as an offset against the first subsequent year's increase of the Consumer Price Index when such increase equals or exceeds one percent, up to the full amount of such increase; and~~

~~(2) to the extent that such decrease is greater than such subsequent year's increase, such decrease shall be offset in the same manner against two or more years of such increases, for up to but not exceeding five subsequent years of such increases, until fully offset. Postretirement adjustments to retirement allowance. Beginning January 1, 2023 and each year thereafter, the retirement allowance of each beneficiary of the System who is in receipt of a retirement allowance and who meets the eligibility criteria set forth in this section shall be adjusted by the amount described in subsection (d) of this section. In no event shall a beneficiary receive a negative adjustment to the beneficiary's retirement allowance.~~

~~(b) For Group F members, as of June 30th in each year, commencing January 1, 1991, a determination shall be made of any increase or decrease, to the nearest one-tenth of a percent of the Consumer Price Index for the preceding fiscal year. In the event of an increase, and provided that there exists a net increase following the application of any offset as provided in this subsection, the retirement allowance of each beneficiary in receipt of an allowance for at least one year on the next following December 31st shall be increased by an amount equal to one-half of the net percentage increase. Commencing January 1, 2014, the retirement allowance of each beneficiary who was an active contributing member of the Group F plan on or after June 30, 2008, and who retires on or after July 1, 2008, shall be increased by an amount equal to the net percentage increase. The increase shall commence on the January 1st immediately following such December 31st. The increase shall apply to Group F members receiving an early retirement allowance only in the year following attainment of normal retirement age, provided the member has received benefits for at least 12 months as of December 31st of the year preceding any January adjustment. In the event of a decrease of the Consumer Price Index as of June 30th for the preceding year, the retirement allowance of a beneficiary shall not be subject to any adjustment on the next following January 1st; provided, however, that:~~

~~(1) such decrease shall be applied as an offset against the first subsequent year's increase of the Consumer Price Index, up to the full amount of such increase; and~~

~~(2) to the extent that such decrease is greater than such subsequent year's increase, such decrease shall be offset in the same manner against two or more years of such increases, for up to but not exceeding five subsequent years of such increases, until fully offset. Calculation of net percentage increase.~~

(1) Consumer Price Index; maximum and minimum amounts. Prior to October 1 of each year, a determination shall be made of any increase or decrease, to the nearest one-tenth of a percent, in the Consumer Price Index for the month ending on June 30 of that year to the average of said index for the month ending on June 30 of the previous year. Any increase or decrease in the Consumer Price Index shall be subject to adjustment so as to remain within the following maximum and minimum amounts:

(A) For Group A members, the maximum amount of any increase or decrease used to determine the net percentage increase shall be five percent.

(B) For Group C members who are first eligible for normal retirement or unreduced early retirement on or before June 30, 2022, or who are vested deferred members as of June 30, 2022, the maximum amount of any increase or decrease used to determine the net percentage increase shall be five percent.

(C) For Group C members who are first eligible for normal retirement or unreduced early retirement on or after July 1, 2022, the maximum amount of any increase or decrease used to determine the net percentage increase shall be four percent.

(D) For Group D members, the maximum amount of any increase or decrease used to determine the net percentage increase shall be five percent.

(E) For Group F members who are first eligible for normal retirement or unreduced early retirement on or before June 30, 2022, or who are vested deferred members as of June 30, 2022, the maximum amount of any increase or decrease used to determine the net percentage increase shall be five percent. In the event that there is an increase or decrease of less than one percent, the net percentage increase shall be assigned a value of one percent and shall not be subject to further adjustment pursuant to subsection (d) of this section.

(F) For Group F members who are first eligible for normal retirement or unreduced early retirement on or after July 1, 2022, the maximum amount of any increase or decrease used to determine the net percentage increase shall be four percent.



(2) Consumer Price Index; decreases. In the event of a decrease in the Consumer Price Index, there shall be no adjustment to retirement allowances for the subsequent year beginning January 1; provided, however, that:

(A) such decrease shall be applied as an offset against the first subsequent year's increase of the Consumer Price Index, up to the full amount of such increase; and

(B) to the extent that such decrease is greater than such subsequent year's increase, such decrease shall be offset in the same manner against two or more years of such increases, for up to but not exceeding five subsequent years of such increases, until fully offset.

(3) Consumer Price Index; increases. In the event of an increase in the Consumer Price Index, and provided there remains an increase following the application of any offset as in subdivision (2) of this subsection, that amount shall be identified as the net percentage increase and used to determine the members' postretirement adjustment as described herein.

(c) For purposes of subsection (a) of this section, the maximum amount of any increase or decrease utilized to determine the net percentage increase shall be five percent. For purposes of subsection (b) of this section, the maximum amount of any increase or decrease utilized to determine the net percentage increase shall be five percent, and any increase or decrease of less than one percent shall be assigned a value of one percent. Eligibility for postretirement adjustment. In order for a beneficiary to receive a postretirement adjustment to the beneficiary's retirement allowance, the beneficiary must meet the following eligibility requirements:

(1) Retired and vested deferred on or before June 30, 2022. For all members who are retired or vested deferred on or before June 30, 2022, other than those Group F members on an early retirement allowance who have not reached normal retirement age, as specified in subdivision (4) of this subsection, the member must be in receipt of a retirement allowance for at least 12 months prior to the January 1 effective date of any postretirement adjustment.

(2) In service on or before June 30, 2022. For all Group A, C, and F members who are first eligible for normal retirement or unreduced early retirement on or before June 30, 2022, and for Group D members first appointed or elected on or before June 30, 2022, the member must be in receipt of a retirement allowance for at least 12 months prior to the January 1 effective date of any postretirement adjustment.

(3) In service on or after July 1, 2022. For all Group A, C, and F members who are first eligible for normal retirement or unreduced early retirement on or after July 1, 2022, and for Group D members first appointed or elected on or after July 1, 2022, the member must be in receipt of a retirement allowance for at least 24 months prior to the January 1 effective date of any postretirement adjustment.

(4) Special rule for Group F early retirement. A Group F member in receipt of an early retirement allowance shall not receive a postretirement adjustment to the member's retirement allowance until such time as the member has reached normal retirement age, provided the member has also met the other eligibility criteria set forth in this subsection.

~~(d) For purposes of this section, Consumer Price Index shall mean the Northeast Region Consumer Price Index for all urban consumers, designated as "CPI-U," in the northeast region, as published by the U.S. Department of Labor, Bureau of Labor Statistics. Amount of postretirement adjustment. The postretirement adjustment for each member who meets the eligibility criteria set forth in subsection (c) of this section shall be as follows:~~

(1) the full amount of the net percentage increase calculated in subsection (b) of this section for the following:

(A) Group A and C members, provided that the net increase following the application of any offset as provided in this section equals or exceeds one percent;

(B) Group D members first appointed or elected on or before June 30, 2022, provided that the net increase following the application of any offset as provided in this section equals or exceeds one percent; and

(C) commencing January 1, 2014, any active contributing member of the Group F plan on or after June 30, 2008, and who retires as a Group F member on or after July 1, 2008;

(2) one-half of the net percentage increase calculated in subsection (b) of this section for Group F members who retired on or before June 30, 2008;

(3) for Group D members first appointed or elected on or after July 1, 2022, provided that the net increase following the application of any offset as provided in this section equals or exceeds one percent, the full amount of the net percentage increase calculated in subsection (b) of this section for amounts equal to or less than \$75,000.00 of annual retirement allowance and one-half the net percentage increase calculated in subsection (b) of this section for amounts \$75,000.01 or greater of annual retirement allowance.

(e) Definition. For purposes of this section:

(1) “Consumer Price Index” means the Northeast Region Consumer Price Index for all urban consumers, designated as “CPI-U,” in the northeast region, as published by the U.S. Department of Labor, Bureau of Labor Statistics.

(2) “Vested deferred” means a member who receives a vested deferred allowance payable pursuant to subsection 465(a) of this title.

(f) Deferred vested allowance. No increase shall be made pursuant to this section in a deferred vested allowance payable pursuant to subsection 465(a) of this title prior to its commencement.

Third: By striking out Sec. 6, 3 V.S.A. § 473, in its entirety and inserting in lieu thereof the following:

Sec. 6. 3 V.S.A. § 473 is amended to read:

§ 473. FUNDS

(a) Assets. All of the assets of the Retirement System shall be credited to the Vermont State Retirement Fund.

(b) Member contributions.

(1)(A) Allocations. Contributions deducted from the compensation of members together with any member contributions transferred thereto from the predecessor systems shall be accumulated in the Fund and separately recorded for each member. The amounts so transferred on account of Group A members shall be allocated between regular and additional contributions. The amounts so allocated as regular contributions shall be determined as if the rate of contribution of four percent has been continuously in effect in the predecessor system from which such amounts were transferred and the balance of any amount so transferred on account of any Group A member shall be deemed additional contributions. In the case of Group C members who were members as of the date of establishment and Group D members, all contributions transferred from predecessor systems shall be deemed regular contributions. Those members who, prior to the date of establishment of this system, had been contributing at a rate less than four percent shall have any benefit otherwise payable on their behalf actuarially reduced to reflect such prior contribution rate of less than four percent. Upon a member’s retirement or other withdrawal from service on the basis of which a retirement allowance is payable, the member’s additional contributions, with interest thereon, shall be paid as an additional allowance equal to an annuity ~~which~~ that is the actuarial equivalent of such amount, in the same manner as the benefit otherwise payable under the System.

(B) Periodic review. When the State Employees' Retirement System has been determined by the actuary to have assets at least equal to its accrued liability, contribution rates will be reevaluated by the actuary with a subsequent recommendation to the General Assembly. In determining the amount earnable by a member in a payroll period, the Retirement Board may consider the annual or other periodic rate of earnable compensation payable to such member on the first day of the payroll period as continuing throughout such payroll period, and it may omit deduction from compensation for any period less than a full payroll period if an employee was not a member on the first day of the payroll period, and to facilitate the making of deductions it may modify the deduction required of any member by such an amount as, on an annual basis, shall not exceed one-tenth of one percent of the annual earnable compensation upon the basis of which such deduction is to be made. Each of the amounts shall be deducted until the member retires or otherwise withdraws from service and when deducted shall be paid into the Annuity Savings Fund and shall be credited to the individual account of the member from whose compensation the deduction was made.

~~(2)(A) Group A members. Commencing on July 1, 2016, contributions shall be 6.55 percent of compensation for Group A, D, and F members and 8.43 percent of compensation for Group C members. When the State Employees' Retirement System has been determined by the actuary to have assets at least equal to its accrued liability, contribution rates will be reevaluated by the actuary with a subsequent recommendation to the General Assembly. In determining the amount earnable by a member in a payroll period, the Retirement Board may consider the annual or other periodic rate of earnable compensation payable to such member on the first day of the payroll period as continuing throughout such payroll period, and it may omit deduction from compensation for any period less than a full payroll period if an employee was not a member on the first day of the payroll period, and to facilitate the making of deductions it may modify the deduction required of any member by such an amount as, on an annual basis, shall not exceed one-tenth of one percent of the annual earnable compensation upon the basis of which such deduction is to be made. Each of the amounts shall be deducted until the member retires or otherwise withdraws from service, and when deducted shall be paid into the Annuity Savings Fund, and shall be credited to the individual account of the member from whose compensation the deduction was made.~~

(B) Group C members.

(i) Commencing the first full pay period in fiscal year 2023, the contribution rate for Group C members shall be 8.93 percent of compensation.

