

House Calendar

Wednesday, April 27, 2022

114th DAY OF THE ADJOURNED SESSION

House Convenes at 1:00 P.M.

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ACTION CALENDAR

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)

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examine all motor vehicle violations for the purpose of making recommendations on whether or not statutes should be repealed, modified, or limited to secondary enforcement.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)

NEW BUSINESS

Third Reading

H. 743

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

S. 100

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

S. 127

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

S. 195

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

S. 286

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

Amendment to be offered by Rep. Beck of St. Johnsbury to S. 286

Representative Beck of St. Johnsbury moves that the House propose to the Senate that the bill be amended as follows:

First: By striking out Sec. 11, 3 V.S.A. § 473, and inserting a new Sec. 11 to read as follows:

Sec. 11. 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 ~~Except as provided in subsection (g) of this section, 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. Except as provided in subsection (g) of this section:

(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. Except as provided in subsection (g) of this section, 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. Except as provided in subsection (g) of this section, 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.

(E) Group G members. Except as provided in subsection (g) of this section, commencing on July 1, 2023, the contribution rate for Group G 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 G 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 G member hourly rates of pay, the contribution rate shall be 11.23 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 G member hourly rates of pay, the contribution rate shall be as follows:

(I) commencing in fiscal year 2024, 12.23 percent of compensation; and

(II) commencing in fiscal year 2025 and annually thereafter, 12.73 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 G member hourly rates of pay, the contribution rate shall be as follows:

(I) commencing in fiscal year 2024, 12.23 percent of compensation;

(II) commencing in fiscal year 2025, 12.73 percent of compensation; and

(III) commencing in fiscal year 2026 and annually thereafter, 13.23 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 G member hourly rates of pay, the contribution rate shall be as follows:

(I) commencing in fiscal year 2024, 12.23 percent of compensation;

(II) commencing in fiscal year 2025, 12.73 percent of compensation;

(III) commencing in fiscal year 2026, 13.23 percent of compensation; and

(IV) commencing in fiscal year 2027 and annually thereafter, 13.73 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, and Group G members.

(7) [Repealed.]

(c) Employer contributions, earnings, and payments.

* * *

(8) Annually, the Board shall certify:

(A) an amount to pay the annual actuarially determined employer contribution, as calculated in this subsection, and additional amounts as follows:

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

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

(ii) 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; and

(B) the amount that the annual actuarially determined employer contribution, as calculated in this subsection (c), has increased over the prior year amount.

* * *

(g) Employee cost-sharing. Notwithstanding any other provision of law, commencing on July 1, 2022, if, in any fiscal year, there is an increase by three and one-half percent or more in the annual actuarially determined employer contribution over the prior year's contribution amount, as certified in subdivision (c)(8) of this section, the contribution rates established in subsection (b) of this section shall be increased by not more than one-half percent.

Second: By striking out Sec. 19, 16 V.S.A. § 1944, by inserting a new Sec. 19 to read as follows:

Sec. 19. 16 V.S.A. § 1944 is amended to read:

§ 1944. VERMONT TEACHERS' RETIREMENT FUND

(a) Pension Fund. All of the assets of the System shall be credited to the Vermont Teachers' Retirement Fund.

(b) Member contributions.

(1) Contributions deducted from the compensation of members shall be accumulated in the Pension Fund and separately recorded for each member.

(2) ~~The~~ Except as provided in subsection (j) of this section, the proper authority or officer responsible for making up each employer payroll shall cause to be deducted from the compensation:

(A) ~~of~~ Of each Group A member, five and one-half percent of the member's total earnable compensation, including compensation paid for absence as provided by subsection 1933(d) of this title.

(B) ~~from~~ Of each Group C member with at least five years of membership service as of July 1, 2014, five percent of the member's earnable compensation; and from each Group C member with less than five years of membership service as of July 1, 2014, six percent of the member's earnable compensation, including the following shall apply:

(i) Beginning on July 1, 2022, a Group C member shall have the rate set forth in this subdivision (b)(2)(B)(i) applied to the member's total earnable compensation for the fiscal year, which shall include compensation paid for absence as provided by subsection 1933(d) of this title. A member's effective rate shall not be adjusted during any fiscal year.

(I) If a member's base salary is at or below \$40,000.00, the rate is 6.0 percent.

(II) If a member's base salary is \$40,000.01 or more but not more than \$50,000.00, the rate is 6.05 percent.

(III) If a member's base salary is \$50,000.01 or more but not more than \$60,000.00, the rate is 6.10 percent.

(IV) If a member's base salary is \$60,000.01 or more but not more than \$70,000.00, the rate is 6.20 percent.

(V) If a member's base salary is \$70,000.01 or more but not more than \$80,000.00, the rate is 6.25 percent.

(VI) If a member's base salary is \$80,000.01 or more but not more than \$90,000.00, the rate is 6.35 percent.

(VII) If a member's base salary is \$90,000.01 or more but not more than \$100,000.00, the rate is 6.50 percent.

(VIII) If a member's base salary is \$100,000.01 or more, the rate is 6.65 percent.

(ii) Beginning on July 1, 2023, a Group C member shall have the rate set forth in this subdivision (b)(2)(B)(ii) applied to the member's total earnable compensation for the fiscal year, which shall include compensation paid for absence as provided by subsection 1933(d) of this title. A member's rate shall not be adjusted during any fiscal year unless the member's full-time equivalency status changes, which shall require that the member's rate be recalculated and the new rate applied for the remainder of that fiscal year.

(I) If a member's base salary is at or below \$40,000.00, the rate is 6.10 percent.

(II) If a member's base salary is \$40,000.01 or more but not more than \$50,000.00, the rate is 6.15 percent.

(III) If a member's base salary is \$50,000.01 or more but not more than \$60,000.00, the rate is 6.25 percent.

(IV) If a member's base salary is \$60,000.01 or more but not more than \$70,000.00, the rate is 6.35 percent.

(V) If a member's base salary is \$70,000.01 or more but not more than \$80,000.00, the rate is 6.50 percent.

(VI) If a member's base salary is \$80,000.01 or more but not more than \$90,000.00, the rate is 6.75 percent.

(VII) If a member's base salary is \$90,000.01 or more but not more than \$100,000.00, the rate is 7.0 percent.

(VIII) If a member's base salary is \$100,000.01 or more, the rate is 7.25 percent.

(iii) Beginning on July 1, 2024 and annually thereafter, a Group C member shall have an effective rate, rounded to the nearest hundredth of a percent, that is calculated based on the member's base salary as of July 1 each year, which equals the member's total earnable compensation, including compensation paid for absence as provided by subsection 1933(d) of this title, and any additional stipends identified as of July 1 for the next fiscal year. A member's effective rate shall not be adjusted during any fiscal year unless the

member's full-time equivalency status changes, which shall require that the member's effective rate be recalculated and the new rate applied for the remainder of that fiscal year. For a member who works a part-time equivalency status, the effective rate shall apply to the member's total earnable compensation and not on an amount equal to an annualized base salary. If a member is employed on a part-time equivalency status with two or more employers, the highest effective rate shall be applied to the amounts deducted from each employer. A member's effective rate shall be calculated according to the following marginal rates and income brackets:

(I) if a member's base salary is at or below \$40,000.00, the rate is 6.25 percent;

(II) if a member's base salary is \$40,000.01 or more but not more than \$60,000.00, the rate is the equivalent of \$2,900.00 on \$40,000.00 and 6.75 percent of the member's salary that is \$40,000.01 or more;

(III) if a member's base salary of \$60,000.01 or more but not more than \$80,000.00, the rate is the equivalent of \$3,850.00 on \$60,000.00 and 7.5 percent of the member's salary that is \$60,000.01 or more;

(IV) if a member's base salary is \$80,000.01 or more but not more than \$100,000.00, the rate is the equivalent of \$5,350.00 on \$80,000.00 and 8.25 percent of the member's salary that is \$80,000.01 or more; and

(V) if a member's base salary is \$100,000.01 or more, the rate is the equivalent of \$7,000.00 on \$100,000.00 and 9.0 percent of the member's salary that is \$100,000.01 or more.

(C) In determining the amount earnable by a member set forth in this subdivision (2) in a payroll period, the Board may consider the rate of compensation payable to such member on the first day of a payroll period as continuing throughout the payroll period, and it may omit deduction from compensation for any period less than a full payroll period if a teacher 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 shall not exceed one-tenth of one percent of the annual earnable compensation upon the basis of which such deduction is made. The actuary shall make annual valuations of the reduction to the recommended State contribution attributable to the increase from five to six percent, and the Board shall include the amount of this reduction in its written report pursuant to subsection 1942(r) of this title.

* * *

(c) State contributions, earnings, and payments.

(1) All State appropriations and all reserves for the payment for all pensions including all interest and dividends earned on the assets of the Retirement System shall be accumulated in the Pension Fund. All benefits payable under the System, except for retired teacher health and medical benefits, shall be paid from the Pension Fund. Annually, the Retirement Board shall allow regular interest on the individual accounts of members in the Pension Fund ~~which~~ that shall be credited to each member's account.

(2) Beginning with the actuarial valuation as of June 30, 2006, the contributions to be made to the Pension Fund by the State shall be determined on the basis of the actuarial cost method known as "entry age normal." On account of each member, there shall be paid annually by the State into the Pension Fund a percentage of the earnable compensation of each member to be known as the "normal contribution" and an additional percentage of the member's earnable compensation to be known as the "accrued liability contribution." The percentage rate of such contributions shall be fixed on the basis of the liabilities of the System as shown by actuarial valuation. "Normal contributions" and "accrued liability contributions" shall be by separate appropriation in the annual budget enacted by the General Assembly.

(3) The normal contribution shall be the uniform percentage of the total compensation of members that, if contributed over each member's prospective period of service and added to such member's prospective contributions, if any, will be sufficient to provide for the payment of all future pension benefits after subtracting the sum of the unfunded accrued liability and the total assets of the Pension Fund.

(4) It is the policy of the State of Vermont to liquidate fully the unfunded accrued liability to the System. Beginning on July 1, 2008, until the unfunded accrued liability is liquidated, the accrued liability contribution shall be the annual payment required to liquidate the unfunded accrued liability over a closed period of 30 years ending on June 30, 2038, provided that:

(A) From July 1, 2009 to June 30, 2019, the amount of each annual basic accrued liability contribution shall be determined by amortization of the unfunded liability over the remainder of the closed 30-year period in installments increasing at a rate of five percent per year.

(B) Beginning on July 1, 2019 and annually thereafter, the amount of each annual basic accrued liability contribution shall be determined by amortization of the unfunded liability over the remainder of the closed 30-year period in installments increasing at a rate of three percent per year.

(C) Any variation in the contribution of normal or unfunded accrued liability contributions from those recommended by the actuary and any actuarial gains and losses shall be added or subtracted to the unfunded accrued liability and amortized over the remainder of the closed 30-year period.

* * *

(13) Annually, the Board shall certify:

(A) an amount to pay the annual actuarially determined employer contribution, as calculated in this subsection (c), and additional amounts as follows:

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

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

(ii) 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; and

(B) the amount that the annual actuarially determined employer contribution, as calculated in this subsection (c), has increased over the prior year amount.

* * *

(j) Employee cost-sharing. Notwithstanding any other provision of law, commencing on July 1, 2022, if, in any fiscal year, there is an increase by three and one-half percent or more in the annual actuarially determined employer contribution over the prior year's contribution amount, as certified in subdivision (c)(13) of this section, the contribution rates established in subsection (b) of this section shall be increased by not more than one-half percent.

* * *

Favorable with Amendment

S. 287

An act relating to improving student equity by adjusting the school funding formula and providing education quality and funding oversight

Rep. Kornheiser of Brattleboro, for the Committee on Ways and Means, 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:

* * * Findings and Goals * * *

Sec. 1. FINDINGS

(a) The Vermont Supreme Court, in *Brigham v. State*, 166 Vt. 246 (1997), held that education in Vermont is “a constitutionally mandated right” and that to “keep a democracy competitive and thriving, students must be afforded equal access to all that our educational system has to offer.” Therefore, the Court held that in order to “fulfill its constitutional obligation the [S]tate must ensure substantial equality of educational opportunity throughout Vermont.”

(b) The General Assembly reflected this holding in statute, 16 V.S.A. § 1, stating that “the right to education is fundamental for the success of Vermont’s children in a rapidly-changing society and global marketplace as well as for the State’s own economic and social prosperity. To keep Vermont’s democracy competitive and thriving, Vermont students must be afforded substantially equal access to a quality basic education...it is the policy of the State that all Vermont children will be afforded educational opportunities that are substantially equal although educational programs may vary from district to district.”

(c) Students come to school with needs that may require different types and levels of educational support for them to achieve common standards or outcomes. Similarly, schools may also require different levels of resources. Therefore, school districts with similar education property tax rates may achieve significantly different student outcomes.

(d) 2018 Acts and Resolves No. 173, Sec. 11 directed the Agency of Education to study the efficacy of the current pupil weights, which are used in Vermont’s school funding formula to provide equitable tax capacity to local school districts for spending on various student needs, and to consider whether increased or additional weights should be included in the equalized pupil count.

(e) On December 24, 2019, the Agency issued its Pupil Weighting Factors Report, which was produced by a University of Vermont-Rutgers University team of researchers. The Report found that neither the cost factors incorporated in the weighting formula nor the values of the current weights reflect contemporary educational circumstances and costs and that stakeholders viewed the existing approach as “outdated.” The Report found that values for the existing weights have weak ties, if any, with evidence describing differences in the costs for educating students with disparate needs or operating schools in different contexts and recommended that the General Assembly increase certain existing weights and add certain new weights.

(f) 2021 Acts and Resolves No. 59 created the Task Force on the Implementation of the Pupil Weighting Factors Report composed of eight members of the General Assembly, four Senators and four Representatives, to

recommend to the General Assembly an action plan and proposed legislation to ensure that all public school students have equitable access to educational opportunities, taking into account the Weighting Report. The Task Force unanimously recommended two systemic change options and a series of related provisions for either updating the weights or adopting a cost adjustment approach to providing direct aid to school districts as set out in its “Report Prepared in Accordance with Act No. 59 of the 2021 Legislative Session” dated December 17, 2021.

(g) Under current law, 16 V.S.A. § 4010, a weight of 0.46 is applied to a student enrolled in a prekindergarten program. The Pupil Weighting Factors Report did not review whether this weight reflected the actual cost of providing prekindergarten educational services because that review was not within the scope of the authors’ mandate. That review is now being undertaken pursuant to 2021 Acts and Resolves No. 45. Therefore, although the 0.46 prekindergarten weight is in current law, its status should be viewed as transitional pending the outcome of this review.

Sec. 2. GOALS

By enacting this legislation, the General Assembly intends to fulfill Vermont’s constitutional mandate to ensure that all students receive substantial equality of educational opportunity throughout the State. The legislation is designed to:

(1) increase educational equity by ensuring that the financial resources available to local school districts for educating students living in poverty, English learners, students in small rural schools, students in sparsely populated school districts, and students in middle and high schools are sufficient to meet the cost of educating these students;

(2) improve educational outcomes of publicly funded students throughout Vermont;

(3) improve transparency in the distribution of financial resources to school districts by simplifying the school funding formula and better tying educational expenditures to student needs; and

(4) enhance educational and financial accountability by ensuring that equitable resources are budgeted and expended for the education of students in these circumstances or categories and that regular evaluation mechanisms are utilized to assess educational equity and outcomes.

* * * Updated Weights; Implementation * * *

Sec. 3. INTENT OF ACT

This act updates and adds new pupil weights for fiscal year 2025 and thereafter. Because this change will affect homestead property tax rates, this act limits the degree to which these rates can increase over fiscal years 2025–2029.

Sec. 4. 16 V.S.A. § 4010 is amended to read:

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

~~(a) On or before the first day of December during each school year, the Secretary shall determine the average daily membership of each school district for the current school year. The determination shall list separately:~~

~~(1) resident prekindergarten children;~~

~~(2) resident students being provided elementary or kindergarten education; and~~

~~(3) resident students being provided secondary education.~~

~~(b) The Secretary shall determine the long-term membership for each school district for each student group described in subsection (a) of this section. The Secretary shall use the actual average daily membership over two consecutive years, the latter of which is the current school year.~~

~~(c) The Secretary shall determine the weighted long-term membership for each school district using the long-term membership from subsection (b) of this section and the following weights for each class:~~

~~Prekindergarten 0.46~~

~~Elementary or kindergarten 1.0~~

~~Secondary 1.13~~

~~(d) The weighted long-term membership calculated under subsection (c) of this section shall be increased for each school district to compensate for additional costs imposed by students from economically deprived backgrounds. The adjustment shall be equal to the total from subsection (c) of this section, multiplied by 25 percent, and further multiplied by the poverty ratio of the district.~~

~~(e) The weighted long-term membership calculated under subsection (c) of this section shall be further increased by 0.2 for each student in average daily membership for whom English is not the primary language.~~

~~(f) For purposes of determining weighted membership under this section, a district's equalized pupils shall in no case be less than 96 and one-half percent~~

~~of the actual number of equalized pupils in the district in the previous year, prior to making any adjustment under this section.~~

~~(g) The Secretary shall develop guidelines to enable clear and consistent identification of students to be counted under this section.~~

~~(h) On December 1 each year, the Secretary shall determine the equalized pupil count for the next fiscal year for district review. The Secretary shall make any necessary corrections on or before December 15, on which date the count shall become final for that year.~~

~~(i) The Secretary shall evaluate the accuracy of the weights established in subsection (c) of this section and, at the beginning of each biennium, shall propose to the House and Senate Committees on Education whether the weights should stay the same or be adjusted. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.~~

(a) Definitions. As used in this section:

(1) "EL pupils" means pupils described under section 4013 of this title.