(ii) Commencing the first full pay period in fiscal year 2024, the contribution rate for Group C members shall be 9.43 percent of compensation.

(iii) Commencing the first full pay period in fiscal year 2025 and annually thereafter, the contribution rate for Group C members shall be 9.93 percent of compensation.

(C) Group D members. Commencing on July 1, 2022, the contribution rate for Group D members shall be based on the quartile in which a member's hourly rate of pay falls. Quartiles shall be determined annually in the first full pay period of each fiscal year by the Department of Human Resources based on the hourly rate of pay by all Group D members. The contribution rates shall be based on the schedule set forth below:

(i) Based on the quartiles for the first full pay period of each fiscal year and effective the first full pay period in that fiscal year, for members who have an hourly rate of pay in any pay period below the 25th percentile of Group D member hourly rates of pay, the contribution rate shall be 6.55 percent of compensation.

(ii) Based on the quartiles for the first full pay period of each fiscal year and effective the first full pay period in that fiscal year, for members who have an hourly rate of pay in any pay period at the 25th percentile and below the 50th percentile of Group D member hourly rates of pay, the contribution rate shall be as follows:

(I) commencing in fiscal year 2023, 7.05 percent of compensation;

(II) commencing in fiscal year 2024, 7.55 percent of compensation; and

(III) commencing in fiscal year 2025 and annually thereafter, 8.05 percent of compensation.

(iii) Based on the quartiles for the first full pay period of each fiscal year and effective the first full pay period in that fiscal year, for members who have an hourly rate of pay in any pay period at the 50th percentile and below the 75th percentile of Group D member hourly rates of pay, the contribution rate shall be as follows:

(I) commencing in fiscal year 2023, 7.05 percent of compensation;

(II) commencing in fiscal year 2024, 7.55 percent of compensation;

(III) commencing in fiscal year 2025, 8.05 percent of compensation; and

(IV) commencing in fiscal year 2026 and annually thereafter, 8.55 percent of compensation.

(iv) Based on the quartiles for the first full pay period of each fiscal year and effective the first full pay period in that fiscal year, for members who have an hourly rate of pay in any pay period at or above the 75th percentile of Group D member hourly rates of pay, the contribution rate shall be as follows:

(I) commencing in fiscal year 2023, 7.05 percent of compensation;

(II) commencing in fiscal year 2024, 7.55 percent of compensation;

(III) commencing in fiscal year 2025, 8.05 percent of compensation;

(IV) commencing in fiscal year 2026, 8.55 percent of compensation; and

(V) commencing in fiscal year 2027 and annually thereafter, 9.05 percent of compensation.

(D) Group F members. Commencing on July 1, 2022, the contribution rate for Group F members shall be based on the quartile in which a member's hourly rate of pay falls. Quartiles shall be determined annually in the first full pay period of each fiscal year by the Department of Human Resources based on the hourly rate of pay of all Group F members. The contribution rates shall be based on the schedule set forth below:

(i) Based on the quartiles for the first full pay period of each fiscal year and effective the first full pay period in that fiscal year, for members who have an hourly rate of pay in any pay period below the 25th percentile of Group F member hourly rates of pay, the contribution rate shall be 6.55 percent of compensation.

(ii) Based on the quartiles for the first full pay period of each fiscal year and effective the first full pay period in that fiscal year, for members who have an hourly rate of pay in any pay period at the 25th percentile and below the 50th percentile of Group F member hourly rates of pay, the contribution rate shall be as follows:

(I) commencing in fiscal year 2023, 7.05 percent of compensation;

(II) commencing in fiscal year 2024, 7.55 percent of compensation; and

(III) commencing in fiscal year 2025 and annually thereafter, 8.05 percent of compensation.

(iii) Based on the quartiles for the first full pay period of each fiscal year and effective the first full pay period in that fiscal year, for members who have an hourly rate of pay in any pay period at the 50th percentile and below the 75th percentile of Group F member hourly rates of pay, the contribution rate shall be as follows:

(I) commencing in fiscal year 2023, 7.05 percent of compensation;

(II) commencing in fiscal year 2024, 7.55 percent of compensation;

(III) commencing in fiscal year 2025, 8.05 percent of compensation; and

(IV) commencing in fiscal year 2026 and annually thereafter, 8.55 percent of compensation.

(iv) Based on the quartiles for the first full pay period of each fiscal year and effective the first full pay period in that fiscal year, for members who have an hourly rate of pay in any pay period at or above the 75th percentile of Group F member hourly rates of pay, the contribution rate shall be as follows:

(I) commencing in fiscal year 2023, 7.05 percent of compensation;

(II) commencing in fiscal year 2024, 7.55 percent of compensation;

(III) commencing in fiscal year 2025, 8.05 percent of compensation;

(IV) commencing in fiscal year 2026, 8.55 percent of compensation; and

(V) commencing in fiscal year 2027 and annually thereafter, 9.05 percent of compensation.

(3) Deductions. The deductions provided for herein shall be made notwithstanding that the minimum compensation provided for by law for any member shall be reduced thereby. Every member shall be deemed to consent and agree to the deductions made and provided herein and shall receipt for full

compensation, and payment of compensation less such deduction shall be a full and complete discharge and acquittance of all claims and demands whatsoever for the services rendered by such person during the period covered by such payment, except as to the benefits provided under this subchapter.

(4) Additional contributions. Subject to the approval of the Retirement Board, in addition to the contributions deducted from compensation as hereinbefore provided, any member may redeposit in the Fund by a single payment or by an increased rate of contribution an amount equal to the total amount ~~which~~ that the member previously withdrew from this System or one of the predecessor systems; or any member may deposit therein by a single payment or by an increased rate of contribution an amount computed to be sufficient to purchase an additional annuity ~~which~~ that, together with prospective retirement allowance, will provide for the member a total retirement allowance not in excess of one-half of average final compensation at normal retirement date, with the exception of Group D members for whom creditable service shall be restored upon redeposits of amounts previously withdrawn from the System, or for whom creditable service shall be granted upon deposit of amounts equal to what would have been paid if payment had been made during any period of service during which such a member did not contribute. Such additional amounts so deposited shall become a part of the member's accumulated contributions as additional contributions.

(5) Beneficiaries. The contributions of a member and such interest as may be allowed thereon ~~which~~ that are withdrawn by the member or paid to the member estate or to a designated beneficiary in event of the member's death, shall be paid from the Fund.

(6) Scope. Contributions required under this subsection shall be limited to contributions from Group A, Group C, Group D, and Group F members.

(7) [Repealed.]

(c) Employer contributions, earnings, and payments.

\* \* \*

(8) Annually, the Board shall certify an amount to pay the annual actuarially determined employer contribution, as calculated in this subsection, and additional amounts as follows:

(A) in fiscal year 2024, the amount of \$9,000,000.00;

(B) in fiscal year 2025, the amount of \$12,000,000.00; and



(C) in fiscal year 2026 and in any year thereafter when the Fund is calculated to have a funded ratio of less than 90 percent, the amount of \$15,000,000.00.

Fourth: In Sec. 11, 16 V.S.A. § 1944, by striking out subdivision (c)(13)(C) and inserting in lieu thereof the following:

(C) in fiscal year 2026 and in any year thereafter when the Fund is calculated to have a funded ratio of less than 90 percent, the amount of \$15,000,000.00.

Fifth: By striking out Sec. 11a, 16 V.S.A. § 1949a, in its entirety and inserting in lieu thereof the following:

Sec. 11a. 16 V.S.A. § 1949a is added to read:

§ 1949a. POSTRETIREMENT ADJUSTMENT ALLOWANCE ACCOUNT

(a) Intent. It is the intent of the General Assembly to recognize members who are in active service on or before June 30, 2022 and made contributions for the duration of fiscal year 2023 and members who are in active service on or after July 1, 2022 and made contributions for at least one year, as part of a broader effort to improve the health of the System. As an acknowledgment of these additional contributions, once the System is in a healthier financial position, it is the intent of the General Assembly that these members should receive postretirement adjustment allowances that will more fully reflect the net percentage increase in the Consumer Price Index. It is also the intent of the General Assembly that the postretirement adjustment allowance formula should be incrementally increased to 100 percent of the net percentage increase in the Consumer Price Index, but that no increase should occur to the formula unless the funded ratio of the System is at least 80 percent funded on an actuarial value basis and the accumulated assets of the Account are equal to or exceed the present value of the benefits to accrue to members.

(b) Creation. There is established the Postretirement Adjustment Allowance Account, to be maintained under the Retirement System, which shall be used to provide funding for postretirement adjustment formula enhancements or other benefits that may accrue to eligible members pursuant to the requirements of subsection (d) of this section.

(c) Funds. The Account shall consist of:

(1) any amounts transferred to it from the General Fund Balance Reserve established in 32 V.S.A. § 308c;

(2) any amounts transferred or appropriated to it by the General Assembly; and

(3) interest earned pursuant to subsection (d) of this section.

(d) Fund administration. The Postretirement Adjustment Allowance Account shall be subordinate to the retirement benefits provided by the Retirement System. Contributions to the Account shall be irrevocable, and it shall be impossible at any time before satisfaction of all liabilities to provide funding for postretirement adjustment formula enhancements or other benefits that may accrue to eligible members for any part of the corpus or income of the Account to be used for, or diverted to, any purpose other than providing funding for postretirement adjustment formula enhancements or other benefits that may accrue to eligible members. All balances in the Account at the end of the fiscal year shall be carried forward, and interest earned shall remain in the Account.

(e) Recommendation of Board. In any fiscal year, the Board may recommend to the General Assembly that the monies in the Account be used to provide for postretirement adjustment formula enhancements or other benefits that may accrue to eligible members in the System, provided that:

(1) an evaluation has been conducted pursuant to section 1949b of this chapter;

(2) the actuary has certified that the System has a funded ratio of at least 80 percent in the most recent fiscal year; and

(3) the actuary has certified that the Fund has sufficient assets to pay for the present value of any benefit being recommended.

(f) Use of funds. In the event that the General Assembly approves of the Board's recommended postretirement adjustment formula enhancements or other benefit change pursuant to subsection (e) of this section, the Board may direct that funds sufficient to pay the present value of change be charged from the Account for that purpose.

(g) Fund charges. In no event shall the funds charged from the Account exceed the outstanding Account balance.

(h) Fund assets.

(1) For funding purposes, any asset value utilized in the calculation of the actuarial value of assets of a system shall exclude the Account as of the asset determination date for such calculation.

(2) For all purposes other than funding, the funds in the Account shall be considered assets of the System.

(i) Definition. As used in this section, "eligible member" means:

(1) a member of the System who is in active service on or before June 30, 2022 and made contributions for the duration of fiscal year 2023; or

(2) a member of the System who is in active service on or after July 1, 2022 and made contributions for at least one year.

Sixth: In Sec. 18, 32 V.S.A. § 308c, in subdivision (a)(3)(B), by striking out “Fund” and inserting in lieu thereof “Account”

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

**(For text see Senate Journal March 30, April 1, 2022 )**

**Rep. Elder of Starksboro**, 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.

**(Committee Vote:10-0-1)**

**Rep. Fagan of Rutland City**, 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.

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

## **Senate Proposal of Amendment**

### **H. 159**

An act relating to community and economic development and workforce revitalization

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

\* \* \* Purpose \* \* \*

#### Sec. 1. PURPOSE

The purpose of this act is to address the negative economic impacts of COVID-19 on Vermont’s economy, employers, workers, and families while simultaneously leveraging opportunities to grow Vermont’s economy.

\* \* \* Relocating Employee Incentives \* \* \*

Sec. 2. 10 V.S.A. § 4 is amended to read:

#### § 4. NEW RELOCATING EMPLOYEE INCENTIVES

(a) The Agency of Commerce and Community Development shall design and implement a program to award incentive grants to relocating employees as provided in this section and subject to the policies and procedures the Agency

adopts to implement the program.

(b) A relocating employee may be eligible for a grant under the program for qualifying expenses, subject to the following:

(1) A base grant shall not exceed \$5,000.00.

(2) The Agency may award an enhanced grant, which shall not exceed \$7,500.00, for a relocating employee who becomes a resident in a labor market area in this State in which:

(A) the average annual unemployment rate in the labor market area exceeds the average annual unemployment rate in the State; or

(B) the average annual wage in the State exceeds the annual average wage in the labor market area.

(c) The Agency shall:

(1) adopt procedures for implementing the program, which shall include a simple certification process to certify relocating employees and qualifying expenses;

(2) promote awareness of the program, including through coordination with relevant trade groups and by integration into the Agency's economic development marketing campaigns;

(3) ~~award grants to relocating employees on a first-come, first-served basis beginning on July 1, 2021, subject to available funding~~ adopt procedures to initially approve an applicant for a grant after verifying a relocating employee's eligibility and to make final payment of a grant after verifying that the relocating employee has completed relocation to this State; and

(4) adopt measurable goals, performance measures, and an audit strategy to assess the utilization and performance of the program.

(d) ~~On~~ Annually, on or before January 15, ~~2022~~, the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including:

(1) a description of the policies and procedures adopted to implement the program;

(2) the promotion and marketing of the program; and

(3) an analysis of the utilization and performance of the program, including the projected revenue impacts and other qualitative and quantitative returns on investment in the program based on available data and modeling.

(e) As used in this section:

(1) “Qualifying expenses” means the actual costs a relocating employee incurs for relocation expenses, which may include moving costs, closing costs for a primary residence, rental security deposit, one month’s rent payment, and other relocation expenses established in Agency guidelines.

(2) “Relocating employee” means an individual who meets the following criteria:

(A)(i) On or after July 1, 2021:

(I) the individual becomes a full-time resident of this State;

(II) the individual becomes a full-time employee at a Vermont location of a for-profit or nonprofit business organization domiciled or authorized to do business in this State, or of a State, municipal, or other public sector employer; and

~~(III) the individual becomes employed in one of the “Occupations with the Most Openings” identified by the Vermont Department of Labor in its “Short Term Employment Projections 2020-2022”; and~~

~~(IV) the employer attests to the Agency that, after reasonable time and effort, the employer was unable to fill the employee’s position from among Vermont applicants; or~~

(ii) on or after February 1, 2022:

(I) the individual becomes a full-time resident of this State; and

(II) the individual is a full-time employee of an out-of-state business and performs the majority of his or her employment duties remotely from a home office or a co-working space located in this State.

(B) The individual receives gross salary or wages that equal or exceed the Vermont livable wage rate calculated pursuant to 2 V.S.A. § 526.

(C) The individual is subject to Vermont income tax.

### Sec. 3. THINK VERMONT REGIONAL RECRUITMENT AND RELOCATION NETWORK

(a) Regional recruitment and relocation network. The Department of Tourism and Marketing shall launch and lead a coordinated regional relocation network to facilitate the successful recruitment and relocation of individuals to Vermont. The Department of Tourism and Marketing shall build capacity to facilitate lead generation and support a network of regional and local entities embedded in their communities who will act as resource coordinators to

transform leads into permanent residents. These network partners shall be responsible for providing quick, customized information, resources, and referrals. The network shall be designed to:

- (1) leverage all available State and federal resources;
- (2) provide a regionally customized customer support pathway for potential residents;
- (3) receive, respond to, and track leads generated by State marketing efforts;
- (4) ensure that every inquiry is responded to in a timely, appropriate way in support of future employment and successful relocation;
- (5) collaborate with regional employers on their recruitment efforts to maximize the sharing of information about employment opportunities and promote placements or matching of applicants;
- (6) track, share, and report information between other regional contacts, State agencies, and departments; and
- (7) evolve and respond to new needs and resources.

(b) System infrastructure.

(1) The Department shall establish a competitive RFP process, with the goal of contracting with an entity, based on responses received, in each of 12 designated regions. The competitive process will help the Department ensure that there is capacity within responding entities to perform the scope of work required.

(2) The Department shall score the RFP responses and utilize a scoring system to choose a partner entity in each region of the State.

(3) The Department shall create one full-time staff position to maintain oversight and management of the regional network and report on outcomes and relocation services delivered.

(4) The regional network shall be integrated into current recruitment efforts to maximize existing tools such as ThinkVermont.com.

(5) The Department shall leverage its existing programmatic footprint to ensure that relocation assistance is available in every region of the State.

(6) To the extent possible, the regional relocation network shall not duplicate or replace existing public or private recruitment programs.

(7) The Department shall work to coordinate and enhance these efforts to create a wraparound system of support, information, and recordkeeping.

(c) Coordination. The Department shall coordinate with statewide and community-based organizations, as well as Agencies and Departments in State government, including the Department of Labor, the Agency of Human Services, Vocational Rehabilitation, Regional Development Corporations and Regional Planning Commissions, and statewide and local chambers of commerce.

(d) Promotion and marketing.

(1) The Department shall promote Vermont as a relocation destination to attract new residents to the State and generate leads for the regional relocation network.

(2) The Department shall use a mix of marketing tactics, each with specific benchmarks to define success, including:

(A) secure and maintain positive earned media coverage in national, regional, and other news media;

(B) extend the reach of positive news coverage through owned media channels;

(C) utilize paid media opportunities to advertise Vermont as a place to live, work, visit, and do business; and

(D) utilize targeting techniques to reach key populations in high demand occupations in sectors facing workforce shortages in Vermont as well as individuals of diverse backgrounds.

(e) Report. The Department shall include the following metrics in addition to a progress update and any recommendations annually to the General Assembly:

(1) the number of inquiries received and individuals served in each region, by region; and

(2) employment and relocation status data on all individuals served.

(f) Implementation. The Department of Tourism and Marketing shall launch the RFP and select regional network partners based on the responses on or before November 15, 2022.

\* \* \* Capital Investment Grant Program \* \* \*

Sec. 4. 2021 Acts and Resolves No. 74, Sec. H.18 is amended to read:

Sec. H.18 CAPITAL INVESTMENT GRANT PROGRAM

(a) Creation; purpose; regional outreach.

(1) The Agency of Commerce and Community Development shall use

the \$10,580,000 appropriated to the Department of Economic Development in Sec. G.300(a)(12) of this act to design and implement a capital investment grant program consistent with this section.

(2) The purpose of the program is to make funding available for transformational projects that will provide each region of the State with the opportunity to attract businesses, retain existing businesses, create jobs, and invest in their communities by encouraging capital investments and economic growth.

(3) The Agency shall collaborate with other State agencies, regional development corporations, regional planning commissions, and other community partners to identify potential regional applicants and projects to ensure the distribution of grants throughout the regions of the State.

(b) Eligible applicants.

(1) To be eligible for a grant, an applicant shall comply with the Department of Treasury Final Rule implementing the Coronavirus State and Local Fiscal Recovery Funds established under the American Rescue Plan Act and meet the following criteria:

(A) The applicant is located within this State.

(B) The applicant is:

(i)(I) a for-profit entity with not less than a 10 percent equity interest in the project; or

(II) a nonprofit entity; and

(ii) grant funding from the Program represents not more than ~~50~~ 20 percent of the total project cost.

(C) The applicant demonstrates:

(i) community and regional support for the project;

(ii) that grant funding is needed to complete the project;

(iii) leveraging of additional sources of funding from local, State, or federal economic development programs; and

(iv) an ability to manage the project, with requisite experience and a plan for fiscal viability.

(2) The following are ineligible to apply for a grant:

(A) a State or local government-operated business;

(B) a municipality;



(C) a business that, together with any affiliated business, owns or operates more than 20 locations, regardless of whether those locations do business under the same name or within the same industry; and

(D) a ~~publicly-traded~~ publicly traded company.

(c) Awards; amount; eligible uses.

(1) An award shall not exceed the lesser of ~~\$1,500,000.00~~ \$1,000,000 or ~~the estimated net State fiscal impact of the project based on Agency modeling~~ 20 percent of the total project cost.

(2) A recipient may use grant funds for the acquisition of property and equipment, construction, renovation, and related capital expenses.

(3) A recipient may combine grant funds with funding from other sources but shall not use grant funds from multiple sources for the same costs within the same project.

(4) The Agency shall release grant funds upon determining that the applicant has met all Program conditions and requirements.

(5) Nothing in this section is intended to prevent a grant recipient from applying for additional grant funds if future amounts are appropriated for the program.

~~(d) Data model; approval.~~

~~(1) The Agency shall collaborate with the Legislative Economist to design a data model and related methodology to assess the fiscal, economic, and societal impacts of proposals and prioritize them based on the results.~~

~~(2) The Agency shall present the model and related methodology to the Joint Fiscal Committee for its approval not later than September 1, 2021.~~

(e) Application process; decisions; awards.

(1)(A) The Agency shall accept applications on a rolling basis for three-month periods and shall review and consider for approval the group of applications it has received as of the conclusion of each three-month period.

(B) The Agency shall make application information available to the Legislative Economist and the Executive Economist in a timely manner.

(2) ~~Using the data model and methodology approved by the Joint Fiscal Committee, the Agency shall analyze the information provided in an application to estimate the net State fiscal impact of a project, including the following factors:~~

~~(A) increase to grand list value;~~

- ~~(B) improvements to supply chain;~~
- ~~(C) jobs impact, including the number and quality of jobs; and~~
- ~~(D) increase to State GDP. [Repealed.]~~

(3) The Secretary of Commerce and Community Development shall appoint an interagency team, which may include members from among the Department of Economic Development, the Department of Housing and Community Development, the Agency of Agriculture, Food and Markets, the Department of Public Service, the Agency of Natural Resources, or other State agencies and departments, which team shall review, analyze, and recommend projects for funding consistent with the guidelines the Agency develops in coordination with the Joint Fiscal Office and approved by the Joint Fiscal Committee and based on the estimated net State fiscal impact of a project and ~~on other contributing factors, including the following:~~

- (A) transformational nature of the project for the region;
- (B) project readiness, quality, and demonstrated collaboration with stakeholders and other funding sources;
- (C) alignment and consistency with regional plans and priorities; and
- (D) creation and retention of workforce opportunities.

(4) The Secretary of Commerce and Community Development shall consider the recommendations of the interagency team and shall give final approval to projects.

(f) Grant agreements; post award monitoring.

(1) If selected by the Secretary, the applicant and the Agency shall execute a grant agreement that includes audit provisions and minimum requirements for the maintenance and accessibility of records that ensures that the Agency and the Auditor of Accounts have access and authority to monitor awards.

(2) The Agency shall publish on its website not later than 30 days after approving an award a brief project description, the name of the grantee, and the amount of a grant.

(g) Report. On or before ~~December 15, 2021~~ February 15, 2023, the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including:

- (1) a description of the implementation of the program;

(2) the promotion and marketing of the program;

(3) an analysis of the utilization and performance of the program; ~~including the projected revenue impacts and other qualitative and quantitative returns on investment in the program based on available data and modeling.~~

(h) Implementation.