(2) "FPL" means the Federal Poverty Level.

(3) "Weighting categories" means the categories listed under subsection (b) of this section.

(b) Determination of average daily membership and weighting categories. On or before the first day of December during each school year, the Secretary shall determine the average daily membership, as defined in subdivision 4001(1) of this title, of each school district for the current school year and shall perform the following tasks.

(1) Using average daily membership, list for each school district the number of:

(A) pupils in prekindergarten;

(B) pupils in kindergarten through grade five;

(C) pupils in grades six through eight;

(D) pupils in grades nine through 12;

(E) pupils whose families are at or below 185 percent of FPL, using the highest number of pupils in the district:

(i) that meet this definition under the universal income declaration form; or

(ii) who are directly certified for free-and reduced-priced meals;
and

(F) EL pupils.

(2)(A) Identify all school districts that have low population density, measured by the number of persons per square mile residing within the land area of the geographic boundaries of the district as of July 1 of the year of determination, equaling:

(i) fewer than 36 persons per square mile;

(ii) 36 or more persons per square mile but fewer than 55 persons per square mile; or

(iii) 55 or more persons per square mile but fewer than 100 persons per square mile.

(B) Population density data shall be based on the best available U.S. Census data as provided to the Agency of Education by the Vermont Center for Geographic Information.

(C) Using average daily membership, list for each school district that has low population density the number of pupils in each of subdivisions (A)(i)–(iii) of this subdivision (2).

(3)(A) Identify all school districts that have one or more small schools, which are schools that have an average two-year enrollment of:

(i) fewer than 100 pupils; or

(ii) 100 or more pupils but fewer than 250 pupils.

(B) As used in subdivision (A) of this subdivision (3), “average two-year enrollment” means the average enrollment of the two most recently completed school years, and “enrollment” means the number of pupils who are enrolled in a school operated by the district on October 1. A pupil shall be counted as one whether the pupil is enrolled as a full-time or part-time student.

(C) Using average two-year enrollment, list for each school district that has a small school the number of pupils in each of subdivisions (A)(i)–(ii) of this subdivision (3).

(c) Reporting on weighting categories to the Agency of Education. Each school district shall annually report to the Agency of Education by a date established by the Agency the information needed in order for the Agency to compute the weighting categories under subsection (b) of this section for that district. In order to fulfill this obligation, a school district that pays public tuition on behalf of a resident student (sending district) to a public school in

another school district, an approved independent school, or an out-of-state school (each a receiving school) may request the receiving school to collect this information on the sending district's resident student, and if requested, the receiving school shall provide this information to the sending district in a timely manner.

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

(1) The Secretary shall first apply grade level weights. Each pupil included in long-term membership from subsection (b) of this section shall count as one, multiplied by the following amounts:

(A) prekindergarten—negative 0.54;

(B) grades six through eight—0.36; and

(C) grades nine through 12—0.39.

(2) The Secretary shall next apply a weight for pupils whose family is at or below 185 percent of FPL. Each pupil included in long-term membership from subsection (b) of this section whose family is at or below 185 percent of FPL shall receive an additional weighting amount of 1.03.

(3) The Secretary shall next apply a weight for EL pupils. Each EL pupil included in long-term membership from subsection (b) of this section shall receive an additional weighting amount of 2.49.

(4) The Secretary shall then apply a weight for pupils living in low population density school districts. Each pupil included in long-term membership from subsection (b) of this section residing in a low population density school district, measured by the number of persons per square mile residing within the land area of the geographic boundaries of the district as of July 1 of the year of determination, shall receive an additional weighting amount of:

(A) 0.15, where the number of persons per square mile is fewer than 36 persons;

(B) 0.12, where the number of persons per square mile is 36 or more but fewer than 55 persons; or

(C) 0.07, where the number of persons per square mile is 55 or more but fewer than 100.

(5) The Secretary shall lastly apply a weight for pupils who attend a small school. If the number of persons per square mile residing within the land area of the geographic boundaries of a school district as of July 1 of the year of determination is 55 or fewer, then, for each pupil listed under subdivision (b)(3)(C) of this section (pupils who attend small schools):

(A) where the school has fewer than 100 pupils in average two-year enrollment, the school district shall receive an additional weighting amount of 0.21 for each pupil included in the small school's average two-year enrollment; or

(B) where the small school has 100 or more but fewer than 250 pupils, the school district shall receive an additional weighting amount of 0.07 for each pupil included in the small school's average two-year enrollment.

(6) A school district's weighted long-term membership shall equal long-term membership plus the cumulation of the weights assigned by the Secretary under this subsection.

(e) Hold harmless. A district's weighted long-term membership shall in no case be less than 96 and one-half percent of its actual weighted long-term membership the previous year prior to making any adjustment under this subsection.

(f) Determination of per pupil education spending. As soon as reasonably possible after a school district budget is approved by voters, the Secretary shall determine the per pupil education spending for the next fiscal year for the school district. Per pupil education spending shall equal a school district's education spending divided by its weighted long-term membership.

(g) Guidelines. The Secretary shall develop guidelines to enable clear and consistent identification of pupils to be counted under this section.

(h) Updates to weights. On or before January 1, 2027 and on or before January 1 of every fifth year thereafter, the Agency of Education and the Joint Fiscal Office shall calculate, based on their consensus view, updates to the weights to account for cost changes underlying those weights and shall issue a written report on their work to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance. The General Assembly shall update the weights under this section and transportation reimbursement under section 4016 of this title not less than every five years and the implementation date for the updated weights and transportation reimbursement shall be delayed by a year in order to provide school districts with time to prepare their budgets. Updates to the

weights may include recalibration, recalculation, adding or eliminating weights, or any combination of these actions.

Sec. 5. COLLABORATION BY THE AGENCY OF EDUCATION AND
JOINT FISCAL OFFICE

The Agency of Education and the Joint Fiscal Office shall:

(1) on or before August 1, 2022, enter into a memorandum of understanding to share data, models, and other information that is needed to update the weights; and

(2) each host the statistical model used to provide modeling for the Weighting Report dated December 24, 2019 and for ensuing memos and ensure that this model is updated and maintained on both systems in parallel.

Sec. 6. VERMONT CENTER FOR GEOGRAPHIC INFORMATION

The Vermont Center for Geographic Information created under 3 V.S.A. § 2475 shall assist the Agency of Education in determining the number of persons per square mile residing within the land area of the geographic boundaries of each school district in the State.

Sec. 7. CALCULATION OF TAX RATES; TAX RATE REVIEW;

FISCAL YEARS 2025–2029

(a) Notwithstanding 16 V.S.A. chapter 133, 32 V.S.A. chapter 135, and any other provision of law to the contrary, if, in fiscal year 2025 when applying the funding formula created under this act, a school district's homestead property tax rate increases by five percent or more over the school district's homestead property tax rate in fiscal year 2024, then the school district's homestead property tax rate shall be increased by not more than five percent over the prior fiscal year in each fiscal year for five fiscal years, from fiscal year 2025 through fiscal year 2029. In fiscal years 2026–2029, this subsection shall only apply if the school district's property tax rate increase was limited pursuant to this subsection in the prior fiscal year.

(b)(1) In order to determine which school districts shall be subject to a Tax Rate Review, the Secretary of Education shall calculate the fiscal year 2024 per pupil education spending of each school district subject to subsection (a) of this section as though the funding formula created under this act applied to fiscal year 2024. In fiscal year 2025, if a school district's per pupil education spending calculated using the funding formula created under this act increases by 10 percent or more over the school district's fiscal year 2024 per pupil education spending as calculated by the Secretary under this subsection, then the school district shall be subject to a Tax Rate Review. In fiscal years 2026–

2029, if a school district's per pupil education spending calculated using the funding formula created under this act increases by 10 percent or more over the school district's prior fiscal year per pupil education spending, then the school district shall be subject to a Tax Rate Review. Upon request of the Secretary, a school district shall submit its budget to a Tax Rate Review to determine whether its increase in per pupil education spending was beyond the school district's control or for other good cause. In conducting the Review, the Secretary shall select three business managers and three superintendents to serve in an advisory role in the Review. The Review shall consider at least the following factors:

(A) the extent to which the increase in per pupil education spending is caused by declining enrollment in the school district; and

(B) the extent to which the increase in per pupil education spending is caused by increases in tuition paid by the school district.

(2) If, at the conclusion of the Review, the Secretary determines that the school district's budget contains excessive increases in per pupil education spending that are within the school district's control and are not supported by good cause, then the homestead property tax rate of the school district that would otherwise be increased by not more than five percent in each fiscal year pursuant to subsection (a) of this section shall be increased to the actual homestead property tax rate calculated pursuant to this act.

Sec. 8. SUSPENSION OF LAWS

(a) Suspension of excess spending penalty. Notwithstanding any provision of law to the contrary, the excess spending penalty under 16 V.S.A. § 4001(6)(B) and 32 V.S.A. § 5401(12) is suspended during fiscal years 2024–2029.

(b) Suspension of hold harmless provision. Notwithstanding any provision of law to the contrary, the hold harmless provision under 16 V.S.A. § 4010(e) is suspended during fiscal years 2025–2029.

(c) Suspension of ballot language requirement. Notwithstanding 16 V.S.A. § 563(11)(D), which requires specified language for a school budget ballot, this requirement is suspended during fiscal years 2025–2029.

* * * Universal Income Declaration Form * * *

Sec. 9. UNIVERSAL INCOME DECLARATION FORM

(a) It is the intention of the General Assembly that, beginning with the 2023–24 school year and thereafter, the determination of whether a pupil is from an economically deprived background be changed from qualification for

nutrition benefits to eligibility based upon family income of 185 percent or less of the current year Federal Poverty Level, with data collected from a universal income declaration form.

(b) 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. 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.

(c) 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. On or before July 1, 2023, the new form shall be implemented statewide for the 2023–24 school year and thereafter.

(d) The Agency of Education shall establish a process for verifying the accuracy of data collected through the universal income declaration form on a community level, which may include using other sources of income data available to the Agency, including census and direct certification for free and reduced-priced meals.

(e) The sum of \$200,000.00 is appropriated from the General 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.

* * * English Learners * * *

Sec. 10. 16 V.S.A. § 4013 is added to read:

§ 4013. ENGLISH LEARNERS SERVICES; STATE AID

(a) Definitions. As used in this section:

(1) “Applicable federal laws” mean the Equal Education Opportunities Act (20 U.S.C. § 1703), Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.), and Titles I and III of the Elementary and Secondary Education Act of 1965 (20 U.S.C. §§ 6301 et seq. and 20 U.S.C. §§ 6801 et seq.), each as amended.

(2) “EL services” mean instructional and support personnel and services that are required under applicable federal laws for EL students and their families.

(3) “EL students” or “EL pupils” mean students who have been identified as English learners through the screening protocols required under 20 U.S.C. § 6823(b)(2).

(b) Required EL services. Each school district shall:

(1) screen students to determine which students are EL students and therefore qualify for EL services;

(2) assess and monitor the progress of EL students;

(3) provide EL services;

(4) budget sufficient resources through a combination of State and federal categorical aid and local education spending to provide EL services;

(5) report expenditures on EL services annually to the Agency of Education through the financial reporting system as required by the Agency; and

(6) evaluate the effectiveness of their EL programs and report educational outcomes of EL students as required by the Agency and applicable federal laws.

(c) Agency of Education support and quality assurance. The Agency of Education shall:

(1) provide guidance and program support to all school districts with EL students as required under applicable federal law, including:

(A) professional development resources for EL teachers and support personnel; and

(B) information on best practices and nationally recognized language development standards; and

(2) prescribe, collect, and analyze financial and student outcome data from school districts to ensure that districts are providing high quality EL services and expending sufficient resources to provide these services.

(d) Categorical aid. In addition to the EL weight under section 4010 of this title, a school district that has, as determined annually on October 1 of the year:

(1) one to five EL students enrolled shall receive State aid of \$25,000.00 for that school year; or

(2) six to 25 EL students enrolled shall receive State aid of \$50,000.00 for that school year.

(e) Annual appropriation. Annually, the General Assembly shall include in its appropriation for statewide education spending under subsection 4011(a) of this title an appropriation to provide aid to school districts for EL services under this section.

(f) Payment. On or before November 1 of each year, the State Treasurer shall withdraw from the Education Fund, based on warrant of the Commissioner of Finance and Management, and shall forward to each school district the aid amount it is owed under this section.

Sec. 11. JOINT FISCAL OFFICE REPORT; ENGLISH LEARNERS
SERVICES; CATEGORICAL AID

(a) On or before December 15, 2022, the Joint Fiscal Office shall issue a written report to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance on the advantages and disadvantages of:

(1) changing the weight for EL students under 16 V.S.A. § 4010, as amended by this act, to reflect the cost of providing different levels of required EL services, such as different services levels based on the degree of English proficiency of EL students; and

(2) changing the amount or eligibility, or both, for the categorical aid provided to school districts with 25 or fewer EL students under 16 V.S.A. § 4013(d) as added by this act.

(b) The Joint Fiscal Office shall consult with the Agency of Education in drafting its report under subsection (a) of this section. On or before September 1, 2022, the Agency of Education shall provide the Joint Fiscal Office with information on the different levels of required EL services and the number of EL students in each service-level category and shall assist the Joint Fiscal Office in estimating the cost of providing EL services for each service level category.

(c) The Joint Fiscal Office may contract with a third party to perform the work required of it under this section.

* * * Agency of Education; Staffing * * *

Sec. 12. AGENCY OF EDUCATION; STAFFING

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

(1) one full-time, classified position to provide guidance and support to school districts for English learner students;

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

(3) 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 \$600,000.00 for salaries, benefits, and operating expenses for the positions created under subsection (a) of this section.

* * * Education Quality Standards; Evaluation and Reporting * * *

Sec. 13. 16 V.S.A. § 165 is amended to read:

* * *

(g) In addition to the education quality standards provided in section (a) of this section, each Vermont school district shall meet the school district quality standards adopted by rule of the Agency of Education regarding the business, facilities management, and governance practices of school districts. These standards shall include a process for school district quality reviews to be conducted by the Agency of Education. Annually, the Secretary shall publish metrics regarding the outcomes of school district quality reviews.

Sec. 14. EDUCATION QUALITY STANDARDS; RULEMAKING

On or before February 1, 2023, the Agency of Education shall initiate rulemaking to update education quality standards as required under 16 V.S.A. § 165. Prior to the filing of the draft updated rules with the Interagency Committee on Administrative Rules, the Agency of Education shall engage stakeholders for input on the draft rules in accordance with a written plan approved by the State Board of Education.

Sec. 15. EVALUATION AND REPORTING ON IMPLEMENTATION OF
ACT

The Joint Fiscal Office shall design and contract for an evaluation of the impact of the changes required under this act in achieving the goals under Sec. 2 of this act. On or before December 15, 2029, the Joint Fiscal Office shall submit to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance its written evaluation report.

* * * Career Technical Education * * *

Sec. 16. [Deleted.]

Sec. 17. FUNDING AND GOVERNANCE STRUCTURES OF
CAREER TECHNICAL EDUCATION IN VERMONT

(a) The Joint Fiscal Office shall contract for services to:

(1) complete a systematic examination of the existing funding structures of career technical education (CTE) in Vermont and how these structures impede or promote the State's educational and workforce development goals;

(2) examine CTE governance structures in relationship to those funding structures;

(3) examine the funding and alignment of early college and dual enrollment as they relate to CTE;

(4) examine the barriers to enrollment in CTE, early college, and dual enrollment and provide recommendations for addressing these barriers; and

(5) identify and prioritize potential new models of CTE funding and governance structures to reduce barriers to enrollment and to improve the quality, duration, impact, and access to CTE statewide.

(b) The contractor shall work with the consultant and any other stakeholders who were involved in completing the report on the design, implementation, and costs of an integrated and coherent adult basic education, adult secondary education, and postsecondary career and technical education system pursuant to 2021 Acts and Resolves No. 74, Sec. H.3.

(c) On or before March 1, 2023, the Joint Fiscal Office shall issue a written report to the House and Senate Committees on Education, the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, the House Committee on Ways and Means, and the Senate Committee on Finance on the work performed pursuant to subsection (a) of this section.

(d)(1) The Agency of Education shall consider the work performed and report issued pursuant to subsection (c) of this section and shall develop an implementation plan, including recommended steps to design and implement new funding and governance models.

(2) On or before July 1, 2023, the Agency shall issue a written report to the House and Senate Committees on Education, the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, the House Committee on Ways and Means, and the Senate Committee on Finance that describes the results of its work under this subsection and the implementation plan and makes recommendations for legislative action.

* * * Education Tax-Related Reports * * *

Sec. 18. REPORT; INCOME-BASED EDUCATION TAX SYSTEM;

DEPARTMENT OF TAXES

On or before January 1, 2023, the Department of Taxes, in consultation with the Agency of Education and the Joint Fiscal Office, shall submit a written report to the House Committees on Education and on Ways and Means and the Senate Committees on Education and on Finance that makes recommendations regarding the implementation of an income-based education tax system to replace the homestead property tax system, including:

(1) restructuring the renter credit under 32 V.S.A. chapter 154 or creating a new credit or other mechanisms to ensure that Vermonters who rent a primary residence participate fairly in the education income tax system;

(2) transitioning from the current homestead property tax system to the new income-based education tax system;

(3) accurate modelling, given the differences between household income for homestead property tax purposes and adjusted gross income for income tax purposes; and

(4) administering a new proposed education income tax system.

Sec. 19. REPORTS; PROPERTY TAX RATES; JOINT FISCAL OFFICE

Vermont's system of equalized pupils within a shared education fund creates significant opportunities to meet the needs of schools and students. However, certain aspects of the current system distort or prevent a fully equitable and progressive education finance system. Therefore, the Joint Fiscal Office shall explore the issues set forth in this section. On or before January 15, 2023, the Joint Fiscal Office shall examine and provide options to the House Committees on Education and on Ways and Means and the Senate Committees on Education and on Finance for structuring the following:

(1) methods for cost containment that create equity in school districts' ability to spend sufficiently on education to meet student needs;

(2) in collaboration with the Department of Taxes and the Agency of Education, the mechanics for setting the yields in a manner that creates a constitutionally adequate education spending amount for school districts at a level that is determined by education funding experts to be sufficient to meet student needs; and

(3) funding similar school districts in an equitable manner regardless of their per pupil education spending decisions.

* * * Joint Fiscal Office; Appropriation * * *

Sec. 20. JOINT FISCAL OFFICE; APPROPRIATION

There is appropriated to the Joint Fiscal Office from the General Fund for fiscal year 2023 the amount of \$205,000.00 for the studies and reports required by the Joint Fiscal Office under this act.

* * * Conforming and Technical Changes to Titles 16 and 32 * * *

Sec. 21. 16 V.S.A. § 828 is amended to read:

§ 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL

A school district shall not pay the tuition of a student except to a public school, an approved independent school, an independent school meeting education quality standards, a tutorial program approved by the State Board, an approved education program, or an independent school in another state or country approved under the laws of that state or country, that complies with the reporting requirement under subsection 4010(c) of this title, nor shall payment of tuition on behalf of a person be denied on account of age. Unless otherwise provided, a person who is aggrieved by a decision of a school board relating to eligibility for tuition payments, the amount of tuition payable, or the school ~~he or she~~ the person may attend, may appeal to the State Board and its decision shall be final.

Sec. 22. 16 V.S.A. § 1531 is amended to read:

§ 1531. RESPONSIBILITY OF STATE BOARD

* * *

(c) For a school district that is geographically isolated from a Vermont career technical center, the State Board may approve a career technical center in another state as the career technical center that district students may attend. In this case, the school district shall receive transportation assistance pursuant to section 1563 of this title and tuition assistance pursuant to ~~section~~ subsection 1561(c) of this title. Any student who is a resident in the Windham Southwest Supervisory Union and who is enrolled at public expense in the Charles H. McCann Technical School or the Franklin County Technical School shall be considered to be attending an approved career technical center in another state pursuant to this subsection, and, if the student is from a school district eligible for a ~~small schools~~ merger support grant pursuant to section 4015 of this title or a small school weight pursuant to section 4010 of this title, the student's full-time equivalency shall be computed according to time attending the school.

Sec. 23. 16 V.S.A. § 1546 is amended to read:

§ 1546. COMPREHENSIVE HIGH SCHOOLS

* * *

(c) Two or more comprehensive high schools for which the State Board has designated a service region shall be a career technical center for the purposes of accountability to the State Board under subchapter 2 of this chapter, responsibilities of the career technical center under subchapter 3 of this chapter, and receiving State financial assistance under subchapter 5 of this chapter, excluding the ~~per equalized pupil~~ general State support grant under subsection 1561(b) ~~of this title~~. The regional advisory board shall determine how funds received under subchapter 5 shall be distributed. A comprehensive high school aggrieved by a decision of the regional advisory board may appeal to the Secretary who, after opportunity for hearing, may affirm or modify the decision.

Sec. 24. 16 V.S.A. § 4001 is amended to read:

§ 4001. DEFINITIONS

As used in this chapter:

* * *

~~(3) “Equalized pupils” means the long-term weighted average daily membership multiplied by the ratio of the statewide long-term average daily membership to the statewide long-term weighted average daily membership. [Repealed.]~~

* * *

(7) “Long-term membership” of a school district in any school year means the:

(A) ~~mean~~ average of the district’s average daily membership, excluding full-time equivalent enrollment of State-placed students, over two school years, the latter of which is the current school year, plus

(B) full-time equivalent enrollment of State-placed students for the most recent of the two years.

* * *

~~(8) “Poverty ratio” means the number of persons in the school district who are aged six through 17 and who are from economically deprived backgrounds, divided by the long-term membership of the school district. A person from an economically deprived background means a person who resides with a family unit receiving nutrition benefits. A person who does not reside with a family unit receiving nutrition benefits but for whom English is not the primary language shall also be counted in the numerator of the ratio. The Secretary shall use a method of measuring the nutrition benefits population that produces data reasonably representative of long-term trends.~~

~~Persons for whom English is not the primary language shall be identified pursuant to subsection 4010(e) of this title. [Repealed.]~~

~~* * *~~

~~(14) “Adjusted education payment” means the district’s education spending per equalized pupil “Per pupil education spending” of a school district in any school year means the per pupil education spending of that school district as determined under subsection 4010(e) of this title.~~

~~* * *~~

Sec. 25. 16 V.S.A. § 4011 is amended to read:

§ 4011. EDUCATION PAYMENTS

* * *

(c) Annually, each school district shall receive an education spending payment for support of education costs. An unorganized town or gore shall receive an amount equal to its ~~adjusted education payment per pupil education spending~~ for that year for each student based on the weighted average daily membership count, which shall not be equalized. In fiscal years 2007 and after, ~~no~~ No district shall receive more than its education spending amount.

* * *

(i) Annually, ~~by~~ on or before October 1, the Secretary shall send to school boards for inclusion in town reports and publish on the Agency website the following information:

(1) the statewide average district ~~spending per equalized pupil per pupil education spending~~ for the current fiscal year and ~~125 percent of that average spending~~; and

(2) a statewide comparison of student-teacher ratios among schools that are similar in number of students and number of grades.

Sec. 26. 16 V.S.A. § 4015 is amended to read:

§ 4015. ~~SMALL SCHOOL~~ MERGER SUPPORT FOR MERGED
DISTRICTS

~~(a) In this section:~~

~~(1) “Eligible school district” means a school district that:~~

~~(A) operates at least one school with an average grade size of 20 or fewer; and~~

~~(B) has been determined by the State Board, on an annual basis, to be eligible due to either:~~

~~(i) the lengthy driving times or inhospitable travel routes between the school and the nearest school in which there is excess capacity; or~~

~~(ii) the academic excellence and operational efficiency of the school, which shall be based upon consideration of:~~

~~(I) the school's measurable success in providing a variety of high-quality educational opportunities that meet or exceed the educational quality standards adopted by the State Board pursuant to section 165 of this title;~~

~~(II) the percentage of students from economically deprived backgrounds, as identified pursuant to subsection 4010(d) of this title, and those students' measurable success in achieving positive outcomes;~~

~~(III) the school's high student-to-staff ratios; and~~

~~(IV) the district's participation in a merger study and submission of a merger report to the State Board pursuant to chapter 11 of this title or otherwise.~~

~~(2) "Enrollment" means the number of students who are enrolled in a school operated by the district on October 1. A student shall be counted as one whether the student is enrolled as a full-time or part-time student.~~

~~(3) "Two-year average enrollment" means the average enrollment of the two most recently completed school years.~~

~~(4) "Average grade size" means two-year average enrollment divided by the number of grades taught in the district on October 1. For purposes of this calculation, kindergarten and prekindergarten programs shall be counted together as one grade.~~

~~(5) "AGS factor" means the following factors for each average grade size:~~

Average grade size		
More than: -- but less than or equal to:		Factor:
0	7	0.19
7	9	0.175
9	10	0.16
10	11	0.145

11	12	0.13
12	13	0.115
13	14	0.10
14	15	0.085
15	16	0.070
16	17	0.055
17	18	0.040
18	19	0.025
19	20	0.015

~~(6) “School district” means a town, city, incorporated, interstate, or union school district or a joint contract school established under chapter 11, subchapter 1 of this title.~~

~~(b) Small schools support grant. Annually, the Secretary shall pay a small schools support grant to any eligible school district. The amount of the grant shall be the greater of:~~

~~(1) the amount determined by multiplying the two-year average enrollment in the district by \$500.00 and subtracting the product from \$50,000.00, with a maximum grant of \$2,500.00 per enrolled student; or~~

~~(2) the amount of 87 percent of the base education amount for the current year, multiplied by the two-year average enrollment, multiplied by the AGS factor.~~

~~(c) [Repealed.]~~

~~(d) [Repealed.]~~

~~(e) In the event that a school or schools that have received a grant under this section merge in any year following receipt of a grant, and the consolidated school is not eligible for a grant under this section or the small school grant for the consolidated school is less than the total amount of grant aid the schools would have received if they had not combined, the consolidated school shall continue to receive a grant for three years following consolidation. The amount of the annual grant shall be:~~

~~(1) in the first year following consolidation, an amount equal to the amount received by the school or schools in the last year of eligibility;~~

~~(2) in the second year following consolidation, an amount equal to two-thirds of the amount received in the previous year; and~~

~~(3) in the third year following consolidation, an amount equal to one-third of the amount received in the first year following consolidation.~~

~~(f)(1) Notwithstanding anything to the contrary in this section, a school district that received a small schools grant in fiscal year 2020 shall continue to receive an annual small schools grant.~~

~~(2) Payment of the grant under this subsection shall continue annually unless explicitly repealed by the General Assembly; provided, however, that the Secretary shall discontinue payment of the grant in the fiscal year following the cessation of operations of the school that made the district eligible for the small schools grant, and further provided that if the building that houses the school that made the district eligible for the small schools grant is consolidated with another school into a renovated or new school building, then the Secretary shall continue to pay the grant during the repayment term of any bonded indebtedness incurred in connection with the consolidation-related renovation or construction.~~

~~(3) A school district that is eligible to receive an annual small schools grant under this subsection shall not also be eligible to receive a small school grant or its equivalent under subsection (b) of this section or under any other provision of law.~~

(a) A school district that was voluntarily formed under 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and Resolves No. 46, each as amended, and received a merger support grant shall continue to receive that merger support grant, subject to the provisions in subsection (c) of this section.

(b) A school district that was involuntarily formed under the Final Report of Decisions and Order on Statewide School District Merger Decisions Pursuant to Act 46, Secs. 8(b) and 10 dated November 28, 2018 and that received a small schools grant in fiscal year 2020 shall receive an annual merger support grant in that amount, subject to the provisions in subsection (c) of this section.

(c)(1) Payment of a merger support grant under this section shall not be made in any year that the school district receives a small school weight under section 4010 of this title.

(2) Payment of a merger support grant under this section shall continue annually unless explicitly repealed by the General Assembly; provided, however, that the Secretary shall discontinue payment of the grant in the fiscal year following the cessation of operations of the school that made the district originally eligible for the grant, and further provided that if the building that

houses the school that made the district originally eligible for the grant is consolidated with another school into a renovated or new school building, then the Secretary shall continue to pay the grant during the repayment term of any bonded indebtedness incurred in connection with the consolidation-related renovation or construction.

Sec. 27. 16 V.S.A. § 4030 is amended to read:

§ 4030. DATA SUBMISSION; CORRECTIONS

* * *

(b) The Secretary shall use data submitted on or before January 15 prior to the fiscal year that begins the following July 1, in order to calculate the amounts due each school district for any fiscal year for ~~the following:~~

(1) ~~transportation aid due under section 4016 of this title; and~~

(2) ~~the small school support grant due under section 4015 of this title.~~

* * *

(d) The Secretary shall not use data corrected due to an error submitted following the deadlines to recalculate ~~the equalized pupil ratio under subdivision 4001(3)~~ weighted long-term membership under section 4010 of this title. The Secretary shall not adjust average daily membership counts if an error or change is reported more than three fiscal years following the date that the original data was due.

* * *

Sec. 28. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

* * *

(13)(A) “Education property tax spending adjustment” means the greater of one or a fraction in which the numerator is the district’s per pupil education spending plus excess spending, ~~per equalized pupil,~~ for the school year, and the denominator is the property dollar equivalent yield for the school year, as defined in subdivision (15) of this section.

(B) “Education income tax spending adjustment” means the greater of one or a fraction in which the numerator is the district’s per pupil education spending plus excess spending, ~~per equalized pupil,~~ for the school year, and the denominator is the income dollar equivalent yield for the school year, as defined in subdivision (16) of this section.

* * *

(15) “Property dollar equivalent yield” means the amount of per pupil education spending ~~per equalized pupil~~ that would result if the homestead tax rate were \$1.00 per \$100.00 of equalized education property value, and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained.

(16) “Income dollar equivalent yield” means the amount of per pupil education spending ~~per equalized pupil~~ that would result if the income percentage in subdivision 6066(a)(2) of this title were 2.0 percent, and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained.

Sec. 29. 32 V.S.A. § 5402(e) is amended to read:

(e) The Commissioner of Taxes shall determine a homestead education tax rate for each municipality that is a member of a union or unified union school district as follows:

(1) For a municipality that is a member of a unified union school district, use the base rate determined under subdivision (a)(2) of this section and a spending adjustment under subdivision 5401(13) of this title based upon the per pupil education spending ~~per equalized pupil~~ of the unified union.

(2) For a municipality that is a member of a union school district:

(A) Determine the municipal district homestead tax rate using the base rate determined under subdivision (a)(2) of this section and a spending adjustment under subdivision 5401(13) of this title based on the per pupil education spending ~~per total equalized pupil~~ in the municipality who attends a school other than the union school.

(B) Determine the union district homestead tax rate using the base rate determined under subdivision (a)(2) of this section and a spending adjustment under subdivision 5401(13) of this title based on the per pupil education spending ~~per equalized pupil~~ of the union school district.

(C) Determine a combined homestead tax rate by calculating the weighted average of the rates determined under subdivisions (A) and (B) of this subdivision (2), with weighting based upon the ratio of union school ~~equalized~~ pupils from the member municipality to total ~~equalized~~ pupils of the member municipality; and the ratio of ~~equalized~~ pupils attending a school other than the union school to total ~~equalized~~ pupils of the member municipality. Total ~~equalized~~ pupils of the member municipality is based on the number of pupils who are legal residents of the municipality and attending

school at public expense. If necessary, the Commissioner may adopt a rule to clarify and facilitate implementation of this subsection (e).

* * * Effective Dates * * *

Sec. 30. EFFECTIVE DATES

(a) The following sections shall take effect on July 1, 2022:

(1) Sec. 1 (findings);

(2) Sec. 2 (goals);

(3) Sec. 3 (intent of act);

(4) Sec. 5 (collaboration by the Agency of Education and Joint Fiscal Office);

(5) Sec. 6 (Vermont Center for Geographic Information);

(6) Sec. 7 (calculation of tax rates; tax rate review; fiscal years 2025–2029);

(7) Sec. 8 (suspension of laws);

(8) Sec. 9 (universal income declaration form);

(9) Sec. 11 (Joint Fiscal Office report; English learners services; categorical aid);

(10) Sec. 12 (Agency of Education; staffing);

(11) Sec. 14 (education quality standards; rulemaking);

(12) Sec. 15 (evaluation and reporting on implementation of act);

(13) Sec. 17 (funding and governance structures of career technical education in Vermont);

(14) Sec. 18 (report; income-based education tax system; Department of Taxes);

(15) Sec. 19 (reports; property tax rates; Joint Fiscal Office);

(16) Sec. 20 (Joint Fiscal Office; appropriation); and

(17) this section (effective dates).

(b) The following sections shall take effect on July 1, 2024:

(1) Sec. 4 (amendment to 16 V.S.A. § 4010; determination of weighted long-term membership and per pupil education spending);

(2) Sec. 10 (adding 16 V.S.A. § 4013; English learners services; State aid);

(3) Sec. 13 (amendment to 16 V.S.A. § 165; education quality standards);

(4) Sec. 21 (amendment to 16 V.S.A. § 828; tuition to approved schools; age; appeal);

(5) Sec. 22 (amendment to 16 V.S.A. § 1531; responsibility of State Board);

(6) Sec. 23 (amendment to 16 V.S.A. § 1546; comprehensive high schools);

(7) Sec. 24 (amendment to 16 V.S.A. § 4001; definitions);

(8) Sec. 25 (amendment to 16 V.S.A. § 4011; education payments);

(9) Sec. 26 (amendment to 16 V.S.A. § 4015; merger support for merged districts);

(10) Sec. 27 (amendment to 16 V.S.A. § 4030; data submission; corrections);

(11) Sec. 28 (amendment to 32 V.S.A. § 5401; definitions); and

(12) Sec. 29 (amendment to 32 V.S.A. § 5402(e); determination of homestead education tax rate).

(Committee vote:11-0-0)

(For text see Senate Journal March 24, 2022)

Rep. Scheu of Middlebury, for the Committee on Appropriations, recommends the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Ways and Means and when further amended as follows:

By striking out Sec. 12, Agency of Education; staffing, in its entirety and inserting in lieu thereof the following:

Sec. 12. AGENCY OF EDUCATION; STAFFING

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

(1) one full-time, classified position to provide guidance and support to school districts for English learner students;

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

(3) two 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 \$200,000.00 for salaries, benefits, and operating expenses for the positions created under subdivision (a)(2) of this section.

(c) On or before December 15, 2022, the Agency of Education shall submit a plan as part of the budget process to the House and Senate Committees on Education and on Appropriations, House Committee on Ways and Means, and Senate Committee on Finance that sets out the duties of each position under subdivisions (a)(1) and (3) of this section and identifies the funding source or sources for these positions in the transition to the new pupil weights under this act.

(Committee Vote:7-1-3)

Senate Proposal of Amendment

H. 534

An act relating to sealing criminal history records

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

Sec. 1. 13 V.S.A. § 7601 is amended to read:

§ 7601. DEFINITIONS

As used in this chapter:

(1) “Court” means the Criminal Division of the Superior Court.