(1) The Agency of Commerce and Community Development shall consult with the Legislative Joint Fiscal Office to develop guidelines and approval processes for the Capital Investment Grant Program and shall submit the proposed guidelines and processes to the Joint Fiscal Committee for approval prior to accepting applications for grants through the Program.

(2) When considering whether and how to prioritize economic sectors that have suffered economic harm due to the COVID-19 pandemic, the Agency may designate one or more sectors for priority consideration through the Program, including the arts and culture, travel, lodging, tourism, agriculture, and child care sectors.

\* \* \* VEDA Short-Term Forgivable Loans \* \* \*

Sec. 5. VEDA SHORT-TERM FORGIVABLE LOANS

(a) Creation. The Vermont Economic Development Authority shall create a Short-Term Forgivable Loan Program to support Vermont businesses experiencing continued working capital shortfalls as a result of the COVID-19 public health emergency.

(b) Eligible business. An eligible borrower is a for-profit or nonprofit business:

(1) with fewer than 500 employees;

(2) located in Vermont;

(3) that was in operation or had taken substantial steps toward becoming operational as of March 13, 2020; and

(4) that can identify economic harm caused by or exacerbated by the pandemic.

(c) Economic harm.

(1) An applicant shall demonstrate economic harm from lost revenue, increased costs, challenges covering payroll, rent or mortgage interest, or other operating costs that threaten the capacity of the business to weather financial hardships and result in general financial insecurity due to the COVID-19 public health emergency.

(2) The Authority shall measure economic harm by a material decline in the applicant's annual adjusted net operating income before the COVID-19 public health emergency relative to its annual adjusted net operating income during the COVID-19 public health emergency.

(3) When assessing an applicant's adjusted net operating income, the Authority shall consider previous COVID-19 State and federal subsidies, reasonable owner's compensation, noncash expenses, extraordinary items, and other adjustments deemed appropriate.

(4) To be eligible for a loan, the Authority shall determine that a business has experienced at least a 25 percent reduction in its adjusted net operating income in calendar years 2020 and 2021 combined as compared to 2019, or other appropriate basis of comparison where necessary, and that 50 percent or more of the reduction occurred in 2021.

(d) Maximum loan. The Authority shall determine the amount of a loan award pursuant to guidelines adopted pursuant to subsection (f) of this section, provided that a loan shall not exceed the lesser of:

(1) \$200,000.00;

(2)(A) six months of eligible fixed costs; or

(B) if, due to the nature of the business and its historical experience fixed costs are not an accurate measure of ongoing operational need, another amount based on a comparable measure of cost; or

(3) the amount of the cumulative decline in adjusted net operating income during the COVID-19 public health emergency in 2020 and 2021.

(e) Eligible use of loan; loan forgiveness.

(1) A loan recipient may use loan proceeds to pay for eligible fixed costs or operating expenses but shall not use the proceeds for capital expenditures.

(2) The Authority shall approve loan forgiveness based on documentation evidencing loan proceeds were used to pay for eligible fixed costs or operating expenses.

(f) Guidelines. The Vermont Economic Development Authority shall consult with the Legislative Joint Fiscal Office to develop guidelines and approval processes for the VEDA Short-Term Forgivable Loan Program and shall submit the proposed guidelines and processes to the Joint Fiscal Committee for approval prior to accepting applications for grants through the Program.

(g) Priority sectors. When considering whether and how to prioritize economic sectors that have suffered economic harm due to the COVID-19 pandemic, the Agency of Commerce and Community Development may designate one or more sectors for priority funding through the Program, including the arts and culture, travel, lodging, tourism, agriculture, and child care sectors.

Sec. 5a. INTENT; WINDHAM COUNTY ECONOMIC DEVELOPMENT

It is the intent of the General Assembly to take any legislative action necessary:

(1) to transfer all unobligated Windham County Economic Development Program grant funds and Program special fund balances from the Agency of Commerce and Community Development to the Brattleboro Development Credit Corporation not later than October 1, 2022;

(2) to move all Program-related loans and loan servicing functions from the Vermont Economic Development Authority to the Corporation not later than October 1, 2022; and

(3) to ensure that future payments of principal and interest on outstanding loans originally issued by the Authority are paid to the Corporation.

\* \* \* Project-Based Tax Increment Financing \* \* \*

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

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

- (1) the City of Burlington, Downtown;
- (2) the City of Burlington, Waterfront;
- (3) ~~the Town of Milton, North and South~~ Town of Bennington;
- (4) ~~the City of Newport~~ City of Montpelier;
- (5) the City of Winooski;
- (6) ~~the Town of Colchester~~;
- ~~(7)~~ the Town of Hartford;
- ~~(8)~~(7) the City of St. Albans;
- ~~(9)~~(8) the City of Barre;
- ~~(10)~~(9) the Town of Milton, Town Core; and

(11)(10) the City of South Burlington.

Sec. 7. 32 V.S.A. § 5404a is amended to read:

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

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

\* \* \*

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

(2) Notwithstanding any other provision of law, if a municipality has entered into an agreement that reduces the municipality's education property tax liability under this chapter and the municipality establishes a tax increment financing district under 24 V.S.A. chapter 53, subchapter 5, the municipality's municipal and education tax increment shall be calculated based on the assessed value of the properties in the municipality's grand list and not on the stabilized value.

\* \* \*

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

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

(2) The Council shall not approve more than ~~six~~ four districts in the

State, and not more than two per county, provided:

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

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

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

(D) The Council shall not approve more than one district in Bennington County and one district in Washington County.

\* \* \*

(4) In any year that the assessed valuation of real property in a district decreases in comparison to the original taxable value of the real property in a district, a municipality shall pay the amount equal to the tax calculated based on the original taxable value to the Education Fund.

\* \* \*

(h) To approve utilization of incremental revenues pursuant to subsection (f) of this section:

\* \* \*

(4) Project criteria. Determine that the proposed development within a tax increment financing district will accomplish at least three of the following five criteria:

\* \* \*

(C) The project will affect the remediation and redevelopment of a brownfield located within the district. In the case of a brownfield, the Vermont Economic Progress Council is authorized to adopt rules pursuant to subsection (j) of this section to clarify what is a reasonable improvement, as defined in 24 V.S.A. § 1891, to remediate and stimulate the development or redevelopment in the district. As used in this section, "brownfield" means an

area in which a hazardous substance, pollutant, or contaminant is or may be present, and that situation is likely to complicate the expansion, development, redevelopment, or reuse of the property.

\* \* \*

Sec. 8. TAX INCREMENT FINANCING PROJECT DEVELOPMENT;  
PILOT PROGRAM

(a) Definitions. As used in this section:

(1) “Committed” means pledged and appropriated for the purpose of the current and future payment of tax increment financing and related costs as defined in this section.

(2) “Coordinating agency” means any public or private entity from outside the municipality’s departments or offices and not employing the municipality’s staff, which has been designated by a municipality to administer and coordinate a project during creation, public hearing process, approval process, or administration and operation during the life of the project, including overseeing infrastructure development, real property development and redevelopment, assisting with reporting, and ensuring compliance with statute and rule.

(3) “Financing” means debt incurred, including principal, interest, and any fees or charges directly related to that debt, or other instruments or borrowing used by a municipality to pay for improvements and related costs for the approved project, only if authorized by the legal voters of the municipality in accordance with 24 V.S.A. § 1894. Payment for eligible related costs may also include direct payment by the municipality using the district increment. However, such anticipated payments shall be included in the vote by the legal voters of the municipality in accordance with subsection (f) of this section. If interfund loans within the municipality are used as the method of financing, no interest shall be charged. Bond anticipation notes may be used as a method of financing and may qualify as a municipality’s first incurrence of debt. A municipality that uses a bond anticipation note during the third or sixth year that a municipality may incur debt pursuant to subsection (f) of this section shall incur all permanent financing not more than one year after issuing the bond anticipation note.

(4) “Improvements” means the installation, new construction, or reconstruction of infrastructure that will serve a public purpose, including utilities, transportation, public facilities and amenities, land and property acquisition and demolition, brownfield remediation, and site preparation. “Improvements” also means the funding of debt service interest payments for a



period of up to five years, beginning on the date on which the first debt is incurred.

(5) “Legislative body” means the mayor and alderboard, the city council, the selectboard, and the president and trustees of an incorporated village, as appropriate.

(6) “Municipality” means a city, town, or incorporated village.

(7) “Nexus” means the causal relationship that must exist between the improvements and the expected development and redevelopment in the TIF Project Zone or the expected outcomes in the TIF Project Zone.

(8) “Original taxable value” means the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property located within the project as of the creation date, provided that no parcel within the project shall be divided or bisected.

(9) “Project” means a public improvement, as defined in subdivision (4) of this subsection, with a total debt ceiling, including related costs, and principal and interest payments, of not more than \$5,000,000.00. A project must:

(A) Clearly require substantial public investment over and above the normal municipal operating or bonded debt expenditures.

(B) Only include public improvements that are integral to the expected private development.

(C) Meet one of the following four criteria:

(i) The development includes new or rehabilitated affordable housing, as defined in 24 V.S.A. § 4303.

(ii) The project will affect the remediation and redevelopment of a brownfield located within the district. As used in this section, “brownfield” means an area in which a hazardous substance, pollutant, or contaminant is or may be present, and that situation is likely to complicate the expansion, development, redevelopment, or reuse of the property.

(iii) The development will include at least one entirely new business or business operation or expansion of an existing business within the project, and this business will provide new, quality, full-time jobs that meet or exceed the prevailing wage for the region as reported by the Department of Labor.

(iv) The development will enhance transportation by creating improved traffic patterns and flow or creating or improving public

transportation systems.

(10) “Related costs” means expenses incurred and paid by the municipality, exclusive of the actual cost of constructing and financing improvements, that are directly related to the creation and implementation of the project, including reimbursement of sums previously advanced by the municipality for those purposes. Related costs may not include direct municipal expenses such as departmental or personnel costs.

(11) “TIF project zone” means an area located within one or more active designations approved by the Vermont Downtown Development Board under 24 V.S.A. chapter 76A, or located within an industrial park as defined in 10 V.S.A. § 212(7), for the parcels in a municipality that have nexus to the project.

(b) Pilot program. Beginning on January 1, 2023 and ending on December 31, 2027, the Vermont Economic Progress Council is authorized to approve a total of not more than four tax increment financing projects, ~~with not more than three projects per year~~; provided, however, that there shall not be more than one project per municipality.

(c) General authority. Under the pilot program established in subsection (b) of this section, a municipality, upon approval of its legislative body, may apply to the Vermont Economic Progress Council pursuant to the process set forth in subsection (e) of this section to use tax increment financing for a project.

(d) Eligibility.

(1) A municipality is only authorized to apply for a project under this section if:

(A) the project will serve one or more active designations approved by the Vermont Downtown Development Board under 24 V.S.A. chapter 76A, or is located within an industrial park as defined in 10 V.S.A. § 212(7); and

(B) the proposed infrastructure improvements and the projected development or redevelopment are compatible with confirmed municipal and regional development plans and the project has clear local and regional significance for employment, housing, brownfield remediation, or transportation improvements.

(2) A municipality with an approved tax increment financing district as set forth in 24 V.S.A. 1892(d) is not authorized to apply for a project under this section.

(e) Approval process. The Vermont Economic Progress Council shall do

all of the following to approve an application submitted pursuant to subsection (c) of this section:

(1)(A) Review each application to determine that the infrastructure improvements proposed to serve the project and the proposed development in the project would not have occurred as proposed in the application, or would have occurred in a significantly different and less desirable manner than as proposed in the application, but for the proposed utilization of the incremental tax revenues.