(2) “Criminal history record” means all information documenting an individual’s contact with the criminal justice system, including data regarding identification, arrest or citation, arraignment, judicial disposition, custody, and supervision.

~~(3) “Predicate offense” means a criminal offense that can be used to enhance a sentence levied for a later conviction and includes operating a vehicle under the influence of alcohol or other substance in violation of 23 V.S.A. § 1201, domestic assault in violation of section 1042 of this title, and stalking in violation of section 1062 of this title. “Predicate offense” shall not include misdemeanor possession of cannabis, a disorderly conduct offense under section 1026 of this title, or possession of a controlled substance in violation of 18 V.S.A. § 4230(a), 4231(a), 4232(a), 4233(a), 4234(a), 4234a(a), 4234b(a), 4235(b), or 4235a(a). [Repealed.]~~

(4) “Qualifying crime” means:

- ~~(A) a misdemeanor offense that is not:
 - ~~(i) a listed crime as defined in subdivision 5301(7) of this title;~~
 - ~~(ii) an offense involving sexual exploitation of children in violation of chapter 64 of this title;~~
 - ~~(iii) an offense involving violation of a protection order in violation of section 1030 of this title;~~
 - ~~(iv) prostitution as defined in section 2632 of this title, or prohibited conduct under section 2601a of this title; or~~
 - ~~(v) a predicate offense;~~~~
- ~~(B) a violation of subsection 3701(a) of this title related to criminal mischief;~~
- ~~(C) a violation of section 2501 of this title related to grand larceny;~~
- ~~(D) a violation of section 1201 of this title related to burglary, excluding any burglary into an occupied dwelling, as defined in subdivision 1201(b)(2) of this title;~~
- ~~(E) a violation of 18 V.S.A. § 4223 related to fraud or deceit;~~
- ~~(F) a violation of section 1802 of this title related to uttering a forged or counterfeited instrument;~~
- ~~(G) a violation of 18 V.S.A. § 4230(a) related to possession and cultivation of cannabis;~~
- ~~(H) a violation of 18 V.S.A. § 4231(a) related to possession of cocaine;~~
- ~~(I) a violation of 18 V.S.A. § 4232(a) related to possession of LSD;~~
- ~~(J) a violation of 18 V.S.A. § 4233(a) related to possession of heroin;~~
- ~~(K) a violation of 18 V.S.A. § 4234(a) related to possession of depressant, stimulant, and narcotic drugs;~~
- ~~(L) a violation of 18 V.S.A. § 4234a(a) related to possession of methamphetamine;~~
- ~~(M) a violation of 18 V.S.A. § 4234b(a) related to possession of ephedrine and pseudoephedrine;~~
- ~~(N) a violation of 18 V.S.A. § 4235(b) related to possession of hallucinogenic drugs;~~
- ~~(O) a violation of 18 V.S.A. § 4235a(a) related to possession of~~

ecstasy; or

~~(P) any offense for which a person has been granted an unconditional pardon from the Governor.~~

(A) all misdemeanor offenses except:

(i) a listed crime as defined in subdivision 5301(7) of this title;

(ii) a violation of chapter 64 of this title relating to sexual exploitation of children;

(iii) a violation of section 1030 of this title relating to a violation of an abuse prevention order, an order against stalking or sexual assault, or a protective order concerning contact with a child;

(iv) a violation of chapter 28 of this title related to abuse, neglect, and exploitation of a vulnerable adult;

(v) a violation of subsection 2605(b) or (c) of this title related to voyeurism;

(vi) a violation of subdivisions 352(1)–(10) of this title related to cruelty to animals;

(vii) a violation of section 5409 of this title related to failure to comply with sex offender registry requirements;

(viii) a violation of section 2802, 2802a, 2803, 2804, or 2804b of this title related to obscenity;

(ix) a violation of section 1455 of this title related to hate motivated crimes; and

(x) a violation of section 1456 of this title related to burning of a religious symbol; and

(B) the following felonies:

(i) a violation of section 1201 of this title related to burglary, excluding any burglary into an occupied dwelling, unless the person was 25 years of age or younger at the time of the offense and did not carry a dangerous or deadly weapon during the commission of the offense;

(ii) designated felony property offenses as defined in subdivision (5) of this section;

(iii) offenses relating to possessing, cultivating, selling, dispensing, or transporting regulated drugs, including violations of 18 V.S.A. § 4230(a) and (b), 4231(a) and (b), 4232(a) and (b), 4233(a) and (b), 4233a(a), 4234(a) and (b), 4234a(a) and (b), 4234b(a) and (b), 4235(b) and (c), or

4235a(a) and (b); and

(iv) any offense for which a person has been granted an unconditional pardon from the Governor.

(5) “Designated felony property offense” means:

(A) a felony violation of 9 V.S.A. § 4043 related to fraudulent use of a credit card;

(B) section 1801 of this title related to forgery and counterfeiting;

(C) section 1802 of this title related to uttering a forged or counterfeited instrument;

(D) section 1804 of this title related to counterfeiting paper money;

(E) section 1816 of this title related to possession or use of credit card skimming devices;

(F) section 2001 of this title related to false personation;

(G) section 2002 of this title related to false pretenses or tokens;

(H) section 2029 of this title related to home improvement fraud;

(I) section 2030 of this title related to identity theft;

(J) section 2501 of this title related to grand larceny;

(K) section 2531 of this title related to embezzlement;

(L) section 2532 of this title related to embezzlement by officers or servants of an incorporated bank;

(M) section 2533 of this title related to embezzlement by a receiver or trustee;

(N) section 2561 of this title related to receiving stolen property;

(O) section 2575 of this title related to retail theft;

(P) section 2582 of this title related to theft of services;

(Q) section 2591 of this title related to theft of rented property;

(R) section 2592 of this title related to failure to return a rented or leased motor vehicle;

(S) section 3016 of this title related to false claims;

(T) section 3701 of this title related to unlawful mischief;

(U) section 3705 of this title related to unlawful trespass;

(V) section 3733 of this title related to mills, dams, or bridges;

(W) section 3761 of this title related to unauthorized removal of human remains;

(X) section 3767 of this title related to grave markers and ornaments;

(Y) chapter 87 of this title related to computer crimes; and

(Z) 18 V.S.A. § 4223 related to fraud or deceit in obtaining a regulated drug.

(6) “Subsequent offense” means the conviction of a crime committed by the person who is the subject of a petition to seal a criminal history record that arose out of a new incident or occurrence after the person was convicted of the crime to be sealed.

Sec. 2. 13 V.S.A. § 7606 is amended to read:

§ 7606. EFFECT OF EXPUNGEMENT

(a) Order and notice. Upon finding that the requirements for expungement have been met, the court shall issue an order that shall include provisions that its effect is to annul the record of the arrest, conviction, and sentence and that such person shall be treated in all respects as if ~~he or she~~ the person had never been arrested, convicted, or sentenced for the offense. The court shall provide notice of the expungement to the respondent, Vermont Crime Information Center (VCIC), the arresting agency, the Restitution Unit of the Vermont Center for Crime Victim Services, and any other entity that may have a record related to the order to expunge. The VCIC shall provide notice of the expungement to the Federal Bureau of Investigation’s National Crime Information Center.

* * *

Sec. 3. 13 V.S.A. § 7607 is amended to read:

§ 7607. EFFECT OF SEALING

(a) Order and notice. Upon entry of an order to seal, the order shall be legally effective immediately and the person whose record is sealed shall be treated in all respects as if ~~he or she~~ the person had never been arrested, convicted, or sentenced for the offense and that its effect is to annul the record of arrest, conviction, and sentence. The court shall provide notice of the sealing to the respondent, Vermont Crime Information Center (VCIC), the arresting agency, the Restitution Unit of the Vermont Center for Crime Victim Services, and any other entity that may have a record related to the order to seal. The VCIC shall provide notice of the sealing to the Federal Bureau of

Investigation's National Crime Information Center.

* * *

Sec. 4. 13 V.S.A. § 7611 is added to read:

§ 7611. UNAUTHORIZED ACCESS OR DISCLOSURE

A state or municipal employee or contractor or any agent of the court, including an attorney and an employee or contractor of the attorney, who knowingly accesses or discloses sealed criminal history record information without authorization shall be assessed a civil penalty of not more than \$1,000.00. Each unauthorized disclosure shall constitute a separate civil violation.

Sec. 5. 24 V.S.A. § 2002 is added to read:

§ 2002. EXPUNGEMENT OF MUNICIPAL VIOLATION RECORDS

(a) Expungement. Three years following the satisfaction of a judgment resulting from an adjudication of a municipal violation, the Judicial Bureau shall make an entry of "expunged" and notify the municipality of such action, provided the person has not been adjudicated for any subsequent municipal violations during that time. The data transfer to the municipality shall include the name, date of birth, ticket number, and offense. Violations of offenses adopted pursuant to chapter 117 of this title shall not be eligible for expungement under this section.

(b) Effect of expungement.

(1) Upon entry of an expungement order, the order shall be legally effective immediately and the individual whose record is expunged shall be treated in all respects as if the individual had never been adjudicated of the violation.

(2) Upon an entry of expunged, the case will be accessible only by the Clerk of the Court for the Judicial Bureau or the Clerk's designee. Adjudications that have been expunged shall not appear in the results of any Judicial Bureau database search by name, date of birth, or any other data identifying the defendant. Except as provided in subsection (c) of this section, any documents or other records related to an expunged adjudication that are maintained outside the Judicial Bureau's case management system shall be destroyed.

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

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

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

(e) Application. This section shall apply to municipal violations that occur on and after July 1, 2022.

Sec. 6. 23 V.S.A. § 2303 is amended to read:

§ 2303. EXPUNGEMENT OF VIOLATION RECORDS

* * *

(e) Application. This section shall apply to municipal violations that occur on and after July 1, 2021.

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2022.

(For text see House Journal March 17, 2022)

H. 736

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

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

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

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) The Agency of Transportation's Proposed Fiscal Year 2023 Transportation Program appended to the Agency of Transportation's proposed fiscal year 2023 budget, as amended by this act, is adopted to the extent federal, State, and local funds are available.

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

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

(2) "Candidate project" means a project approved by the General Assembly that is not anticipated to have significant expenditures for preliminary engineering or right-of-way expenditures, or both, during the

budget year and funding for construction is not anticipated within a predictable time frame.

(3) “Development and evaluation (D&E) project” means a project approved by the General Assembly that is anticipated to have preliminary engineering expenditures or right-of-way expenditures, or both, during the budget year and that the Agency is committed to delivering to construction on a timeline driven by priority and available funding.

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

(5) “Front-of-book project” means a project approved by the General Assembly that is anticipated to have construction expenditures during the budget year or the following three years, or both, with expected expenditures shown over four years.

(6) “Level 3 charger,” “level 3 EVSE,” or “direct-current fast charger (DCFC),” means EVSE that uses dedicated direct current (DC) to provide energy to a plug-in electric vehicle.

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

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

(9) The table heading “As Proposed” means the Proposed Transportation Program referenced in subsection (a) of this section; the table heading “As Amended” means the amendments as made by this act; the table heading “Change” means the difference obtained by subtracting the “As Proposed” figure from the “As Amended” figure; and the terms “change” or “changes” in the text refer to the project- and program-specific amendments, the aggregate sum of which equals the net “Change” in the applicable table heading.

* * * Summary of Transportation Investments * * *

Sec. 2. FISCAL YEAR 2023 TRANSPORTATION INVESTMENTS
INTENDED TO REDUCE TRANSPORTATION-RELATED
GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL
USE, AND SAVE VERMONT HOUSEHOLDS MONEY

This act includes the State’s fiscal year 2023 transportation investments intended to reduce transportation-related greenhouse gas emissions, reduce fossil fuel use, and save Vermont households money in furtherance of the policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive Energy Plan and to satisfy the Executive and Legislative Branches’

commitments to the Paris Agreement climate goals. In fiscal year 2023, these efforts will include the following:

(1) Park and Ride Program. This act provides for a fiscal year expenditure of \$4,043,060.00, which will fund one construction project to create a new park and ride facility; the design of one additional park and ride facility scheduled for construction in future fiscal years; the design of improvements to one additional park and ride facility; and paving projects for existing park and ride facilities. This year's Park and Ride Program will create 254 new State-owned spaces. Specific additions and improvements include:

- (A) Berlin (Exit 6)—design for 62 spaces;
- (B) Manchester—design for 50 new spaces; and
- (C) Williston—construction of 142 new spaces.

(2) Bike and Pedestrian Facilities Program. This act, in concert with 2020 Acts and Resolves No. 139, Sec. 12(b)(1), provides for a fiscal year expenditure, including local match, of \$19,793,776.00, which will fund 29 bike and pedestrian construction projects and 18 bike and pedestrian design, right-of-way, or design and right-of way projects for construction in future fiscal years. The construction projects include the creation, improvement, or rehabilitation of walkways, sidewalks, shared-use paths, bike paths, and cycling lanes. In addition to completing the Lamoille Valley Rail Trail, which will run from Swanton to St. Johnsbury, projects are funded in Arlington, Bennington, Brattleboro, Bristol, Burlington, Chester, Colchester, Coventry, Dover, Enosburg Falls, Fairfax, Hardwick, Hartford, Hartland, Hinesburg, Lyndon, Manchester, Middlebury, Middlesex, Montpelier, Montpelier-Berlin, Moretown, New Haven, Pawlet, Plainfield, Poultney, Proctor, Richford, Roxbury, Royalton, Rutland City, Shelburne, South Burlington, Springfield, St. Albans City, Swanton, Vergennes, Waterbury, and Winooski. This act also provides State funding for some of Local Motion's operation costs to run the Bike Ferry on the Colchester Causeway, which is part of the Island Line Trail; funding for the small-scale municipal bicycle and pedestrian grant program for projects to be selected during the fiscal year; funding for projects funded through the Safe Routes to School program; and funding for education and outreach to K–8 schools to encourage higher levels of walking and bicycling to school.

(3) Transportation Alternatives Program. This act provides for a fiscal year expenditure of \$5,665,880.00, including local funds, which will fund 18 transportation alternatives construction projects and 24 transportation alternatives design, right-of-way, or design and right-of-way projects. Of these 42 projects, 12 involve environmental mitigation related to clean water or

stormwater concerns, or both clean water and stormwater concerns, and 23 involve bicycle and pedestrian facilities. Projects are funded in Bennington, Berlin, Brandon, Bridgewater, Bridport, Brighton, Burlington, Castleton, Chester, Colchester, Derby, Duxbury, Enosburg, Essex, Fair Haven, Fairfax, Franklin, Hartford, Hyde Park, Jericho, Montgomery, Newfane, Norwich, Pittsford, Proctor, Rutland Town, South Burlington, St. Johnsbury, Vergennes, Warren, West Rutland, Williston, Wilmington, and Winooski.

(4) Public Transit Program. This act authorizes \$50,239,278.00 in funding for public transit uses throughout the State, which is a 9.6 percent increase over fiscal year 2022 levels, a 21.8 percent increase over fiscal year 2021 levels, and a 30 percent increase over fiscal year 2020 levels. Included in the authorization are:

(A) Go! Vermont, with an authorization of \$873,000.00. This authorization supports transportation demand management (TDM) strategies, including the State's Trip Planner and commuter services, to promote the use of carpools and vanpools.

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

(C) Mobility and Transportation Innovation (MTI) Grant Program, with an authorization of \$1,500,000.00, through Sec. 15 of this act. This authorization continues to support projects that improve both mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, and reduce greenhouse gas emissions. Not less than \$1,250,000.00 of this authorization shall go towards microtransit projects.

(D) One-time public transit monies, with an authorization of \$1,200,000.00, through Sec. 16 of this act. This authorization will allow public transit providers to, as practicable, provide zero-fare public transit on routes other than commuter and LINK Express and restore service to pre-COVID-19 levels.

(5) Rail Program. This act authorizes \$35,363,182.00, including local funds, for intercity passenger rail service and rail infrastructure throughout the State, including the return of New York City–Burlington passenger rail service.

(6) Transformation of the State Vehicle Fleet. The Department of Buildings and General Services, which manages the State Vehicle Fleet, currently has 18 plug-in hybrid electric vehicles and 11 battery electric vehicles in the State Vehicle Fleet. In fiscal year 2023, the Commissioner of

Buildings and General Services will continue to purchase and lease vehicles for State use in accordance with 29 V.S.A. § 903(g), which requires, to the maximum extent practicable, that the Commissioner purchase or lease hybrid or plug-in electric vehicles, as defined in 23 V.S.A. § 4(85), with not less than 75 percent of the vehicles purchased or leased be hybrid or plug-in electric vehicles.

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

(A) Sec. 3 of this act authorizes up to \$6,250,000.00 to install level 3 EVSE along the State highway network and to cover capped administrative costs.

(B) Sec. 4 of this act amends a State goal to have a level 3 EVSE charging port available to the public within one driving mile, down from five miles, of every exit of the Dwight D. Eisenhower National System of Interstate and Defense Highways within the State and 25 driving miles, down from 50 miles, of another level 3 EVSE charging port available to the public along a State highway.

(C) The fiscal year 2023 budget authorizes up to \$10,000,000.00 to install EVSE at multiunit dwellings, workplaces, and public venues and attractions, such as parks, State parks and access areas, downtowns, museums, and ski mountains, and to cover capped administrative costs.

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

(A) Incentive Program for New PEVs. Sec. 5(a) of this act authorizes \$12,000,000.00 for PEV purchase and lease incentives under the Incentive Program for New PEVs, which is the State's program to incentivize the purchase and lease of new PEVs, and capped administrative costs.

(B) MileageSmart. Sec. 5(b) of this act authorizes up to \$3,000,000.00 for purchase incentives under MileageSmart, which is the State's used high-fuel-efficiency vehicle incentive program, and capped administrative costs.