(B) The review shall take into account:

(i) the amount of additional time, if any, needed to complete the proposed development for the project and the amount of additional cost that might be incurred if the project were to proceed without education property tax increment financing;

(ii) how the proposed project components and size would differ, if at all, including, if applicable to the project, in the number of units of affordable housing, as defined in 24 V.S.A. § 4303, without education property tax increment financing;

(iii)(I) the amount of additional revenue expected to be generated as a result of the proposed project;

(II) the percentage of that revenue that shall be paid to the Education Fund;

(III) the percentage that shall be paid to the municipality; and

(IV) the percentage of the revenue paid to the municipality that shall be used to pay financing incurred for development of the project; and

(iv) the nexus between the improvement and the expected development and redevelopment for the project and expected outcomes in the TIF Project Zone.

(2) Process requirements. Determine that each application meets all of the following requirements:

(A) The municipality held public hearings and established a project.

(B) The municipality has developed a tax increment financing project plan, including a project description; a development financing plan; a pro forma projection of expected costs; a projection of revenues; a statement and demonstration that the project would not proceed without the allocation of a tax increment; evidence that the municipality is actively seeking or has obtained other sources of funding and investment; and a development schedule

that includes a list, a cost estimate, and a schedule for public improvements and projected private development to occur as a result of the improvements. The creation of the project shall occur at 12:01 a.m. on April 1 of the calendar year the municipal legislative body votes to approve the tax increment financing project plan.

(C) the municipality has approved or pledged the utilization of incremental municipal tax revenues for the purposes of the project in the proportion set for in subdivision (i)(2) of this section.

(f) Incurring indebtedness.

(1) A municipality approved under the process set forth in subsection (e) of this section may incur indebtedness against revenues to provide funding to pay for improvements and related costs for tax increment financing project development.

(2) Notwithstanding any provision of any municipal charter, the municipality shall only require one authorizing vote to incur debt through one instance of borrowing to finance or otherwise pay for the tax increment financing project improvements and related costs; provided, however, that a municipality may present one or more subsequent authorization votes in the event a vote fails. The municipality shall be authorized to incur indebtedness only after the legal voters of the municipality, by a majority vote of all voters present and voting on the question at a special or annual municipal meeting duly warned for the purpose, authorize the legislative body to pledge the credit of the municipality, borrow, or otherwise secure the debt for the specific purposes so warned.

(3) Any indebtedness shall be incurred within three years from the date of approval by the Vermont Economic Progress Council, unless the Vermont Economic Progress Council grants an extension of an additional three years pursuant to the substantial change process set forth in the 2015 TIF Rule; provided, however, that an updated plan is submitted prior to the three-year termination date of the project.

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

(h) Tax increments.

(1) In each year following the approval of the project, the lister or assessor shall include not more than the original taxable value of the real property in the assessed valuation upon which the treasurer computes the rates of all taxes levied by the municipality and every other taxing district in which the project is situated, but the treasurer shall extend all rates so determined against the entire assessed valuation of real property for that year. In each year, the municipality shall hold apart, rather than remit to the taxing districts, that proportion of all taxes paid that year on the real property within the project that the excess valuation bears to the total assessed valuation. The amount held apart each year is the “tax increment” for that year. Not more than the percentages established pursuant to subsection (i) of this section of the municipal and State education tax increments received with respect to the project and committed for the payment for financing for improvements and related costs shall be segregated by the municipality in a special tax increment financing project account and in its official books and records until all capital indebtedness of the project has been fully paid. The final payment shall be reported to the treasurer, who shall thereafter include the entire assessed valuation of the project in the assessed valuations upon which municipal and other tax rates are computed and extended, and thereafter no taxes from the project shall be deposited in the project’s tax increment financing account.

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

(3) Notwithstanding any charter provision or other provision, all property taxes assessed within a project shall be subject to the provision of subdivision (1) of this subsection. Special assessments levied under 24 V.S.A. chapter 76A or 87 or under a municipal charter shall not be considered property taxes for the purpose of this section if the proceeds are used exclusively for operating expenses related to properties within the project and not for improvements as defined in subdivision (a)(3) of this section.

(4) Amounts held apart under subdivision (1) of this subsection shall only be used for financing and related costs as defined in subsection (a) of this section.

(i) Use of tax increment.

(1) Education property tax increment. For only debt incurred within the period permitted under subdivision (e)(3) of this section after approval of the project, up to 70 percent of the education tax increment may be retained for up to 20 years, beginning with the education tax increment generated the year in which the first debt incurred for the project financed in whole or in part with incremental education property tax revenue. Upon incurring the first debt, a

municipality shall notify the Department of Taxes and the Vermont Economic Progress Council of the beginning of the 20-year retention period of the education tax increment.

(2) Use of the municipal property tax increment. For only debt incurred within the period permitted under subdivision (e)(3) of this section after approval of the project, not less than 85 percent of the municipal tax increment shall be retained to service the debt, beginning the first year in which debt is incurred, pursuant to subdivision (1) of this subsection.

(j) Distribution. Of the municipal and education tax increments received in any tax year that exceed the amounts committed for the payment of the financing for improvements and related costs for the project, equal portions of each increment may be retained for the following purposes: prepayment of principal and interest on the financing, placed in a special account required by subdivision (g)(1) of this section and used for future financing payments or used for defeasance of the financing. Any remaining portion of the excess municipal tax increment shall be distributed to the city, town, or village budget, in the proportion that each budget bears to the combined total of the budgets, unless otherwise negotiated by the city, town, or village, and any remaining portion of the excess education tax increment shall be distributed to the Education Fund.

(k) Information reporting. Every municipality with an approved project pursuant to this section shall:

(1) Develop a system, segregated for the project, to identify, collect, and maintain all data and information necessary to fulfill the reporting requirements of this section, including performance measures.

(2) Provide, as required by events, notification to the Vermont Economic Progress Council and the Department of Taxes regarding any tax increment financing development project debt obligations, public votes, or votes by the municipal legislative body immediately following such obligation or vote on a form prescribed by the Council, including copies of public notices, agendas, minutes, vote tally, and a copy of the information provided to the public in accordance with 24 V.S.A. § 1894(i).

(3) Annually:

(A) Ensure that the tax increment financing project account required by subdivision (h)(1) is subject to the annual audit prescribed in subsection (m) of this section. Procedures must include verification of the original taxable value and annual and total municipal and education tax increments generated, expenditures for debt and related costs, and current balance.

(B) On or before October 1 of each year, on a form prescribed by the Council, submit an annual report to the Vermont Economic Progress Council and the Department of Taxes, including the information required by subdivision (2) of this section if not already submitted during the year, all information required by subdivision (A) of this subdivision (3), and the information required by 32 V.S.A. § 5404a(i), including performance measures and any other information required by the Council or the Department of Taxes.

(l) Annual report. The Vermont Economic Progress Council and the Department of Taxes shall submit an annual report to the Senate Committees on Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development and on Ways and Means on or before January 1 each year. The report shall include the date of approval, a description of the project, the original taxable value of the property subject to the project development, the scope and value of projected and actual improvements and developments in the TIF Project Zone, projected and actual incremental revenue amounts, and division of the increment revenue between project debt, the Education Fund, the special account required by subdivision (h)(1) and the municipal General Fund, projected and actual financing, and a set of performance measures developed by the Vermont Economic Progress Council, which may include outcomes related to the criteria for which the municipality applied and the amount of infrastructure work performed by Vermont firms.

(m) Audit; financial reports.

(1) The State Auditor of Accounts shall conduct performance audits of all projects approved under this section. The cost of conducting each audit shall be considered a “related cost” as defined in subdivision (a)(10) of this section and shall be billed back to the municipality pursuant to 32 V.S.A. § 168(b). Audits conducted pursuant to this subsection shall include a review of a municipality’s adherence to relevant statutes and policies adopted by the Vermont Economic Progress Council pursuant to subsection (o) of this section, verification of the original taxable value, an assessment of record keeping related to revenues and expenditures, a validation of the portion of the tax increment retained by the municipality and used for debt repayment and the portion directed to the Education Fund, and current balance.

(2) The State Auditor shall conduct the audits described in subdivision (1) of this subsection based on the following schedule:

(A) a first audit shall be conducted five years after the first debt is incurred;

(B) a second audit shall be conducted seven years after completion of the first audit; and

(C) a final audit shall be conducted at the end of the period for retention of education increment.

(n) Authority to issue decisions.

(1) The Secretary of Commerce and Community Development, after reasonable notice to a municipality and an opportunity for a hearing, is authorized to issue decisions to a municipality on questions and inquiries concerning the administration of projects, statutes, rules, noncompliance with this section, and any instances of noncompliance identified in audit reports conducted pursuant to subsection (m) of this section.

(2) The Vermont Economic Progress Council shall prepare recommendations for the Secretary prior to the issuance of a decision. As appropriate, the Council may prepare such recommendations in consultation with the Commissioner of Taxes, the Attorney General, and the State Treasurer. In preparing recommendations, the Council shall provide a municipality with a reasonable opportunity to submit written information in support of its position. The Secretary shall review the recommendations of the Council and issue a final written decision on each matter within 60 days following the receipt of the recommendations. The Secretary may permit an appeal to be taken by any party to a Superior Court for determination of questions of law in the same manner as the Supreme Court may by rule provide for appeals before final judgment from a Superior Court before issuing a final decision.

(o) The Vermont Economic Progress Council is authorized to adopt policies that are consistent with the 2015 TIF Rule, as may be modified by subsequent rule, to implement this section.

Sec. 9. 24 V.S.A. § 1891 is amended to read:

§ 1891. DEFINITIONS

~~When~~ As used in this subchapter:

\* \* \*

(4) “Improvements” means the installation, new construction, or reconstruction of infrastructure that will serve a public purpose and fulfill the purpose of tax increment financing districts as stated in section 1893 of this subchapter, including utilities, transportation, public facilities and amenities, land and property acquisition and demolition, and site preparation. “Improvements” also means the funding of debt service interest payments for a



period of up to five years, beginning on the date in which the first debt is incurred.

\* \* \*

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

\* \* \*

Sec. 10. 24 V.S.A. § 1895 is amended to read:

§ 1895. ORIGINAL TAXABLE VALUE

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

(b) Boundary of the district. Any parcel within a district shall be located wholly within the boundaries of a district. No adjustments to the boundary of a district are permitted after the approval of a tax increment financing district plan as described in section 1894 of this title.

Sec. 11. [Deleted.]

\* \* \* Vermont Film and Media Industry \* \* \*

Sec. 12. VERMONT FILM AND MEDIA INDUSTRY TASK FORCE;  
STUDY; REPORT

(a) There is created the Vermont Film and Media Industry Task Force composed of the following members:

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

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

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

(4) a member, appointed by the Vermont Arts Council, who shall serve as chair and shall convene meetings of the Task Force.

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

(2) Members of the Task Force shall receive per diem compensation and reimbursement for expenses as provided in 32 V.S.A. § 1010 for not more than four meetings.