(C) Replace Your Ride Program. Sec. 5(c) of this act authorizes \$3,000,000.00 for incentives under Replace Your Ride, which will be the State's program to incentivize Vermonters to remove older low-efficiency vehicles from operation and switch to modes of transportation that produce fewer greenhouse gas emissions, and capped administrative costs.

(D) Drive Electric Vermont. Sec. 5(d) of this act authorizes up to \$2,000,000.00 for the Agency to continue and expand the Agency's public-private partnership with Drive Electric Vermont to support the expansion of

the PEV market in the State.

(9) Carbon Reduction Program. Sec. 18 of this act requires the Agency of Transportation to consult with the Vermont Climate Council and ensure that within the Agency of Transportation's Proposed Transportation Program for fiscal years 2024, 2025, and 2026 all federal monies that are proposed by the State for expenditure under the Carbon Reduction Program are allocated toward projects that align with the recommendations of the Climate Action Plan (CAP) issued under 10 V.S.A. § 592.

(10) Vermont State Standards. Sec. 19 of this act requires the Agency to develop a plan for updating the Vermont State Standards for the Design of Transportation Construction, Reconstruction and Rehabilitation on Freeways, Roads, and Streets to create context sensitive, multimodal projects that support smart growth.

(11) Bicycle and Pedestrian Planning Integration Program. Sec. 25 of this act requires the Agency to establish a program to support the continued development and buildout of bicycle and pedestrian infrastructure.

(12) Sustainable building components. Secs. 55–57 of this act establish the Agency's statement of policy on the use of sustainable building components.

* * * Electric Vehicle Supply Equipment (EVSE) Infrastructure * * *
* * * Investments in EVSE * * *

Sec. 3. INVESTMENTS IN ELECTRIC VEHICLE SUPPLY EQUIPMENT INFRASTRUCTURE

(a) State highway network. The Agency of Transportation is authorized to spend up to \$6,250,000.00 as appropriated in the fiscal year 2023 budget to install level 3 EVSE along the State highway network consistent with the goals established in 2021 Acts and Resolves No. 55, Sec. 30, as amended by Sec. 4 of this act. This authorization shall be used by the Agency for one or more of the following:

(1) to purchase and install level 3 EVSE;

(2) to provide grants for persons to purchase and install level 3 EVSE;

or

(3) to enter into a public-private partnership for the purchase and installation of level 3 EVSE.

(b) Purpose. The purpose of the expenditures authorized in subsection (a) of this section is to respond to negative economic impacts to the tourism, travel, and hospitality industries caused by the COVID-19 public health

emergency.

(c) Administrative costs. Unless prohibited by federal or State law, the Agency may use up to 15 percent of the authorization in subsection (a) of this section for any administrative costs associated with installing level 3 EVSE along the State highway network.

(d) Carryforward; deployment in fiscal year 2023.

(1) Notwithstanding any other provision of law and subject to the approval of the Secretary of Administration, appropriations to support the authorizations under this section remaining unexpended on June 30, 2023 shall be carried forward and designated for the same expenditures in the subsequent fiscal year.

(2) Every reasonable effort shall be made to obligate and deploy the monies authorized for expenditure under this section in fiscal year 2023 in order to achieve a pace of EVSE deployment necessary to meet the emissions reduction requirements of 10 V.S.A. § 578(a) and the recommendations of the Climate Action Plan (CAP) issued under 10 V.S.A. § 592.

(e) Outreach and marketing. The Agency of Transportation shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of any EVSE grant program or public-private partnership implemented or entered into pursuant to subsection (a) of this section and such costs shall be considered administrative costs for purposes of subsection (c) of this section.

* * * EVSE Goals * * *

Sec. 4. 2021 Acts and Resolves No. 55, Sec. 30 is amended to read:

Sec. 30. EVSE NETWORK IN VERMONT; REPORT OF ANNUAL
MAP

(a) It shall be the goal of the State to have, as practicable, a level 3 EVSE charging port available to the public within:

(1) ~~five miles~~ one driving mile of every exit of the Dwight D. Eisenhower National System of Interstate and Defense Highways within the State; and

(2) ~~50~~ 25 driving miles of another level 3 EVSE charging port available to the public along a State highway, as defined in 19 V.S.A. § 1(20).

(b) Notwithstanding 2 V.S.A. § 20(d), the Agency of Transportation shall file an up-to-date map showing the locations of all level 3 EVSE available to the public within the State with the House and Senate Committees on

Transportation not later than January 15 each year until the goal identified in subsection (a) of this section is met.

* * * Vehicle Incentive Programs * * *

Sec. 5. VEHICLE INCENTIVE PROGRAMS

(a) Incentive Program for New PEVs. The Agency is authorized to spend up to \$12,000,000.00 as appropriated in the fiscal year 2023 budget on the Incentive Program for New PEVs established in 2019 Acts and Resolves No. 59, Sec. 34, as amended.

(b) MileageSmart. The Agency is authorized to spend up to \$3,000,000.00 as appropriated in the fiscal year 2023 budget on MileageSmart as established in 2019 Acts and Resolves No. 59, Sec. 34, as amended.

(c) Replace Your Ride Program. The Agency is authorized to spend up to \$3,000,000.00 as appropriated in the fiscal year 2023 budget on the Replace Your Ride Program established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.

(d) Public-private partnership. The Agency is authorized to spend up to \$2,000,000.00 as appropriated in the fiscal year 2023 budget on the Agency's existing partnership with Drive Electric Vermont, which shall support the expansion of the PEV market in the State through the provision of stakeholder coordination, policy engagement, consumer education and outreach, infrastructure development, and technical assistance.

(e) Administrative costs. The Agency may use up to 15 percent of any single authorization in subsections (a)–(c) of this section for any costs associated with administering and promoting the vehicle incentive programs.

(f) Carryforward; deployment in fiscal year 2023.

(1) Notwithstanding any other provision of law and subject to the approval of the Secretary of Administration, appropriations to support the authorizations under this section remaining unexpended on June 30, 2023 shall be carried forward and designated for the same expenditures in the subsequent fiscal year.

(2) Every reasonable effort shall be made to obligate and deploy the monies authorized for expenditure under this section in fiscal year 2023 in order to achieve a pace of plug-in electric vehicle deployment necessary to meet the emissions reduction requirements of 10 V.S.A. § 578(a) and the recommendations of the Climate Action Plan (CAP) issued under 10 V.S.A. § 592.

(g) Outreach and marketing. The Agency, in consultation with Drive

Electric Vermont and the Vermont Vehicle and Automotive Distributors Association, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of the Incentive Program for New PEVs, MileageSmart, and Replace Your Ride so that Vermonters who are eligible under one or more of the incentive programs can easily learn how to secure as many incentives as are available and such costs shall be considered administrative costs for purposes of subsection (e) of this section.

Sec. 6. 2019 Acts and Resolves No. 59, Sec. 34(b), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, 2021 Acts and Resolves No. 3, Sec. 56, and 2021 Acts and Resolves No. 55, Sec. 19 is further amended to read:

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

* * *

(5) apply to:

(A) manufactured PEVs PHEVs with a Base Manufacturer's Suggested Retail Price (MSRP) of \$40,000.00 or less;

(B) manufactured BEVs with a Base MSRP of \$45,000.00 or less;
and

(C) manufactured PEVs with any Base MSRP that will be issued a special registration plate by the Commissioner of Motor Vehicles pursuant to 23 V.S.A. § 304a or will predominately be used to provide accessible transportation for the incentive recipient or a member of the incentive recipient's household, provided that the incentive recipient or the member of the incentive recipient's household has a removable windshield placard issued by the Commissioner of Motor Vehicles pursuant to 23 V.S.A. § 304a; and

* * *

* * * Vermont Association of Snow Travelers Authorizations * * *

Sec. 7. VERMONT ASSOCIATION OF SNOW TRAVELERS (VAST)
AUTHORIZATIONS

(a) The Agency of Transportation, through the Department of Motor Vehicles, is authorized to spend:

(1) \$50,000.00 in one-time General Fund monies, as appropriated in the fiscal year 2023 budget, in grants to the Vermont Association of Snow Travelers (VAST) to support the Law Enforcement and Safety Program; and

(2) \$750,000.00 in one-time General Fund monies, as appropriated in the fiscal year 2023 budget, in grants to VAST to support the Equipment Grant-in-Aid Program.

(b) VAST shall ensure that the Equipment Grant-in-Aid Program maximizes the geographic distribution and utilization of equipment purchased in whole or in part with the monies authorized in subdivision (a)(2) of this section by implementing grant scoring criteria that awards equipment grants to applicants that have worked with neighboring clubs to groom at least 60 miles of trails and the equipment to be replaced is at least 15 years old.

* * * Bridge Formula Program; Off-System Bridges * * *

Sec. 8. BRIDGE FORMULA PROGRAM; OFF-SYSTEM BRIDGES;
REPEAL

(a) Findings. The General Assembly finds that:

(1) the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (IIJA) provides Vermont with \$225,000,000.00 in Bridge Formula Program funding for federal fiscal years 2022 through 2026;

(2) the Bridge Formula Program funds are to be used for the preservation and replacement of bridges;

(3) as part of the Bridge Formula Program, states are required to allocate a minimum of 15 percent of the funding to address off-system bridge needs, where off-system bridges are those that are located along roadways off the federal aid system;

(4) in Vermont, roadways off the federal aid system are primarily owned and maintained by municipalities; and

(5) under the IIJA, the federal share of funding for municipally owned off-system bridges is 100 percent.

(b) Priority implementation. In order to implement and allocate the Bridge Formula Program funding, the Agency of Transportation is directed to simultaneously:

(1)(A) Fund at 100 percent federal share the construction phase of all off-system bridges in the Fiscal Year 2023 Transportation Program for Town Highway Bridges that:

(i) were not authorized for federal funds for the construction

phase of the pending project prior to the Fiscal Year 2023 Transportation Program; and

(ii) are either listed as a front-of-book project or development and evaluation (D&E) project in the Fiscal Year 2023 Transportation Program.

(B) The engineering (PE) and right-of-way (ROW) phases of projects to be funded at 100 percent federal share under subdivision (A) of this subdivision (1) shall continue to be funded at 80 percent federal, 10 percent State, and 10 percent municipal.

(2)(A) In the Fiscal Year 2023 through 2029 Transportation Programs, fund the construction phase of off-system covered bridges and off-system historic truss bridges within the Transportation Programs for Town Highway Bridges based on the prioritization of covered bridges and historic truss bridges under the prioritization process outlined in 19 V.S.A. § 10g(l) at 100 percent federal share.

(B) The engineering (PE) and right-of-way (ROW) phases of projects to be funded at 100 percent federal share under subdivision (A) of this subdivision (2) shall continue to be funded at 80 percent federal, 10 percent State, and 10 percent municipal.

(c) Secondary implementation. Should funding through the federal Bridge Formula Program remain available following the implementation delineated under subsection (b) of this section, town highway bridges shall be advanced based on the prioritization process outlined in 19 V.S.A. § 10g(l).

(d) Repeal. This section is repealed on October 1, 2029, at the conclusion of the authorized implementation period for the IIJA.

Sec. 9. TOWN HIGHWAY BRIDGE PROGRAM

(a) Within the Agency of Transportation's Proposed Fiscal Year 2023 Transportation Program for Town Highway Bridges, authorized spending for the construction phase of the following projects is amended to be 100 percent federal pursuant to Sec. 8(b)(1)(A) and (2)(A) of this act:

- (1) Clarendon BO 1443(55);
- (2) Hartford BO 1444(60);
- (3) Ludlow Village BO 1443(52);
- (4) Poultney BO 1443(53);
- (5) Stowe BO 1446(37);
- (6) Stowe BO 1446(39);

(7) Statewide Preservation Easement Paint Program; and

(8) Statewide Rehabilitation of Covered Bridges.

(b) Within the Agency of Transportation's Proposed Fiscal Year 2023 Transportation Program for Town Highway Bridges, authorized spending is amended as follows:

<u>FY23</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Other	350,000	350,000	0
PE	4,294,487	4,294,487	0
ROW	355,000	355,000	0
Construction	25,314,700	25,314,700	0
Total	30,314,187	30,314,187	0
<u>Sources of funds</u>			
TIB	2,402,455	2,402,455	0
State	1,919,899	1,230,817	-689,082
Federal	24,251,350	25,529,514	1,278,164
Local	1,740,483	1,151,401	-589,082
Total	30,314,187	30,314,187	0

(c) Within the Agency of Transportation's Proposed Fiscal Year 2023 Transportation Program, the following covered bridges projects are added to the candidate list for Town Highway Bridges:

(1) Belvidere (Bridge No. 12 on Town Highway 3);

(2) Charlotte (Bridge No. 27 on Town Highway 9);

(3) Chelsea (Bridge No. 46 on Town Highway 68);

(4) Hartland (Bridge No. 22 on Town Highway 15);

(5) Lyndon (Bridge No. 33 on Town Highway 58);

(6) Northfield (Bridge No. 10 on Town Highway 3);

(7) Northfield (Bridge No. 11 on Town Highway 3);

(8) Northfield (Bridge No. 15 on Town Highway 3);

(9) Troy (Bridge No. 8 on Town Highway 12); and

(10) Weathersfield (Bridge No. 83 on Town Highway 65).

(d) Within the Agency of Transportation's Proposed Fiscal Year 2023 Transportation Program, the following metal truss bridges projects are added to the candidate list for Town Highway Bridges:

(1) Berlin (Bridge No. 27 on Town Highway 61);

- (2) Bridgewater (Bridge No. 26 on Town Highway 34);
- (3) Enosburg (Bridge No. 45 on Town Highway 42);
- (4) Lincoln (Bridge No. 46 on Town Highway 6);
- (5) Moretown (Bridge No. 42 on Town Highway 39);
- (6) Newfane (Bridge No. 49 on Town Highway 26);
- (7) Northfield (Bridge No. 65 on Town Highway 57);
- (8) Royalton (Bridge No. 30 on Town Highway 6); and
- (9) Sheldon (Bridge No. 20 on Town Highway 22).

* * * Amendments to Fiscal Year 2023 Authorizations * * *

Sec. 10. PROGRAM DEVELOPMENT

Within the Agency of Transportation's Proposed Fiscal Year 2023 Transportation Program for Program Development Administration, authorized spending is amended as follows:

<u>FY23</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	23,753,701	23,753,701	0
Operat. Exp.	9,039,403	8,985,192	-54,211
Grants	286,000	286,000	0
Total	33,079,104	33,024,893	-54,211
<u>Sources of funds</u>			
State	25,074,132	25,019,921	-54,211
Federal	7,929,972	7,929,972	0
Inter Unit	75,000	75,000	0
Total	33,079,104	33,024,893	-54,211

Sec. 11. TOWN HIGHWAY AID

Within the Agency of Transportation's Proposed Fiscal Year 2023 Transportation Program for Town Highway Aid, authorized spending is amended as follows:

<u>FY23</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Grants	27,783,413	27,837,624	54,211
Total	27,783,413	27,837,624	54,211
<u>Sources of funds</u>			
State	27,783,413	27,837,624	54,211
Total	27,783,413	27,837,624	54,211

Sec. 12. POLICY AND PLANNING

Within the Agency of Transportation's Proposed Fiscal Year 2023

Transportation Program for Policy and Planning, authorized spending is amended as follows:

<u>FY23</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	4,767,663	4,767,663	0
Operat. Exp.	1,035,700	1,035,700	0
Grants	7,389,725	10,784,247	3,394,522
Total	13,193,088	16,587,610	3,394,522
<u>Sources of funds</u>			
State	3,217,573	3,217,573	0
Federal	9,920,240	13,314,762	3,394,522
Inter Unit	55,275	55,275	0
Total	13,193,088	16,587,610	3,394,522

Sec. 13. TOWN HIGHWAY STRUCTURES AND TOWN HIGHWAY CLASS 2 ROADWAY

(a) Town highway structures. The Agency shall carry forward not less than \$866,500.00 of unexpended fiscal year 2022 appropriations and designate those monies for grant awards under the town highway structures program so as to meet the statutory minimum grant award totals required under 19 V.S.A. § 306(e) in fiscal year 2023.

(b) Town highway class 2 roadway. The Agency shall carry forward not less than \$951,250.00 of unexpended fiscal year 2022 appropriations and designate those monies for grant awards under the town highway class 2 roadway program so as to meet the statutory minimum grant award totals required under 19 V.S.A. § 306(h) in fiscal year 2023.

Sec. 14. ONE-TIME APPROPRIATION; DMV IT PROJECT

Within the Agency of Transportation’s Proposed Fiscal Year 2023 Transportation Program, in one-time appropriations, the number “20,250,000” is struck out for “All Exp,” “Total,” “Transportation Fund,” and “Total” and replaced with the number “0” so as to indicate that there is no appropriation to the Department of Motor Vehicles for the DMV Core System Modernization Phase II project, and a note is added to read as follows: “The fiscal year 2023 budget bill appropriates \$20,250,000 from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Digital Services for the DMV Core System Modernization Phase II project.”

* * * Mobility and Transportation Innovation Grant Program * * *

Sec. 15. MOBILITY AND TRANSPORTATION INNOVATION GRANT PROGRAM

(a) Project addition. The following project is added to the Agency of

Transportation’s Proposed Fiscal Year 2023 Transportation Program for Public Transit: Mobility and Transportation Innovation (MTI) Grant Program.