(c) On or before January 15, 2023, the Task Force shall consult relevant stakeholders in the film and media industry and shall study and submit a report to the House Committee on Commerce and Economic Development and to the Senate Committee on Economic Development, Housing and General Affairs that reviews the history of State efforts to cultivate the film and media industry in Vermont and what financial and other support the State may provide in the future to revitalize the industry following the COVID-19 pandemic and to invigorate the industry in the future, including:

(1) successes and failures of past State involvement;

(2) opportunities to invigorate the industry, attract filmmakers and media entrepreneurs, and promote Vermont as an attractive destination for tourism and for business development;

(3) how Vermont can differentiate and compete with other jurisdictions that also seek to cultivate a more expansive film and media industry;

(4) a survey of which entities, in State government and in the private sector, provide outreach and support to businesses in the industry;

(5) opportunities for employing federal COVID-19 relief funds to revive the industry; and

(6) a cost-benefit analysis of establishing new State financial, administrative, or other supports for the industry.

\* \* \* Minimum Wage \* \* \*

### Sec. 13. FINDINGS

The General Assembly finds:

(1) The COVID-19 pandemic has caused the labor market to tighten, which has resulted in employers offering higher starting wages to workers in many occupations.

(2) Supply chain disruptions and labor shortages related to the COVID-19 pandemic have caused significant inflation and increases in the cost of living for Vermonters.

(3) Increasing Vermont's minimum wage will better align the statutory minimum wage with the actual conditions in Vermont's labor market and will help lower-wage workers to better afford the cost of essential goods and services.

Sec. 13a. 21 V.S.A. § 384 is amended to read:

#### § 384. EMPLOYMENT; WAGES

(a)(1) An employer shall not employ any employee at a rate of less than \$10.96. ~~Beginning on January 1, 2021, an employer shall not employ any employee at a rate of less than \$11.75. Beginning on January 1, 2022, an employer shall not employ any employee at a rate of less than \$12.55. Beginning on January 1, 2023, an employer shall not employ any employee at a rate of less than \$13.75. Beginning on January 1, 2024, an employer shall not employ any employee at a rate of less than \$15.00,~~ and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01.

\* \* \*

\* \* \* COVID-19-Related Paid Leave Grant Program \* \* \*

### Sec. 14. FINDINGS AND INTENT

(a) The General Assembly finds that:

(1) COVID-19 has caused increased employee absences due to illness, quarantine, and school and daycare closures.

(2) Many employees do not have sufficient paid time off to cover all of their COVID-19-related absences from work.

(3) Some employers have provided their employees with additional paid time off for COVID-19-related purposes.

(4) The surge in COVID-19 cases caused by the Omicron variant of the virus has made it financially difficult or impossible for employers to provide additional paid time off to their employees for COVID-19-related purposes.

(5) Providing grants to employers to reimburse a portion of the cost of providing paid time off to employees for COVID-19-related purposes will:

(A) help to mitigate some negative economic impacts of the COVID-19 pandemic on employers;

(B) improve employee retention;

(C) prevent the spread of COVID-19 in the workplace; and

(D) provide crucial income to employees and their families.

(6) The Front-Line Employees Hazard Pay Grant Program established pursuant to 2020 Acts and Resolves No. 136, Sec. 6 and expanded pursuant to 2020 Acts and Resolves No. 168, Sec. 1 successfully directed millions of dollars in hazard pay to front-line workers during the first year of the COVID-19 pandemic. By utilizing grants to employers, who in turn provided the hazard pay to their employees, the Program enabled employers to retain employees and reward them for their hard work during the uncertainty of the early months of the COVID-19 pandemic.

(b) It is the intent of the General Assembly that the COVID-19-Related Paid Leave Grant Program created pursuant to section 14a of this act shall be modeled on the Front-Line Employees Hazard Pay Grant Program and shall assist employers in providing paid leave to their employees for COVID-19 related absences.

#### Sec. 14a. COVID-19-RELATED PAID LEAVE GRANT PROGRAM

(a)(1) There is established in the Agency of Administration the COVID-19-Related Paid Leave Grant Program to administer and award grants to employers to reimburse the cost of providing COVID-19-related paid leave provided to employees.

(2) The sum of \$16,500,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the

Agency of Administration in fiscal year 2023 for the provision of grants to reimburse employers for the cost of providing COVID-19-related sick leave. Not more than five percent of the amount appropriated pursuant to this subdivision (2) may be used for expenses related to program administration and outreach.

(b) As used in this section:

(1) “Agency” means the Agency of Administration.

(2) “COVID-19-related reason” means the employee is:

(A) self-isolating because the employee has been diagnosed with COVID-19 or tested positive for COVID-19;

(B) self-isolating pursuant to the recommendation of a health care provider or a State or federal public health official because the employee has been exposed to COVID-19 or the employee is experiencing symptoms of COVID-19;

(C) caring for a parent, grandparent, spouse, child, sibling, parent-in-law, grandchild, or foster child, because:

(i) the school or place of care where that individual is normally located during the employee’s workday is closed due to COVID-19;

(ii) that individual has been requested not to attend the school or the place of care where that individual is normally located during the employee’s workday due to COVID-19;

(iii) that individual has been diagnosed with or tested positive for COVID-19; or

(iv) that individual is self-isolating pursuant to the recommendation of a health care provider or a State or federal public health official because that individual has been exposed to or is experiencing symptoms of COVID-19;

(D) attending an appointment for the employee or the employee’s parent, grandparent, spouse, child, sibling, parent-in-law, grandchild, or foster child to receive a vaccine or a vaccine booster for protection against COVID-19; or

(E) experiencing symptoms, or caring for a parent, grandparent, spouse, child, sibling, parent-in-law, grandchild, or foster child who is experiencing symptoms, related to a vaccine or a vaccine booster for protection against COVID-19.

(3) “Employee” means an individual who, in consideration of direct or

indirect gain or profit, is employed by an employer to perform services in Vermont.

(4) “Employer” means any person that has one or more employees performing services for it in Vermont. “Employer” does not include the State or the United States.

(5) “Program” means the COVID-19-Related Paid Leave Grant Program established pursuant to this section.

(6) “Program period” means the period beginning on January 1, 2022 and ending on December 31, 2022.

(7) “Secretary” means the Secretary of Administration.

(c)(1) An employer may apply to the Secretary for one or more grants to reimburse the employer for the cost of paid leave provided to its employees for COVID-19-related reasons during the program period.

(2) An employer’s grant amount may include reimbursement for retroactively provided COVID-19-related paid leave to employees who took unpaid leave for a COVID-19-related reason during the program period because the employee did not have sufficient accrued paid leave available at the time that the employee took the leave.

(3) Employers may submit applications for grants not more than once each calendar month for paid leave provided during the program period between the beginning of the program period or the employer’s previous application, whichever is later, and the date of the employer’s current application.

(4) For the sole purpose of administering grants related to paid leave provided to independent direct support providers for COVID-19-related reasons, ARIS Solutions, as the fiscal agent for the employers of the independent direct support providers, shall have the authority to apply for a grant in the same manner as any employer.

(d)(1) The Secretary shall:

(A) adopt procedures for implementing the Program, which shall include a simple grant application process, a process to allow employers to certify the amount of paid leave provided for COVID-19-related reasons, and a process to allow employers to report on their use of the grant funds awarded pursuant to this section;

(B) promote awareness of the Program to employers;

(C) award grants to employers on a first-come, first-served basis,

subject to available funding; and

(D) develop and implement an audit strategy to assess grant utilization, the performance of the Program, and compliance with Program requirements.

(2)(A) The Secretary may delegate administration of one or more aspects of the Program to other agencies and departments of the State.

(B) The Secretary may enter into agreements, memoranda of understanding, or contracts with private entities as necessary to implement or administer the Program and, notwithstanding any provision of law to the contrary, shall not be required to competitively bid any contracts entered into pursuant to this subdivision (2)(B). For the purposes of the Program, the ongoing public health risk posed by COVID-19 shall be deemed to be an emergency situation that justifies the execution of sole source contracts pursuant to Bulletin 3.5, the State's Procurement and Contracting Procedures.

(e)(1) Employers may apply for grants to either reimburse a portion of the cost of COVID-19-related paid leave provided to employees or to provide funds to be used to retroactively provide paid leave to employees who took unpaid leave for COVID-19-related reasons.

(A) For reimbursement of COVID-19-related paid leave that was already provided, the employer may, subject to the limitations of subdivision (2) of this subsection (e), apply for a grant in an amount equal the number of hours of COVID-19-related paid leave provided to each employee multiplied by the greater of either the 67 percent of the minimum wage established pursuant to 21 V.S.A. § 384 or 67 percent of the employee's regular hourly wage.

(B) For COVID-19-related paid leave that will be provided retroactively to employees who took unpaid leave for COVID-19-related reasons, the employer may, subject to the limitations of subdivision (2) of this subsection (e), apply for a grant in an amount equal the number of hours of COVID-19-related paid leave to be provided to each employee multiplied by the greater of either the 67 percent of the minimum wage established pursuant to 21 V.S.A. § 384 or 67 percent of the employee's regular hourly wage.

(2)(A) An employer may only apply for a grant in relation to COVID-19-related leave that was taken by an employee during the program period.

(B) The maximum number of hours of COVID-19-related leave for each employee that an employer may seek grant funding for through the Program shall equal the lesser of 80 hours or two times the employee's average weekly hours worked for the employer during the six months

preceding the date of the first application relating to that employee.

(C) The maximum amount that an employer shall be eligible to receive for COVID-19-related paid leave for each employee shall be not more than \$27.50 per hour of leave, with an aggregate maximum of \$2,200.00 per employee during the program period.

(f) As a condition of being eligible to receive a grant through the Program, each employer shall be required to certify:

(1) that the employer is not seeking funds in relation to any amounts of paid leave that were deducted from the employee's accrued paid leave balance at the time the COVID-19-related leave was taken unless those amounts have been restored to the employee's accrued paid leave balance;

(2) grant funds shall only be used in relation to the payment of an employee's wages for the period when the employee was absent from work for a COVID-19-related reason; and

(3) employees receiving paid leave funded by a grant shall not be required to pay an administrative fee or other charge in relation to the employer requesting the grant.

(g) Each employer that receives a grant shall, not later than March 1, 2023, report to the Agency on a form provided by the Secretary the amount of grant funds used to provide paid leave to employees and the amount of any remaining grant funds that were not spent. All unspent grant funds shall be returned to the Agency pursuant to a procedure adopted by the Secretary.

(h) Any personally identifiable information that is collected by the Program, any entity of State government performing a function of the Program, or any entity that the Secretary contracts with to perform a function of the Program shall be kept confidential and shall be exempt from inspection and copying under the Public Records Act.

\* \* \* Study of Paid Family and Medical Leave Insurance \* \* \*

#### Sec. 14b. FINDINGS

The General Assembly finds that:

(1) The COVID-19 pandemic highlighted the challenges that a lack of paid leave poses to employees who must be absent from work for an extended period of time due to illness or caregiving needs.

(2) Paid family and medical leave insurance would provide essential income replacement for employees who must be absent from work for an extended period of time due to illness, caregiving needs, or the birth or



adoption of a child.

(3) Paid family and medical leave insurance would mitigate the impact of absences on employers by providing an affordable means of providing paid leave to employees while improving employee retention.

Sec. 14c. PAID FAMILY AND MEDICAL LEAVE; TASK FORCE;  
REPORT

(a) Creation. There is created the Paid Family and Medical Leave Insurance Task Force to reexamine the work and report of the Study Committee on Employee Funded Paid Leave created pursuant to 2013 Acts and Resolves No. 31, Sec. 13 and to investigate proven and tested paid family and medical leave insurance programs in the United States in order to develop an understanding of the best practices and implementation possibilities for the potential enactment of an equitable and affordable paid family and medical leave insurance program in Vermont, which may include both universal and voluntary models.