(b) Authorization. Spending authority for Mobility and Transportation Innovation (MTI) Grant Program is authorized as follows:

<u>FY23</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Grants	0	1,500,000	1,500,000
Total	0	1,500,000	1,500,000
<u>Sources of funds</u>			
State	0	500,000	500,000
General Fund	0	1,000,000	1,000,000
Total	0	1,500,000	1,500,000

(c) Implementation. The Agency of Transportation shall continue to administer the Mobility and Transportation Innovation (MTI) Grant Program, which was created pursuant to 2020 Acts and Resolves No. 121, Sec. 16. The Program shall continue to support projects that improve both mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, and reduce greenhouse gas emissions. Not less than \$1,250,000.00 of this authorization shall go towards microtransit projects.

* * * Public Transit; Zero Fare; Level of Service * * *

Sec. 16. ONE-TIME PUBLIC TRANSIT MONIES

(a) Project addition. The following project is added to the Agency of Transportation’s Proposed Fiscal Year 2023 Transportation Program for Public Transit: Increased One-Time Monies for Public Transit for Fiscal Year 2023.

(b) Authorization. Spending authority for Increased One-Time Monies for Public Transit for Fiscal Year 2023 is authorized as follows:

<u>FY23</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Other	0	1,200,000	1,200,000
Total	0	1,200,000	1,200,000
<u>Sources of funds</u>			
General Fund	0	1,200,000	1,200,000
Total	0	1,200,000	1,200,000

(c) Implementation. Transit agencies that are eligible to receive grant funds pursuant to 49 U.S.C. § 5307 or 5311, or both, in the State shall, as practicable and in the sole discretion of the transit agencies, do the following during fiscal year 2023:

- (1) operate routes other than commuter and LINK Express on a zero-fare basis; and

(2) provide service at pre-COVID-19 levels.

(d) Report. On or before January 31, 2023, the Agency of Transportation shall file a written report with the House and Senate Committees on Transportation that:

(1) shows changes in public transit ridership, by county and type of service, in fiscal years 2020, 2021, and 2022 and in fiscal year 2023 through the end of the second quarter; and

(2) estimates the amount of funding needed to provide zero-fare service on transit operated by public transit agencies that are eligible to receive grant funds pursuant to 49 U.S.C. § 5307 or 5311, or both, broken out by county and type of service in fiscal year 2024.

* * * Burlington International Airport Study Committee; Report * * *

Sec. 17. BURLINGTON INTERNATIONAL AIRPORT STUDY
COMMITTEE; REPORT

(a) Project addition. The following project is added to the Agency of Transportation's Proposed Fiscal Year 2023 Transportation Program for Aviation: Burlington International Airport Study.

(b) Authorization.

(1) Spending authority for the Burlington International Airport Study is authorized as follows:

<u>FY23</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Other	0	150,000	150,000
Total	0	150,000	150,000
<u>Sources of funds</u>			
State	0	15,000	15,000
Federal	0	135,000	135,000
Total	0	150,000	150,000

(2) Spending authority for South Burlington AV-FY18-001 is amended as follows:

<u>FY23</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Const	12,650,000	12,500,000	-150,000
Total	12,650,000	12,500,000	-150,000
<u>Sources of funds</u>			
State	500,000	485,000	-15,000
Federal	11,385,000	11,250,000	-135,000
Local	765,000	765,000	0
Total	12,650,000	12,500,000	-150,000

(3) The City of Burlington, which is the sponsor of the Burlington International Airport, and the Agency of Transportation shall work together to secure a grant from the Federal Aviation Administration to cover the \$135,000.00 in federal monies authorized for expenditure under subdivision (1) of this subsection for the Burlington International Airport Study.

(c) Creation. There is created the Burlington International Airport Study Committee to examine the existing governance structure and alternatives to the existing governance structure of the Burlington International Airport (Airport) and to report the Committee's findings and recommendations.

(d) Membership. The Committee shall be composed of the following nine voting members and two nonvoting members:

(1) one voting member appointed by the Governor;

(2) one voting member designated by the mayor of the City of Burlington;

(3) one voting member designated by the city council of the City of Burlington;

(4) one voting member designated by the city council of the City of South Burlington;

(5) one voting member designated by the mayor of the City of Winooski;

(6) one voting member designated by the Chittenden County Regional Planning Commission to represent individuals, such as Black, Indigenous, and Persons of Color (BIPOC), immigrants, individuals with low income, and individuals residing in "disadvantaged communities" as defined in federal Executive Order 14008, "Tackling the Climate Crisis at Home and Abroad," adversely affected by the Airport;

(7) one voting member designated by the Chittenden County Regional Planning Commission to represent the general aviation organizations at the Airport;

(8) the Secretary of Transportation or designee, who shall be a voting member;

(9) one voting member designated by the President and CEO of the Lake Champlain Regional Chamber of Commerce;

(10) the current, including acting or interim, Director of Aviation for the Airport or designee, who shall be a nonvoting member of the Committee; and

(11) the Director of the Chittenden County Regional Planning

Commission or designee, who shall be a nonvoting member of the Committee.

(e) Assistance; consultant.

(1) The Committee shall have the administrative, technical, and legal assistance of the Agency of Transportation, which shall contract with an independent third-party consultant with expertise in airport governance and may contract with an additional person to serve as a neutral facilitator for the Committee if such assistance cannot be provided by an employee or employees of the Agency of Transportation.

(2) The Agency of Transportation shall work with the Committee to prepare a request for information and a request for proposal for the retention of the independent third-party consultant that is contracted with pursuant to subdivision (1) of this subsection.

(f) Powers and duties. The Committee, with the assistance of the consultant retained as required under subsection (e) of this section, shall:

(1) review prior reports and recommendations prepared on the governance structure of the Airport, including the January 1, 2020 memorandum from Eileen Blackwood, Burlington City Attorney to Mayor Miro Weinberger and the City Council regarding Burlington International Airport and Regional Governance Questions; the June 10, 2013 Burlington International Airport, Airport Strategic Planning Committee Recommendations (Airport Strategic Planning Committee Recommendations); and the December 1985 Final Report of the Burlington Airport Study Group;

(2) examine the advantages and disadvantages of each of the options identified in the Airport Strategic Planning Committee Recommendations;

(3) examine the advantages and disadvantages of any additional governance structure options for the Airport recommended by the consultant or identified by a majority of the voting members of the Committee as warranting study;

(4) identify any other issue relating to the governance of the Airport that a majority of the voting members of the Committee determine warrants study; and

(5) make recommendations on the governance structure of the Airport as supported by a majority of the voting members of the Committee.

(g) Report; recommendations. On or before January 15, 2024, the Committee shall submit a written report to the General Assembly with its findings and recommendations. Any recommendations from the Committee shall address how to ensure that there are not negative financial impacts on the

City of Burlington.

(h) Meetings.

(1) The Secretary of Transportation or designee shall call the first meeting of the Committee to occur on or before September 30, 2022.

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

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

(4) The Committee shall cease to exist on January 16, 2024.

(i) Compensation and reimbursement. Members of the Committee who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than six meetings.

* * * Future Transportation Programs * * *

* * * Carbon Reduction Program * * *

Sec. 18. FUTURE FISCAL YEAR TRANSPORTATION PROGRAMS;
CARBON REDUCTION PROGRAM

The Agency of Transportation shall consult with the Vermont Climate Council and ensure that within the Agency of Transportation's Proposed Transportation Program for fiscal years 2024, 2025, and 2026 all federal monies that are proposed by the State for expenditure under the Carbon Reduction Program, codified at 23 U.S.C. § 175, are allocated toward projects that align with the recommendations of the Climate Action Plan (CAP) issued under 10 V.S.A. § 592.

* * * Plan to Update Vermont State Standards * * *

Sec. 19. PLAN TO UPDATE VERMONT STATE STANDARDS

(a) The Agency shall develop a plan for updating the Vermont State Standards for the Design of Transportation Construction, Reconstruction and Rehabilitation on Freeways, Roads, and Streets (C.V.R. 14-010-019) (Vermont State Standards) to create context sensitive, multimodal projects that support smart growth as recommended in the Revising the Vermont State Standards (VSS) M2D2: Multimodal Development and Delivery Work Plan, March 2015 (State Standards Work Plan), prepared in accordance with 2014 Acts and Resolves No. 167, Sec. 26.

(b) As recommended in the State Standards Work Plan, the Agency of Transportation shall also prepare a plan to update documents, standards, guidance, and procedures related to the Vermont State Standards.

(c) The Agency shall budget for the plan to update the Vermont State Standards and related documents in the Proposed Fiscal Year 2024 Transportation Program.

(d) The Agency shall make staff available to the House and Senate Committees on Transportation for an oral presentation on the plan to update the Vermont State Standards and corresponding budget beginning on January 15, 2023.

* * * Transportation Alternatives Grant Program * * *

Sec. 20. 19 V.S.A. § 38 is amended to read:

§ 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

(a), (b) [Repealed.]

(c) The Transportation Alternatives Grant Program is created. The Grant Program shall be administered by the Agency, and shall be funded in the amount provided for in 23 U.S.C. § 133(h), less the funds set aside for the Recreational Trails Program. Awards shall be made to eligible entities as defined under 23 U.S.C. § 133(h), and awards under the Grant Program shall be limited to the activities authorized under federal law and shall not exceed \$300,000.00 per grant allocation.

(d) Eligible entities awarded a grant must provide all funds required to match federal funds awarded for a Transportation Alternatives project. All grant awards shall be decided and awarded by the Agency.

* * *

~~(f)(1) In fiscal years 2018 and 2019, all Grant Program funds shall be reserved for municipalities for environmental mitigation projects relating to stormwater and highways, including eligible salt and sand shed projects.~~

~~(2) In fiscal years 2020 and 2021, Grant Program funds shall be awarded for any eligible activity and in accordance with the priorities established in subdivision (4) of this subsection.~~

(3) In fiscal year ~~2022~~ 2024 and thereafter, ~~\$1,100,000.00~~ 50 percent of Grant Program funds, or such lesser sum if all eligible applications amount to less than ~~\$1,100,000.00~~ 50 percent of Grant Program funds, shall be reserved for municipalities for environmental mitigation projects relating to stormwater and highways, including eligible salt and sand shed projects, and the balance

of Grant Program funds shall be awarded for any eligible activity and in accordance with the priorities established in subdivision (2) of this subsection.

~~(4)(2) Regarding Grant Program funds awarded in fiscal years 2020 and 2021, and the balance of Grant Program funds not reserved for environmental mitigation projects in fiscal year 2022 and thereafter, in~~ In evaluating applications for Transportation Alternatives grants, the Agency shall give preferential weighting to projects involving as a primary feature a bicycle or pedestrian facility. The degree of preferential weighting and the circumstantial factors sufficient to overcome the weighting shall be in the complete discretion of the Agency.

* * *

* * * Amendments to the 2021 Transportation Bill * * *

* * * Electric Bicycle Incentives Administrative Costs * * *

Sec. 21. 2021 Acts and Resolves No. 55, Sec. 2(8)(D) and (E) are amended to read:

(D) Replace Your Ride Program. Sec. 27 of this act creates a new program to be known as the Replace Your Ride Program, which will be the State's program to incentivize Vermonters to remove older low-efficiency vehicles from operation and switch to modes of transportation that produce fewer greenhouse gas emissions, and authorizes up to ~~\$1,500,000.00~~ \$1,495,000.00 for incentives under the Program and capped startup and administrative costs.

(E) Electric bicycle incentives. Sec. 28 of this act authorizes up to ~~\$50,000.00~~ \$55,000.00 for \$200.00 incentives for the purchase of an electric bicycle and capped administrative costs.

Sec. 22. 2021 Acts and Resolves No. 55, Sec. 27(d) is amended to read:

(d) Authorization. In fiscal year 2022, the Agency is authorized to spend up to ~~\$1,500,000.00~~ \$1,495,000.00 in one-time Transportation Fund monies on the Replace Your Ride Program established under this section, with up to ~~\$300,000.00~~ \$295,000.00 of that ~~\$1,500,000.00~~ \$1,495,000.00 available for startup costs, outreach education, and costs associated with developing and administering the Replace Your Ride Program.

Sec. 23. 2021 Acts and Resolves No. 55, Sec. 28(b) is amended to read:

(b) Authorization.

(1) In fiscal year 2022, the Agency is authorized to spend up to \$50,000.00 in one-time Transportation Fund monies on the electric bicycle

incentives and up to \$5,000.00 on the costs associated with developing and administering the electric bicycle incentives.

(2) If less than \$5,000.00 is expended on administrative costs associated with developing and administering the electric bicycle incentives under subdivision (1) of this subsection, then the balance of that \$5,000.00 shall only be authorized for startup costs, outreach education, and costs associated with developing and administering the Replace Your Ride Program in addition to the authorization in Sec. 27(d) of this act.

* * * EVSE Grant Program * * *

Sec. 24. 2021 Acts and Resolves No. 55, Sec. 29 is amended to read:

Sec. 29. GRANT PROGRAMS FOR ~~LEVEL 2 CHARGERS~~ EVSE IN MULTI-UNIT MULTIUNIT DWELLINGS; REPORT

(a) As used in this section:

* * *

(2) “~~Multi-unit~~ Multiunit affordable housing” means a ~~multi-unit~~ multiunit dwelling where:

* * *

(3) “~~Multi-unit~~ Multiunit dwelling” means a housing project, such as cooperatives, condominiums, dwellings, or mobile home parks, with 10 or more units constructed or maintained on a tract or tracts of land.

(4) “~~Multi-unit~~ Multiunit dwelling owned by a nonprofit” means a ~~multi-unit~~ multiunit dwelling owned by a person that has nonprofit status under Section 501(c)(3) of the U.S. Internal Revenue Code, as amended, and is registered as a nonprofit corporation with the Office of the Secretary of State.

(5) “Electric vehicle supply equipment (EVSE)” includes both level 1 chargers, which connect directly into a standard 120-volt AC outlet and supply an average output of 1.3 to 2.4 kilowatts and are also known as level 1 EVSE, and level 2 chargers, which have a single-phase input voltage range from 208 to 240 volts AC and a maximum output current less than or equal to 80 amperes AC and are also known as level 2 EVSE.

(b) The Agency of Transportation shall establish and administer, through a memorandum of understanding with the Department of Housing and Community Development, a pilot program to support the continued buildout of electric vehicle supply equipment at ~~multi-unit~~ multiunit affordable housing and ~~multi-unit~~ multiunit dwellings owned by a nonprofit and build upon the existing ~~VW~~ EVSE Grant Program that the Department of Housing and

Community Development has been administering on behalf of the Department of Environmental Conservation.

* * *

(d) Pilot program funding shall be awarded with consideration of broad geographic distribution as well as service models ranging from restricted private parking to publicly accessible parking so as to examine multiple strategies to increase access to EVSE.

* * *

(f) If the Agency of Transportation, in consultation with the interagency team, determines that programmatic funding remains available following the first round of grant awards, then the pilot program shall be opened up and made available to any ~~multi-unit~~ multiunit dwelling.

* * *

* * * Bicycle and Pedestrian Planning Integration Program * * *

Sec. 25. BICYCLE AND PEDESTRIAN PLANNING INTEGRATION PROGRAM

(a) Establishment. The Agency of Transportation shall establish a program to support the continued development and buildout of bicycle and pedestrian infrastructure. The purpose of the program is to do at least one of the following:

(1) ensure alignment and integration of municipal and State bicycle and pedestrian infrastructure deployment and to provide a framework for municipal prioritization of bicycle and pedestrian projects that can be integrated into the VTrans Project Selection and Project Prioritization (VPSP2) process as projects are evaluated for funding through State-sponsored programs, including the Bike and Pedestrian Program, the Transportation Alternatives Program, and the Downtown Transportation Fund; or

(2) integrate bicycle and pedestrian elements into Agency-developed projects.

(b) Consultation and implementation. The Agency shall work with the State's Regional Planning Commissions (RPCs) in implementing the program by providing funding through the Transportation Planning Initiative (TPI) Program for RPCs to develop prioritized municipal bicycle and pedestrian plans or to assist member municipalities in developing prioritized municipal bicycle and pedestrian plans.

* * * Transportation Board * * *

Sec. 26. 5 V.S.A. chapter 3 is redesignated to read:

CHAPTER 3. ~~PROCEEDINGS BY THE BOARD; APPEAL TO SUPERIOR COURT~~ JUDICIAL REVIEW

Sec. 27. 5 V.S.A. § 37 is amended to read:

§ 37. MEMBERS; TERMS; RETIREMENT; APPEAL

(a) When a Board member who hears all or a substantial part of a case retires from office before the case is completed, ~~he or she~~ that individual shall remain a member of the Board for the purpose of concluding and deciding the case, and signing the findings, orders, decrees, and judgments of the case. A retiring chair shall also remain a member for the purpose of certifying questions of law if appeal is taken.

(b) A case shall be deemed completed when the Board enters a final order even though ~~the order is appealed to a Superior Court and~~ judicial review is sought pursuant to 19 V.S.A. § 5(c) or the case remanded to the Board. Upon remand, the Board then in office may consider relevant evidence, including any part of the transcript of testimony in the proceedings prior to appeal.

Sec. 28. 5 V.S.A. § 40 is amended to read:

§ 40. PLEADINGS; RULES OF PRACTICE; FINDINGS OF FACT

(a) The forms, pleadings, and rules of practice and procedure before the Board shall be prescribed by the Board.

(b) The Board shall hear all matters within its jurisdiction and make findings of fact. It shall state its rulings of law when required. Upon ~~appeal to a Superior Court~~ judicial review pursuant to 19 V.S.A. § 5(c), the Board's findings of fact shall be accepted unless clearly erroneous.