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

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

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

(c) Powers and duties.

(1) The Task Force shall examine the establishment of a paid family and medical leave program in Vermont, including the following:

(A) the potential for creating a paid family and medical leave insurance program in Vermont based on the experience of and best practices from currently operating paid family and medical leave insurance solutions in the United States that provide leave for the following purposes:

(i) bonding with a newborn or adopted child;

(ii) caring for an ill or injured family member;

(iii) the employee's own illness or injury; and

(iv) exigencies related to a family member serving in the U.S. Armed Forces;

(B) based on the solutions examined pursuant to subdivision (1) of

this subsection, develop and examine models and projections for the startup and implementation of similar solutions in Vermont, including:

- (i) potential start-up and administrative costs;
- (ii) administrative requirements and considerations;
- (iii) advantages relative to the other models;
- (iv) examples from other jurisdictions and the experience of the programs in those jurisdictions;
- (v) benefits and drawbacks; and
- (vi) any other considerations that the Task Force determines are relevant;

(C) opportunities to utilize tested and proven administrative models or public-private partnerships to reduce administrative costs of a paid family and medical leave insurance program or to enable a paid family and medical leave insurance benefits to be established more quickly; and

(D) considerations related to the potential enactment of a federal paid family and medical leave insurance program, including any measures that may be necessary to ensure that a potential State program could adapt to and complement the coverage provided by any federal program.

(2) The Task Force shall consult with affected stakeholders and interested parties, including stakeholders and interested parties representing:

- (A) the labor community;
- (B) Vermont businesses;
- (C) groups advocating for gender equity;
- (D) Vermonters who are Black, Indigenous, or a Person of Color; and
- (E) children and families.

(d) Assistance.

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

(2) The Task Force may contract with one or more entities or individuals for purposes of modeling and actuarial projections.

(e) Report. On or before January 15, 2023, the Task Force 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 with its findings and any recommendations for legislative action. The Task Force's report may take the form of draft legislation.

(f) Meetings.

(1) The Office of Legislative Operations shall call the first meeting of the Committee to occur on or before September 15, 2022.

(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 cease to exist on January 30, 2023.

(g) 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 six meetings.

(h) Appropriation. The sum of \$200,000.00 is appropriated to the General Assembly from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds in fiscal year 2023 for per diem compensation and reimbursement of expenses for members of the Task Force and for expenses related to modeling and actuarial projections.

\* \* \* Unemployment Insurance Benefits \* \* \*

Sec. 14d. FINDINGS

The General Assembly finds that:

(1) The COVID-19 pandemic caused significant disruption to Vermont's economy and resulted in unprecedented levels of unemployment.

(2) Unemployment insurance benefits provide only partial wage replacement, making it hard for unemployed individuals to afford basic necessities and living expenses.

(3) Significant inflation caused by supply chain, economic, and workforce disruptions related to the COVID-19 pandemic are making it increasingly difficult for unemployed individuals to afford basic necessities and living expenses.

(4) Temporarily increasing the weekly unemployment insurance benefit amount for unemployed individuals will help to mitigate the impact of the COVID-19 pandemic on the unemployed individuals' ability to afford basic necessities and living expenses.

(5) The General Assembly previously enacted a \$25.00 supplemental

increase to the weekly unemployment insurance benefit amount in 2021 Acts and Resolves No. 51, Sec. 11. However, the terms of that supplemental increase did not conform to federal requirements, and it never took effect. Enacting a supplemental \$25.00 weekly unemployment insurance benefit that will later be replaced by a temporary \$25.00 increase in the weekly unemployment insurance benefit amount will fulfill the commitment made by the General Assembly in 2021 Acts and Resolves No. 51, Sec. 11.

Sec. 14e. 2021 Acts and Resolves No. 51, Sec. 17(a)(4) is amended to read:

(4) ~~Sec. 12 (repeal of supplemental weekly benefit) shall take effect upon the payment of a cumulative total of \$100,000,000.00 in supplemental benefits pursuant to 21 V.S.A. § 1338(e)(2) on October 7, 2021 and shall apply prospectively to all benefit payments in the next week and each subsequent week.~~

Sec. 14f. 21 V.S.A. § 1341 is added to read:

§ 1341. UNEMPLOYMENT INSURANCE COVID-19 SUPPLEMENTAL BENEFIT

(a) Beginning on July 1, 2022, in addition to the amount of regular unemployment insurance benefits provided pursuant to section 1338 of this title, each individual who qualifies for benefits pursuant to the provisions of this chapter shall receive a separate supplemental benefit of \$25.00 each week.

(b) Benefits provided pursuant to this section shall be paid from the Unemployment Insurance COVID-19 Supplemental Benefit Special Fund established pursuant to section 1342 of this chapter.

Sec. 14g. 21 V.S.A. § 1342 is added to read:

§ 1342. UNEMPLOYMENT INSURANCE COVID-19 SUPPLEMENTAL BENEFIT SPECIAL FUND

There is established the Unemployment Insurance COVID-19 Supplemental Benefit Special Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. The Fund shall consist of any amounts appropriated to the Fund. The Commissioner may seek and accept grants from any source, public or private, to be dedicated for deposit into the Special Fund. The Commissioner shall use the Fund to provide the Supplemental Benefit established pursuant to section 1341 of this chapter and to pay all necessary costs associated with the administration of the Supplemental Benefit and of the Fund.

Sec. 14h. APPROPRIATION

\$8,000,000.00 is appropriated from the American Rescue Plan Act (ARPA)

– Coronavirus State Fiscal Recovery Funds to the Unemployment Insurance COVID-19 Supplemental Benefit Special Fund established pursuant to 21 V.S.A. § 1342. Not more than five percent of the amount appropriated may be used for administrative costs related to the implementation and payment of the Unemployment Insurance COVID-19 Supplemental Benefit established pursuant to 21 V.S.A. § 1341.

Sec. 14i. REPEALS

21 V.S.A. § 1341 (Unemployment Insurance COVID-19 Supplemental Benefit) and 21 V.S.A. § 1342 (Unemployment Insurance COVID-19 Supplemental Benefit Special Fund) are repealed on July 1, 2024.

Sec. 14j. 21 V.S.A. § 1338 is amended to read:

§ 1338. WEEKLY BENEFITS

\* \* \*

(e) An individual's weekly benefit amount shall be determined by dividing the individual's two high quarter total subject wages required under subdivision (d)(1) of this section by 45 and adding \$25.00 to the resulting quotient, provided that the weekly benefit amount so determined shall not exceed the maximum weekly benefit amount computed pursuant to subsection (f) of this section.

(f)(1) The maximum weekly benefit amount shall be annually adjusted on the first day of the first calendar week in July to an amount equal to the sum of \$25.00 plus 57 percent of the State annual average weekly wage as determined by subsection (g) of this section.

\* \* \*

Sec. 14k. MODIFICATION OF UNEMPLOYMENT INSURANCE  
MAINFRAME CODE; ANNUAL REPORT; INDEPENDENT  
VERIFICATION

(a)(1) The Commissioner of Labor shall develop and implement changes to the unemployment insurance mainframe software or develop a modernized information technology system necessary to implement on January 1, 2025 the changes to the unemployment insurance weekly benefit amount enacted pursuant to Sec. 14j of this act. The changes to the mainframe or the modernized information technology system, as applicable, shall be developed and implemented in a manner that minimizes risk to the operation of the mainframe and the functions of the unemployment insurance program.

(2) The Commissioner of Labor and the Secretary of Digital Services shall, to the greatest extent possible, plan and carry out the development and

implementation of a modernized information technology system for the unemployment insurance program so that the modernized system is available in time to implement on January 1, 2025 the changes to the unemployment insurance weekly benefit amount enacted pursuant to Sec. 14j of this act.

(b) The Commissioner of Labor shall, on or before January 15, 2023 and January 15, 2024, submit a written report to the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, and the Legislative Information Technology Consultant retained by the Joint Fiscal Office detailing the actions taken and progress made in carrying out the requirements of subsection (a) of this section, the anticipated timeline for being able to implement the changes to the unemployment insurance weekly benefit amount enacted pursuant to Sec. 14j of this act, and potential implementation risks identified during the development process.

(c) The Legislative Information Technology Consultant shall, on or before February 15, 2023 and February 15, 2024, submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a review of the report submitted pursuant to subsection (b) of this section. The review shall include an assessment of whether the Department of Labor will be able to implement the changes to the unemployment insurance weekly benefit amount enacted pursuant to Sec. 14j of this act by January 1, 2025 and shall identify any potential risks or concerns related to implementation that are not addressed in the Commissioner's report.

Sec. 14l. 21 V.S.A. § 1338 is amended to read:

§ 1338. WEEKLY BENEFITS

\* \* \*

(e) An individual's weekly benefit amount shall be determined by dividing the individual's two high quarter total subject wages required under subdivision (d)(1) of this section by 45 ~~and adding \$25.00 to the resulting quotient~~, provided that the weekly benefit amount so determined shall not exceed the maximum weekly benefit amount computed pursuant to subsection (f) of this section.

(f)(1) The maximum weekly benefit amount shall be annually adjusted on the first day of the first calendar week in July to an amount equal to ~~the sum of~~ \$25.00 ~~plus~~ 57 percent of the State annual average weekly wage as determined by subsection (g) of this section.

\* \* \*

\* \* \* Appropriations \* \* \*

Sec. 15. APPROPRIATIONS

(a) Reversion. In fiscal year 2022, of the amounts appropriated in 2021 Acts and Resolves No. 74, Sec. G. 300(a)(13), from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Commerce and Community Development for the Economic Recovery Grant Program, \$25,500,000.00 shall revert to the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds.

(b) Recruitment and marketing. In fiscal year 2023, the following amounts are appropriated from the sources, to the recipients, and for the purposes specified:

(1) Worker recruitment. The amount of \$6,000,000.00 is appropriated from the General Fund to the Agency of Commerce and Community Development for worker recruitment activities and for the relocated and remote worker program.

(2) Tourism and marketing; relocation. In fiscal year 2023, the following amounts are appropriated from the General Fund to the Department of Tourism and Marketing, which the Department shall expend over two years:

(A) \$1,200,000.00 to support a regional relocation network; and

(B) \$3,000,000.00 for marketing and promotion.

(c) COVID economic support. In fiscal year 2022, the amount of \$20,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds as follows:

(1) VEDA Short-Term Forgivable Loan Program. \$15,000,000.00 to the Vermont Economic Development Authority for the VEDA Short-Term Forgivable Loan Program.

(2) Creative economy grants. \$5,000,000.00 to the Vermont Arts Council to provide grants for monthly operating costs, including rent, mortgage, utilities, and insurance, to creative economy businesses and nonprofits that have sustained substantial losses due to the pandemic.

(d) Workforce development. It is the intent of the General Assembly to provide \$26,900,000.00 from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds and the State General Fund to be allocated for workforce investment initiatives, including to address critical needs in nursing and the skilled trades and to provide training opportunities for young adult Vermonters seeking to acquire skills. The specific programs to be

funded shall be included in H.703 or other legislation passed in the 2022 legislative session.

(e) Downtown development. Of the amounts appropriated to the Agency of Commerce and Community Development in fiscal year 2023 for the Better Places Program, Think Vermont initiative, or other programs that promote downtown development, the Agency may allocate not more than \$485,000.00 to provide funding to one or more nonprofit organizations that sponsor a downtown designation to:

(1) expand the ability of the downtown organizations to educate, guide, and partner with businesses, nonprofits, and community organizations to strengthen downtown models and leverage State funding to incentivize broader participation;

(2) support marketing, content development, and increased digital reach for downtown organizations, individually and collectively; and

(3) support communication within the coordinated effort of these State-mandated organizations to leverage successes.