Sec. 29. 5 V.S.A. §§ 43 and 44 are amended to read:

§ 43. ~~REVIEW BY SUPERIOR COURT~~ JUDICIAL REVIEW

A party to a cause who feels aggrieved by the final order, judgment, or decree of the Board may ~~appeal to a Superior Court under Rule 74 of the Vermont Rules of Civil Procedure~~ seek judicial review pursuant to 19 V.S.A. § 5(c). However, the Board, before final judgment, may permit an interlocutory appeal to be taken by any party pursuant to a Superior Court 19 V.S.A. § 5(c) 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. Notwithstanding the provisions of the Vermont Rules of Civil Procedure or the Vermont Rules of Appellate Procedure, neither the time for filing a notice of appeal nor the filing of a notice of appeal, as

provided in this section, shall operate as a stay of enforcement of an order of the Board unless the Board or a ~~Superior~~ the Supreme Court grants a stay under the provisions of section 44 of this ~~title~~ chapter.

§ 44. POWERS OF ~~SUPERIOR~~ THE SUPREME COURT

~~A Superior~~ Upon appeal to the Supreme Court, the Court may reverse or affirm the judgments, orders, or decrees of the Transportation Board and may remand a cause to it with mandates, as law or equity shall require; and the Board shall enter its judgment, order, or decree in accordance with these mandates. Appeals to the ~~Superior~~ Supreme Court shall not have the effect of vacating any judgment, order, or decree of the Board, but the ~~Superior~~ Supreme Court, upon notice to interested parties, may suspend execution of a Board judgment under a decree as justice and equity require unless otherwise specifically provided by law.

Sec. 30. 5 V.S.A. § 207(d) is amended to read:

(d) The application for a certificate of approval of the site selected shall be in writing and substantially describe the property involved and the general purposes for which it is to be acquired and the manner in which the acquisition is asserted to serve the public interest. The application shall designate the names of all owners or persons known to be interested in lands adjoining the property and their residences, if known, and shall contain such further matter as the Board by rule shall determine. The application shall be supported by documentation showing that the proposed facility has received municipal approval. After evaluating the application, the Board shall issue its order giving notice of the time and place of hearing on the application. The applicant shall give notice of the proceedings to all persons owning or interested in adjoining lands by delivery of a true copy of the application and order for hearing by registered or certified mail to the last known address of each of the persons; the notice to be mailed at least 12 days prior to the date of the hearing. Notice of the hearing and a general statement of the purpose shall be published at least once in a newspaper of common circulation in the town where the property described in the application is situated at least two days before the date of the hearing, and a similar notice shall be posted in a public place at least 12 days before the hearing. Upon compliance by the applicant with the foregoing provisions for notice, the Board shall hear the applicant and all parties interested on the question of approval of the site or sites and shall consider and determine whether in the public interest the application ought to be granted. Whenever the Board makes an order granting or denying a certificate of approval of an airport, or a restricted landing area, approval to use or operate an airport or a restricted landing area or other air navigation facility, an aggrieved person may ~~have the decision reviewed on the record by~~

~~the Superior Court pursuant to Rule 74 of the Vermont Rules of Civil Procedure seek judicial review pursuant to 19 V.S.A. § 5(c).~~

Sec. 31. 5 V.S.A. § 652 is amended to read:

§ 652. SUPERIOR COURT JUDICIAL REVIEW

The Secretary of Transportation or the legislative body of a municipality, as defined in 24 V.S.A. § 2001, or the committee representing two or more municipalities, when authorized by vote of their legislative bodies, may proceed in Superior Court as provided in 19 V.S.A. chapter 5, except as otherwise provided in this subchapter.

Sec. 32. 5 V.S.A. § 3639 is amended to read:

§ 3639. FARM CROSSINGS AND CATTLE GUARDS; CONSTRUCTION AND MAINTENANCE; JUDICIAL REVIEW

(a) A person ~~or corporation~~ owning or operating a railroad shall construct and maintain farm crossings of the road for the use of the proprietors of lands adjoining the railroad, and cattle guards at all farm and road crossings sufficient to prevent cattle and animals from getting on the railroad. A farm crossing may be temporarily or permanently closed or discontinued by mutual agreement between all parties having an interest therein. If no such mutual agreement can be reached by such interested parties, then a person ~~or corporation~~ owning or operating a railroad and desiring to close any farm crossing shall make application to the Transportation Board. The Board shall thereupon give notice to all parties interested, in such manner as the Board may direct, of hearing on the application, the hearing to be in the county where such crossing is located. After the hearing, a person ~~or corporation~~ owning or operating a railroad shall not close such farm crossing without the approval of the Transportation Board. A person aggrieved by the closing of a farm crossing after January 1, 1955 by a person ~~or corporation~~ owning or operating a railroad may notify the Transportation Board by registered or certified mail of the closing, and thereupon the Board shall conduct a hearing. Notice and place of hearing shall be as set forth in this subsection. The Transportation Board may require the reopening of any such crossing and make such other order as is permitted in section 3649 of this title. At any such hearing, the burden of proof shall rest with the person or persons effecting or seeking to effect the closing of such farm crossing. Any person aggrieved by ~~an~~ the final order of the Transportation Board, who was a party to the proceedings, may, ~~in accordance with Rule 74 of the Vermont Rules of Civil Procedure,~~ appeal to the Superior Court, whereupon such cause shall be tried as an original action brought under the provisions of 12 V.S.A. § 402 seek judicial review pursuant to 19 V.S.A. § 5(c).

(b) A person ~~or railroad corporation~~ closing any farm crossing in violation of a provision of this section or failing to comply with any such order shall be fined not less than \$50.00 nor more than \$500.00, and any person aggrieved by such violation may recover ~~his or her~~ the person's damages in an action on this statute.

Sec. 33. 5 V.S.A. § 3788 is amended to read:

§ 3788. ORDERS OF BOARD; APPEALS JUDICIAL REVIEW

The order of the Board relating to any matter upon which it may act under the authority of this chapter shall be communicated in writing to the petitioners and to all persons to whom notice of the hearing on such petition was given. Any person aggrieved by such order, who was a party to such proceedings, may ~~appeal from such order to the Superior Court in accordance with Rule 74 of the Vermont Rules of Civil Procedure~~ seek judicial review pursuant to 19 V.S.A. § 5(c).

Sec. 34. 9 V.S.A. § 4100b is amended to read:

§ 4100b. ENFORCEMENT; TRANSPORTATION BOARD

(a) The Transportation Board established in 19 V.S.A. § 3 shall enforce the provisions of this chapter.

* * *

(h) Within 20 days after any order or decision of the Board authorized under this chapter, any party to the proceeding may apply for a rehearing with respect to any matter determined in the proceeding or covered or included in the order or decision. The application for rehearing shall set forth fully every ground upon which it is claimed that the decision or order complained of is unlawful or unreasonable. No appeal from any order or decision of the Board shall be taken unless the appellant makes an application for rehearing as provided in this subsection, and when the application for rehearing has been made, no ground not set forth in the application shall be urged, relied on, or given any consideration by the Board unless the Board for good cause shown allows the appellant to specify additional grounds. Any party to the proceeding may appeal the final order, including all interlocutory orders or decisions, pursuant to the Superior Court 19 V.S.A. § 5(c) within 30 days after the date the Board rules on the application for reconsideration of the final order or decision. All findings of the Board upon all questions of fact properly before the court shall be prima facie lawful and reasonable. The order or decision appealed from shall not be set aside or vacated except for errors of law. No additional evidence shall be heard or taken by the ~~Superior~~ Supreme Court on appeals from orders or decisions by the Board authorized under this

title.

(i) In cases where the Board finds that a violation of this chapter has occurred or there has been a failure to show good cause under section 4089 or 4098 of this title, the ~~Superior Court~~ Board, upon petition, shall determine reasonable attorney's fees and costs and award them to the prevailing party.

Sec. 35. 19 V.S.A. § 5 is amended to read:

§ 5. TRANSPORTATION BOARD; POWERS AND DUTIES

(a) General duties and responsibilities; exceptions. The regulatory and quasi-judicial functions relating to transportation shall be vested in the Board, except that the duties and responsibilities of the Commissioner of Motor Vehicles in Titles 23 and 32, including all quasi-judicial powers, shall continue to be vested in the Commissioner.

(b) Naming transportation facilities.

(1) Except as otherwise authorized by law, the Board is the sole authority responsible for naming transportation facilities owned, controlled, or maintained by the State, including highways and the bridges thereon, airports, rail facilities, rest areas, and welcome centers. The Board shall exercise its naming authority only upon petition of the legislative body of a municipality of the State, of the head of an Executive Branch agency or department of the State, or of 50 Vermont residents.

(2) The Board shall hold a public hearing for each facility requested to be named. The Board shall adopt rules governing notice and conduct of hearings, the standards to be applied in rendering decisions under this subsection, and any other matter necessary for the just disposition of naming requests. The Board shall issue a decision, which shall be subject to review on the record ~~by a Superior Court pursuant to Rule 74 of the Vermont Rules of Civil Procedure~~ subsection (c) of this section. The Board may delegate the responsibility to hold a hearing to a hearing officer or a single Board member, subject to the procedure of subsection (c) of this section, but shall not be bound by 3 V.S.A. chapter 25 in carrying out its duties under this subsection.

(c) Hearing examiners; report of findings; final orders; judicial review. The Board may delegate the responsibility to hear quasi-judicial matters, and other matters as it may deem appropriate, to a hearing examiner or a single Board member, to hear a case and make findings in accordance with 3 V.S.A. chapter 25, except that highway condemnation proceedings shall be conducted pursuant to the provisions of chapter 5 of this title. A hearing examiner or single Board member so appointed shall report the findings of fact in writing to the Board. Any order resulting from those findings shall be rendered only

by a majority of the Board. Final orders of the Board issued pursuant to section 20 of this title (small claims against the Agency) may be reviewed on the record by a Superior Court pursuant to Rule 74 of the Vermont Rules of Civil Procedure. All other final orders of the Board may be reviewed on the record by the Supreme Court.

(d) Specific duties and responsibilities. The Board shall:

* * *

(e) Offices and assistance. Suitable offices and office equipment shall be provided by the State for the Board at Montpelier. The Board may employ clerical or other employees and assistants whom it deems necessary in the performance of its duties and in the investigation of matters within its jurisdiction.

(f) Jurisdiction; subpoenas; witness fees. The Board shall have the power to determine and adjudicate all matters over which it is given jurisdiction. It may render judgments and make orders and decrees. Whenever the Board is sitting in a quasi-judicial capacity, it may issue subpoenas for the testimony of witnesses or the production of evidence. The fees for travel and attendance of witnesses shall be the same as for witnesses and officers appearing before a Civil Division of the Superior Court.

(g) Reports to the General Assembly. From time to time, the Board may report to the General Assembly with suggestions of amendment to existing law or of new legislation as it deems necessary and any information concerning the companies, matters, and things under the jurisdiction of the Board and Agency that, in its opinion, will be of interest to the General Assembly.

(h) Appeals from the Agency to the Board. Unless otherwise provided by law, when an appeal is allowed from the Agency to the Board, the appeal shall be taken by filing a notice of appeal with the Secretary within 30 days of the date of the Agency decision from which the appeal is taken. The Secretary shall promptly forward the notice of appeal to the Board, together with the Agency's record of decision.

* * * Repeal of 5 V.S.A. Chapter 5 * * *

Sec. 36. REPEAL

5 V.S.A. chapter 5 (assessments to support Agency of Transportation and Transportation Board) is repealed.

* * * On-Premises Signs * * *

Sec. 37. 10 V.S.A. § 493 is amended to read:

§ 493. ON-PREMISES SIGNS

Owners or occupants of real property may erect and maintain on the property, on-premises signs advertising the sale or lease of the property or activities being conducted on the property. Those signs shall be subject to the regulations set forth below.

(1) On-premises signs may be erected or maintained, with a total area of not more than 150 square feet, advertising activities being conducted on the same premises. However, this limitation does not apply to signs existing on May 1, 1971, or attached to or part of the building in which the activities are being carried on. An on-premises sign shall not be located more than 1,500 feet from a main entrance from the highway to the activity or premises advertised. The 1,500-foot distance shall be measured along the centerline of the highway or highways between the sign and a main entrance or a straight line, but only if the difference in elevation between the on-premises sign and a main entrance is more than 100 feet. A main entrance shall be a principal, private roadway or driveway that leads from a public highway to the advertised activity. For the purposes of this subdivision, premises shall not include land that is separated from the activity by a public highway, or other intervening land use not related to the advertised activity. Undeveloped land or farmland shall not be considered as an intervening land use.

* * *

* * * Right-of-Way Permits; 1111 Permits; Municipal
Site Plan Review * * *

Sec. 38. 19 V.S.A. § 1112 is amended to read:

§ 1112. DEFINITIONS; FEES

(a) As used in this section:

* * *

(4) “Subsurface stormwater system” means a stormwater system, as defined in 10 V.S.A. § 1264(b)(15), that is beneath the surface.

(b) The Secretary shall collect the following fees for each application for the following types of permits issued pursuant to section 1111 of this title:

* * *

(2) utility installations, including ~~each~~ direct connection to the State highway subsurface stormwater system: \$100.00

* * *

Sec. 39. 24 V.S.A. § 4416(b) is amended to read:

(b) Whenever a proposed site plan involves access to a State highway or other work in the State highway right-of-way such as excavation, grading, paving, or utility installation, the application for site plan approval shall include a letter from the Agency of Transportation confirming that the Agency has reviewed the proposed site plan and determined whether a permit is required under 19 V.S.A. § 1111. If the Agency determines that a permit for the proposed site plan is required under 19 V.S.A. § 1111, then the letter from the Agency ~~shall~~ may set out ~~any~~ conditions that the Agency proposes to attach to the permit required under 19 V.S.A. § 1111.

* * * Smugglers' Notch Motor Vehicle Limitations * * *

Sec. 40. 23 V.S.A. § 1006b is amended to read:

§ 1006b. SMUGGLERS' NOTCH; WINTER CLOSURE OF VERMONT
ROUTE 108; ~~COMMERCIAL~~ VEHICLE OPERATION
PROHIBITED

(a) Winter closure. The Agency of Transportation may close the Smugglers' Notch segment of Vermont Route 108 during periods of winter weather.

(b) Vehicle operation prohibition.

(1) ~~As used in this subsection, "commercial vehicle" means truck-tractor-semitrailer combinations and truck-tractor-trailer combinations.~~

(2) ~~Commercial~~ Single-frame motor vehicles over 40 feet in length and tractor units with one or more attached trailers over 45 feet in total length are prohibited from operating on the Smugglers' Notch segment of Vermont Route 108.

(3)(2) ~~Either the~~ The employer of an operator of a commercial vehicle who is operating a vehicle in the scope of employment and violates this subsection; or the operator's employer, or the operator of a vehicle who is operating a vehicle for personal purposes and violates this subsection shall be subject to a civil penalty of \$1,000.00. ~~If or, if~~ the violation results in substantially impeding the flow of traffic on Vermont Route 108, ~~the penalty shall be a civil penalty of~~ \$2,000.00. For a second or subsequent conviction within a three-year period, the applicable penalty or penalties shall be doubled.

(3) The prohibition in subdivision (1) of this subsection shall not apply to law enforcement, fire, emergency medical services, and search and rescue vehicles involved in training or responding to real-world incidents.

(c) Required signage. The Agency shall erect signs conforming to the

standards established by section 1025 of this title to indicate the closures and restrictions authorized under this section.

* * * Municipal Restrictions; Covered Bridges;
Damages and Expenses * * *

Sec. 41. 19 V.S.A. § 313 is amended to read:

§ 313. RESTRICTING USE OF COVERED BRIDGES

~~The Agency and the selectmen of the town where a covered bridge is located or, if parts of such a bridge are located in more than one town, the selectmen of the towns acting jointly, may restrict the use of the bridge to vehicles that are within limits as to weight, height, and width as they shall establish. The limitation shall be plainly posted at the approaches to the bridge at approximately 100 feet from each end of the bridge, and at intersections as may be required to enable operators of restricted vehicles to proceed by the most direct alternate unrestricted route. Posting shall be by means of permanent signs of a standard size of at least 24 inches by 24 inches, and with lettering not less than three inches high. [Repealed.]~~

Sec. 42. 19 V.S.A. § 315 is amended to read:

§ 315. PENALTIES

~~A person who operates a vehicle exceeding the limit prescribed on a bridge thus restricted shall be fined not more than \$200.00 for the first offense and not more than \$300.00 for each subsequent offense. [Repealed.]~~

Sec. 43. 23 V.S.A. § 1396 is redesignated to read:

§ 1396. SPECIAL WEIGHT LIMITS FOR BRIDGES AND HIGHWAYS

Sec. 44. 23 V.S.A. § 1397 is redesignated to read:

§ 1397. WEIGHT LIMIT SIGNS

Sec. 45. 23 V.S.A. § 1397a is added to read:

§ 1397a. SPECIAL LIMITS FOR COVERED BRIDGES

The legislative body of a municipality where a covered bridge is located or, if parts of such a bridge are located in more than one municipality, the legislative bodies of the municipalities where a covered bridge is located acting jointly may, after consultation with the Agency of Transportation, restrict the use of the bridge to vehicles that are within limits as to one or more of the following, as they shall establish: weight, height, or width. Any limitation shall be permanently posted by the municipality, with signs that conform to the standards established by section 1025 of this title,

approximately 100 feet from the approaches to the bridge and at intersections as may be required to enable operators of restricted vehicles to proceed by the most direct alternate unrestricted route.

Sec. 46. 23 V.S.A. § 1398 is amended to read:

§ 1398. CERTIFIED STATEMENT TO BE FILED

A certified statement shall be filed with the clerk in each ~~town, village, or city~~ municipality in which the a posting occurs, as provided in ~~section~~ sections 1397 and 1397a of this ~~title subchapter, stating occurs that states~~ the location of the highway or bridge posted, the legal ~~load limit or limits~~ to which ~~such~~ the highway or bridge is restricted, and the date of posting. If ~~such a~~ restriction is removed at any time by the Secretary of Transportation, ~~selectboard, trustees, or city council, or legislative body of the municipality, or both,~~ a similar certified statement of the removal shall be filed with the clerk of the ~~town, village, or city as the case may be~~ municipality.