(f) Community-based economic development. It is the intent of the General Assembly that up to \$11,000,000.00 of funding be provided in fiscal year 2023 in other legislation for the following community-based economic development initiatives:

(1) the Department of Forests, Parks and Recreation Vermont Outdoor Recreation Economic Collaborative (VOREC) Community Grant Program; and

(2) the Department of Economic Development grant program for remediation and redevelopment of brownfield sites.

\* \* \* Sports Betting Study Committee \* \* \*

## Sec. 16. SPORTS BETTING; FINDINGS

The General Assembly finds that:

(1) An estimated 28 percent of adults in the United States bet on sports and 46 percent of adults say that they have an interest in betting on sports.

(2) Based on current participation rates and expected growth, it is estimated that Vermont could generate from \$640,000.00 to \$4.8 million in the first year of sports betting revenue taxes and \$1.3 million to \$10.3 million in the second year, depending on the regulatory model chosen by the General Assembly.

(3) As of March 2022, 31 states and the District of Columbia have some



form of active legal sports betting operations while an additional three states have enacted laws or adopted ballot measures to permit legal sports betting.

(4) Legislation has also been introduced in at least 14 of the states without a legal sports betting market, including Vermont, to legalize, regulate, and tax sports betting.

(5) Given the widespread participation in sports betting, the General Assembly finds that careful examination of whether and how best to regulate sports betting in Vermont and protect Vermonters involved in sports betting is necessary.

#### Sec. 17. SPORTS BETTING; STUDY COMMITTEE; REPORT

(a) Creation. There is created the Sports Betting Study Committee to examine whether and how to regulate sports betting in Vermont.

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

(1) the Attorney General or designee;

(2) the Commissioner of Liquor and Lottery or designee;

(3) the Commissioner of Taxes or designee;

(4) the Secretary of State or designee;

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

(6) two current members of the Senate, who shall be appointed by the Committee on Committees; and

(7) two current members of the House, who shall be appointed by the Speaker of the House.

(c) Powers and duties. The Study Committee shall examine the sports betting study conducted by the Office of Legislative Counsel and Joint Fiscal Office and shall study various models for legalizing, taxing, and regulating sports betting, including the following issues:

(1) studies carried out by other states concerning the legalization, taxation, and regulation of sports betting;

(2) laws enacted by other states to legalize, tax, and regulate sports betting;

(3) potential models for legalizing and regulating sports betting in Vermont, including any advantages or drawbacks to each model;

(4) potential models for legalizing and regulating online sports betting, including any advantages or drawbacks to each model;

(5) potential tax and fee structures for sports betting activities;

(6) potential restrictions or limitations on the types of sports that may be bet on, including whether and to what extent restrictions should be imposed with respect to the participant age, amateur status, and location of sporting events that may be bet on; and

(7) potential impacts on various socioeconomic and demographic groups and on problem gambling and the resources necessary to address the identified impacts.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Office of Legislative Council and the Joint Fiscal Office.

(e) Report. On or before December 15, 2022, the Study Committee 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 with its findings, recommendations for legislative action, and a draft of proposed legislation.

(f) Meetings.

(1) The Attorney General or designee shall call the first meeting of the Committee to occur on or before September 1, 2022.

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

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

(4) The Committee shall cease to exist on December 30, 2022.

(g) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, legislative members of the Committee serving in their capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than four meetings. These payments shall be made from monies appropriated to the General Assembly.

\* \* \* SALT Deduction Cap Workaround \* \* \*

Sec. 17a. REPORT; CONSENSUS ESTIMATE; SALT DEDUCTION CAP  
WORKAROUND

(a) On or before January 15, 2023, the Commissioner of Taxes shall submit a written report to the House Committees on Commerce and Economic Development and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs and on Finance providing fiscal analysis and proposing options, including recommended legislation, for creating an elective pass-through entity income tax and offsetting structure. The proposed options required under this section shall be structured in a way that includes:

(1) compliance with Treasury Department regulations and Internal Revenue Service guidance relating to the inapplicability of the limitation on individual itemized deductions under 26 U.S.C. § 164(d)(6) to pass-through entities; and

(2) a projected impact on the revenues of this State that is revenue neutral or revenue positive.

(b) In preparing the report and associated fiscal analysis required under subsection (a) of this section, the Commissioner shall consult with the Joint Fiscal Office and reach a consensus estimate of the revenue impact of the Commissioner's proposed options for creating an elective pass-through entity income tax and offsetting structure.

\* \* \* Downtown Tax Credits \* \* \*

Sec. 18. 32 V.S.A. § 5930ee is amended to read:

§ 5930ee. LIMITATIONS

Beginning in fiscal year ~~2010~~ 2023 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed ~~\$3,000,000.00~~ \$4,350,000.00 with up to \$1,000,000.00 awarded to qualified projects in neighborhood development areas;

\* \* \*

Sec. 19. 32 V.S.A. § 5930ee is amended to read:

§ 5930ee. LIMITATIONS

Beginning in fiscal year ~~2023~~ 2025 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed \$4,350,000.00 with up to \$1,000,000.00 awarded to qualified projects in neighborhood development areas \$3,000,000.00;

\* \* \*

Sec. 20. FY 2024 DOWNTOWN AND VILLAGE CENTER TAX CREDIT PROGRAM OFFSET

In fiscal year 2023, the amount of \$1,350,000.00 shall be carried forward within the General Fund to be available in fiscal year 2024 to provide onetime increased fiscal capacity for the Downtown and Village Center Tax Credit Program.

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

Sec. 21. EFFECTIVE DATES

(a) Sec. 4 (Capital Investment Grant Program), Sec. 5 (VEDA Short-Term Forgivable Loan Program), and Sec. 15(b)–(d) (appropriations) shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Sec. 14e (repeal of prior unemployment insurance supplemental benefit) shall take effect retroactively on October 7, 2021.

(c)(1) Sec. 14f (temporary unemployment insurance supplemental benefit) shall take effect on July 1, 2022 and shall apply to benefit weeks beginning after that date.

(2) Secs. 14g (special fund), 14h (appropriation for temporary unemployment insurance supplemental benefit), and 14i (sunset of Unemployment Insurance Supplemental Benefit) shall take effect on July 1, 2022.

(d) Sec. 14j (increase in unemployment insurance weekly benefit amount) shall take effect on July 1, 2024 and shall apply to benefit weeks beginning after that date.

(e) Sec. 14l (prospective repeal of unemployment insurance benefit increase) shall take effect upon the payment of a cumulative total of \$92,000,000.00 in additional benefits pursuant to 21 V.S.A. § 1338(e) when compared to the rate at which benefits would have been paid under the formula set forth in 21 V.S.A. § 1338(e) on June 30, 2024 and shall apply to benefit weeks beginning after that date.

(f) Sec. 14k (report on implementation of change to unemployment insurance weekly benefit) shall take effect on passage.

(g) Sec. 19 (32 V.S.A. § 5930ee) shall take effect on July 1, 2024.

(h) All remaining sections of this act shall take effect on July 1, 2022.

(For text see House Journal March 24, 2022 )

**Action Postponed Until April 27, 2022**

**Favorable**

**S. 247**

An act relating to prohibiting discrimination based on genetic information

**Rep. Cordes of Lincoln**, for the Committee on Health Care, recommends that the bill ought to pass in concurrence.

**(Committee Vote:7-1-3)**

**(For text see Senate Journal March 11, 2022 )**

**Action Postponed Until May 6, 2022**

**Governor's Veto**

**H. 157**

An act relating to registration of construction contractors.

For text of Veto Message, please see the House Journal from February 10, 2022

**Action Postponed Until May 17, 2022**

**Governor's Veto**

**S. 30**

An act relating to prohibiting possession of firearms within hospital buildings.

For text of Veto Message, please see Senate Journal of March 11, 2022

**Consent Calendar**

**Concurrent Resolutions for Adoption Under Joint Rule 16a**

The following concurrent resolutions have been introduced for approval by the Senate and House and will be adopted automatically unless a Senator or Representative requests floor consideration before today's adjournment. Requests for floor consideration in either chamber should be communicated to

the Secretary's office and/or the House Clerk's office, respectively. For text of resolutions, see Addendum to House Calendar of April 21, 2022.

**H.C.R. 144**

House concurrent resolution congratulating Blake Hill Preserves' owners Vicki Allard and Joe Hanglin on being named the U.S. Small Business Administration's 2022 Vermont Small Business Persons of the Year

**H.C.R. 145**

House concurrent resolution recognizing June 27, 2022 as Post-Traumatic Stress Injury Awareness Day in Vermont

**H.C.R. 146**

House concurrent resolution congratulating Megan Nick on winning the bronze medal in women's individual aerials at the 2022 Winter Olympics

**H.C.R. 147**

House concurrent resolution congratulating Ryan Cochran-Siegle of Starksboro on winning the silver medal in the super-G alpine skiing race at the 2022 Winter Olympics

**H.C.R. 148**

House concurrent resolution recognizing April 2022 as World Landscape Architecture Month and designating April 26, 2022 as Fredrick Law Olmsted Day in Vermont

**H.C.R. 149**

House concurrent resolution honoring former Sunderland Town Clerk and Treasurer Rose Keough

**For Informational Purposes**

Grants and Positions that have been submitted to the Joint Fiscal Committee by the Administration, under 32 V.S.A. §5(b)(3)(D):

**JFO #3092 - \$420,000** to the VT Agency of Natural Resources, Dept of Environmental Conservation from the Environmental Protection Agency. The grant is for improved drinking water in underserved areas and will support construction of replacement drinking water infrastructure for the town of Milton's Mobile Home Cooperative.

*[Received March 23, 2022]*

**JFO #3093 - \$1,000,000.00** to the VT Agency of Commerce and Community Development from the U.S. Economic Development Administration. Funds for the use of Statewide Economic Recovery Planning.

*[Received March 23, 2022]*

**JFO #3094** – 11 (eleven) limited-service positions to the VT Agency of Human Services, Dept for Children and Families, to administer and support emergency and transitional housing programs. Positions funded through previously approved grant [#3034](#) (U.S. Emergency Assistance Rental Program) and funded through 9/30/2025.

*[Received 3/23/2022, expedited review approved on 3/29/2022]*

**JFO #3095 - \$1,859,890** to the VT Department of Public Safety from the Federal Emergency Management Agency. Funding for flooding that occurred in Bennington and Windham counties between 7/29/21 and 7/30/21.

*[Received March 23, 2022]*

**JFO #3096** – Ten (10) limited-service positions to the Agency of Human Services, Department of Health to support the Public Health Emergency Response Supplemental Award for response to the Covid-19 pandemic. Funded by previously approved JFO grant #2070. Positions funded through 6/30/2023. Please see page 3 of this document for a list of positions.

*[Received April 11, 2022]*

**JFO #3097** – Two (2) limited-service positions to the Vermont Agency of Human Services, Department of Health funded through a Substance Abuse Block grant supplement which was part of the American Recovery Act funding. Positions to help relieve the increase of substance abuse due to isolation during the Covid-19 pandemic. One (1) Substance Use Information Specialist, and one (1) Public Health Analyst funded through 9/30/2025.

*[Received April 11, 2022]*