Sec. 47. 23 V.S.A. § 1399(b) is amended to read:

(b) Nothing contained in sections 1391–1398 of this ~~title subchapter~~ shall restrict the weight of:

(1) Snow plows, road machines, oilers, traction engines, tractors, rollers, power shovels, dump wagons, trucks, or other construction or maintenance equipment when used by any town, incorporated village, city, or the State in the construction or the maintenance of any highway, provided that such construction or maintenance is performed by persons employed by or under contract with such town, incorporated village, city, or the State for this purpose. However, any operation of motorized highway building equipment or road making appliances used in construction work contracted by a town, incorporated village, city, or the State shall be unrestricted as to weight only within a construction area.

(2) Municipal and volunteer fire apparatus and law enforcement motor vehicles.

(3) Heavy-duty tow and recovery vehicles on the Dwight D. Eisenhower System of Interstate and Defense Highways.

Sec. 48. 23 V.S.A. § 1400d is amended to read:

§ 1400d. AGRICULTURAL SERVICE VEHICLES

(a) An agricultural service vehicle, as defined in subdivision 4(71) of this title, shall be exempt from the provisions of sections 1400 and 1400a and subsection 1434(c) of this ~~title subchapter~~ if the gross weight does not exceed 60,000 pounds.

(b) Municipalities shall not be liable for injuries or damages to agricultural service vehicles or their operators that result from crossing a posted bridge with an agricultural service vehicle that weighs more than the posted weight limit.

Sec. 49. 23 V.S.A. § 1434 is amended to read:

§ 1434. OPERATION IN EXCESS OF WEIGHT, HEIGHT, OR WIDTH LIMITS; PENALTIES

(a) General limits. The operation of a vehicle on a public highway in excess of the legal height, width, or length limits as prescribed in section 1431 or 1432 of this title subchapter without first obtaining a permit to operate the vehicle, whether or not a permit is available, shall be a traffic violation, as defined in section 2302 of this title. ~~A violation shall be, and~~ punishable by a civil penalty of \$300.00 for a first offense, \$600.00 for a second offense within a two-year period, and \$800.00 for a third or subsequent offense within a two-year period.

(b) Permit limits. The operation of a vehicle on a public highway in excess of the legal height, width, or length limits as prescribed in section 1431 or 1432 of this title subchapter in violation of the terms of a permit issued in conformance with section 1400 of this title subchapter shall be a traffic violation, as defined in section 2302 of this title, ~~and shall be~~ punishable by a civil penalty of \$300.00 for a first offense, \$600.00 for a second offense within a two-year period, and \$800.00 for a third or subsequent offense within a two-year period.

(c) Covered bridges. The operation of a vehicle in excess of the legal limits designated for a covered bridge under section 1397a of this subchapter or applicable under subdivisions 1392(1) and (2) of this subchapter shall be a traffic violation, as defined in section 2302 of this title, and punishable by a civil penalty of \$1,000.00 or, if the violation results in substantially impeding the flow of traffic, \$2,000.00. For a second or subsequent conviction within a three-year period, the applicable penalty shall be doubled.

(d) Refusal to issue a permit. In the case of a violation under subsection (a) of this section, the Commissioner may refuse to issue a permit to the violator under section 1400 of this title subchapter for a period not to exceed three months, if the owner or lessee commits four or more violations within a two-year period. If the holder of a permit commits four or more violations under subsection (b) of this section within a two-year period, the Commissioner may suspend, for a period not to exceed three months, any permit issued to the violator under section 1400 of this title subchapter. For the purposes of this section, the owner or lessee of the vehicle shall be

considered the holder of, or applicant for, the permit.

Sec. 50. 23 V.S.A. § 1492 is amended to read:

§ 1492. LIABILITY FOR DAMAGE DEFINED; LIMITATIONS

The owner, driver, operator, or mover of any motor truck, tractor, trailer, wagon, cart, carriage, or other object or contrivance ~~which~~ that is moved or operated on any highway in violation of any of the provisions of sections ~~1098, 1145~~ 1083, 1092, 1302, 1305, and 1431 and subsection ~~1434(c)~~ of this title, ~~subchapter~~; such portion of ~~section 1141~~ sections 1003 and 1081 of this title ~~subchapter~~ as pertains to trucks and buses; and such portion of section 1391 of this title ~~subchapter~~ as relates to weight in relation to tire surface, shall be liable to the State or municipal corporation in which the act is committed for damages to a public highway or bridge occasioned by such moving or operating, to be recovered in a civil action, in the name of the State or municipal corporation, or in an action on the bond provided in this chapter in connection with the issuance of permits, provided the action is brought within two years after such act is committed.

Sec. 51. 23 V.S.A. § 1112 is amended to read:

§ 1112. CLOSED HIGHWAYS

(a) Except by the written permit of the authority responsible for the closing, a person shall not drive any vehicle over any highway across which there is a barrier or a sign indicating that the highway is closed to public travel.

* * *

~~(c) A municipal, county, or State entity that deploys police, fire, ambulance, rescue, or other emergency services in order to aid a stranded operator of a vehicle, or to move a disabled vehicle, operated on a closed highway in violation of this section, may recover from the operator in a civil action the cost of providing the services, if at the time of the violation a sign satisfying the requirements of subsection (b) of this section was installed. [Repealed.]~~

Sec. 52. 24 V.S.A. § 2296a is added to read:

§ 2296a. RIGHT TO RECOVER EXPENSES FOR EMERGENCY SERVICES

A municipal, county, or State entity that deploys police, fire, ambulance, rescue, or other services to aid an operator of a vehicle who is stranded due to a violation of 23 V.S.A. § 1006b, 1112, or 1434(c) or to move a vehicle that is disabled due to a violation of 23 V.S.A. § 1006b, 1112, or 1434(c) may recover in civil action the costs of providing services from the operator or the

operator's employer, provided that the operator was acting during or incidental to the operator's scope of employment.

* * * Municipal Weight Limits; Filing of Restrictions * * *

Sec. 53. 23 V.S.A. § 1400b is amended to read:

§ 1400b. FILING OF RESTRICTIONS, PUBLICATION

(a) Any municipality that has enacted special weight limits that are other than State legal limits for highways or bridges within its jurisdiction shall file a complete copy of the limitations with the Department of Motor Vehicles ~~not later than February 10~~ of each year. The information filed shall contain a concise listing of each highway or bridge posted, the time of the year the restrictions apply, weight limitations in effect on that highway or bridge, and the name, address, and telephone number of the principal person or persons responsible for issuing the local permit. Additions or deletions to the listing may be made from time to time, as required, by filing with the Department.

(b) Any special municipal weight limits on highways or bridges shall be unenforceable unless they are on file with the Department of Motor Vehicles within three working days of the date of posting. It shall be the responsibility of the municipality to keep records documenting the time and date a highway or bridge is posted, and to keep current restrictions on file with the Department. The Department may prescribe the format that is to be used when filing restrictions under this section.

* * *

* * * Use of Sustainable Building Components * * *

Sec. 54. FINDINGS

The General Assembly finds:

(1) With the passage of the Universal Recycling Law, the State of Vermont committed to providing convenient and efficient recycling services to all Vermonters.

(2) Efficient recycling systems save energy, conserve natural resources, and reduce greenhouse gas emissions.

(3) Recycled glass can currently be used in the following ways:

(A) as an aggregate to substitute for virgin or manufactured sand;

(B) ground and used as a pozzolan, which can be a partial substitute for Portland Cement in a concrete-mix design; or

(C) converted into a building component.

(4) Mining sand is a practice that is known to have an adverse effect on the environment.

(5) Fly ash, which is a pozzolan, is the byproduct of the burning of coal, and ground granulated blast-furnace slag, which is also a pozzolan, is the byproduct of steel manufacturing.

(6) The Agency of Transportation is already, pursuant to 2020 Acts and Resolves No. 121, Sec. 21, encouraged to, wherever practicable, use pozzolans and alternatives to Portland Cement as part of the concrete-mix design for all transportation infrastructure projects.

(7) Reusing recycled glass as a substitute for virgin or manufactured sand conserves natural resources by reducing the need to mine or manufacture sand.

(8) Using materials recycled in Vermont as a partial substitute for aggregate and non-aggregate components in maintenance, construction, and improvement projects could reduce greenhouse gas emissions and the State's carbon footprint by eliminating the need to transport recycled glass out of State for further processing.

(9) Using materials recycled in Vermont as a partial substitute for aggregate and non-aggregate components in maintenance, construction, and improvements projects could provide an economic benefit to the local recycling industry.

(10) There will continue to be advances in the availability and use of sustainable building components, such as recycled materials and manufacturing byproducts, in maintenance, construction, and improvement projects.

Sec. 55. 19 V.S.A. § 10c(m) is amended to read:

~~(m) Reecyeled asphalt pavement (RAP) shall be used on all Agency paving projects to the extent sources of quality RAP are available consistent with producing quality hot mix asphalt. To that extent, the Agency shall define paving project specifications and contract bid documents to allow the use of up to 50 percent RAP. The Agency shall compare the cost-benefit of the State's retaining the RAP versus the contractor's retaining the RAP, and the Agency shall report to the House and Senate Committees on Transportation on the results of the comparison in the 2009 and 2010 legislative sessions. [Repealed.]~~

Sec. 56. 19 V.S.A. § 10m is added to read:

§ 10m. STATEMENT OF POLICY; SUSTAINABLE BUILDING

COMPONENTS; ANNUAL REPORT

(a) Policy. It shall be the State's policy to use sustainable building components, including recycled materials and manufacturing byproducts, in all maintenance, construction, and improvement projects within the State's Transportation Program to the extent that sources of quality sustainable building components are available and the use is consistent with producing transportation assets with a demonstrated evidence of long-term durability.

(b) Specifications. The Agency shall define its performance and related specifications and contract bid documents to allow and, as practicable, encourage the use of sustainable building components.

(c) Recycled asphalt pavement. Recycled asphalt pavement (RAP) shall be used on all Agency paving projects to the extent sources of RAP of a quality comparable to hot mix asphalt is available. The Agency shall define paving project specifications and contract bid documents to allow for the use of up to 50 percent RAP.

(d) Research and testing. The Agency is encouraged to continue researching, testing, and, wherever practicable, using sustainable building components, pozzolans, and alternatives to Portland Cement as part of the construction specifications for all transportation infrastructure projects.

(e) Annual report. The Agency, in consultation with the Recycled Materials Working Group, shall, during each session of the General Assembly, provide an oral report to the House and Senate Committees on Transportation on the use of sustainable building components in maintenance, construction, and improvement projects within the State's Transportation Program.

* * * Fees for State Electric Vehicle Supply Equipment; Sunset * * *

Sec. 57. 2019 Acts and Resolves No. 59, Sec. 38 is amended to read:

Sec. 38. ELECTRIC VEHICLE SUPPLY EQUIPMENT FEES REPEAL

32 V.S.A. § 604 (electric vehicle supply equipment fees) is repealed on July 1, ~~2022~~ 2025.

Sec. 58. 32 V.S.A. § 604 is amended to read:

§ 604. ELECTRIC VEHICLE SUPPLY EQUIPMENT FEES

(a) Notwithstanding any other provision of this subchapter, any agency or department that owns or controls electric vehicle supply equipment (EVSE), as defined in 30 V.S.A. § 201, may establish, set, and adjust fees for the use of that ~~electric vehicle supply equipment~~ EVSE. The agency or department may establish fees for electric vehicle charging at less than its costs, to cover its

costs, or equal to the retail rate charged for the use of ~~electric vehicle supply equipment~~ EVSE available to the public. Fees collected under this section shall be deposited in the same fund or account within a fund from which the electric operating expense for the ~~electric vehicle supply equipment~~ EVSE originated.

(b) The Agency of Transportation and the Department of Buildings and General Services shall make staff available to standing committees of the General Assembly beginning on January 15 each year to give an oral presentation that provides an update on the State's efforts to collect fees for the use of EVSE that is owned or controlled by the State pursuant to subsection (a) of this section and shall make available as part of that presentation a copy of any applicable fee schedules, along with an explanation as to whether or not the fee schedule accounts for expenses associated with the EVSE, including electricity costs.

* * * Relinquishment of Vermont Route 207 Extension
in the Town of St. Albans * * *

Sec. 59. 2012 Acts and Resolves No. 153, Sec. 23(a) is amended to read:

(a) Pursuant to 19 V.S.A. § 15(a)(2), the ~~general assembly~~ General Assembly approves the ~~secretary of transportation~~ Secretary of Transportation to enter into an agreement with the ~~town~~ Town of St. Albans to relinquish to the ~~town's~~ Town's jurisdiction a segment of state State highway right-of-way in the ~~town~~ Town of St. Albans, which has not been constructed to be a traveled road, and which was to be known as the Vermont Route 207 Extension. This authority shall expire on June 30, ~~2022~~ 2032. The segment authorized to be relinquished measures approximately 1.7 acres, is approximately 160 feet in width, and starts at a point 200 feet west of the intersection of the U.S. Route 7/Vermont Route 207 centerline of highway project S0297(2), and continues westerly for 463 feet.

* * * Codified Law Technical Corrections * * *

Sec. 60. REPEAL

19 V.S.A. § 22 (fine applicable for a violation of the since repealed 19 V.S.A. § 21(c)) is repealed.

Sec. 61. 19 V.S.A. § 11a(b) is amended to read:

~~(b) In fiscal year 2017, of the funds appropriated to the Department of Public Safety pursuant to subsection (a) of this section, the amount of \$1,680,000.00 is allocated exclusively for the purchase, outfitting, assignment, and disposal of State Police vehicles. In fiscal year 2018 and in succeeding fiscal years, of the funds appropriated to the Department of Public Safety~~

pursuant to subsection (a) of this section, the amount of \$2,100,000.00 is allocated exclusively for the purchase, outfitting, assignment, and disposal of State Police vehicles. Any unexpended and unencumbered funds remaining in this allocation at the close of a fiscal year shall revert to the Transportation Fund. The Department of Public Safety may periodically recommend to the General Assembly that this allocation be adjusted to reflect market conditions for the vehicles and equipment.

Sec. 62. 19 V.S.A. § 996(a) is amended to read:

(a) The Agency of Transportation shall work with municipal representatives to revise the Agency of Transportation's Town Road and Bridge Standards in order to incorporate a suite of practical and cost-effective best management practices, as approved by the Agency of Natural Resources, for the construction, maintenance, and repair of all existing and future State and town highways. These best management practices shall address activities that have a potential for causing pollutants to enter the groundwater and waters of the State, including stormwater runoff and direct discharges to State waters. The best management practices shall not supersede any requirements for stormwater management already set forth in 10 V.S.A. §§ 1264 and 1264a that apply to State and town highways. ~~The Agency of Transportation shall report to the House and Senate committees on Transportation, the house committee on fish, wildlife and water resources, and the Senate Committee on Natural Resources and Energy by January 15, 2011, on the best management practices to be incorporated into the Agency of Transportation's Town Road and Bridge Standards.~~

* * * Zoning; Municipal Airports; Parking * * *

Sec. 63. 24 V.S.A. § 4413(i) is added to read:

(i) Notwithstanding 1 V.S.A. § 213, no bylaw adopted under this chapter shall regulate the location of parking facilities at or adjacent to a municipally owned and operated airport.

* * * Effective Dates * * *

Sec. 64. EFFECTIVE DATES

(a) This section and Secs. 57 (amendment to sunset of 32 V.S.A. § 604), 59 (extension of authority to relinquish State highway right-of-way for Vermont Route 207 Extension), and 63 (24 V.S.A. § 4413(i)) shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Secs. 21–24 (amendments to the 2021 Transportation Bill) shall take effect retroactively on July 1, 2021.

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

(For text see House Journal March 24, 2022)

NOTICE CALENDAR
Favorable with Amendment
S. 285

An act relating to health care reform initiatives, data collection, and access to home- and community-based services

Rep. Houghton of Essex, 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:

* * * Payment and Delivery System Reform; Appropriations * * *

Sec. 1. DEVELOPMENT OF PROPOSAL FOR SUBSEQUENT

ALL-PAYER MODEL AGREEMENT

(a)(1) The Director of Health Care Reform in the Agency of Human Services, in collaboration with the Green Mountain Care Board, shall develop a proposal for a subsequent agreement with the Center for Medicare and Medicaid Innovation to secure Medicare's sustained participation in multi-payer alternative payment models in Vermont. In developing the proposal, the Director shall consider:

(A) total cost of care targets;

(B) global payment models;

(C) strategies and investments to strengthen access to:

(i) primary care;

(ii) home- and community-based services;

(iii) subacute services;

(iv) long-term care services; and

(v) mental health and substance use disorder treatment services;

and

(D) strategies and investments to address health inequities and social determinants of health.

(2)(A) The development of the proposal shall include consideration of alternative payment and delivery system approaches for hospital services and community-based providers such as primary care providers, mental health

providers, substance use disorder treatment providers, skilled nursing facilities, home health agencies, and providers of long-term services and supports.

(B) The alternative payment models to be explored shall include, at a minimum:

(i) value-based payments for hospitals, including global payments, that take into consideration the sustainability of Vermont's hospitals and the State's rural nature, as set forth in subdivision (b)(1) of this section;

(ii) geographically or regionally based global budgets for health care services;

(iii) existing federal value-based payment models; and

(iv) broader total cost of care and risk-sharing models to address patient migration patterns across systems of care.

(C) The proposal shall:

(i) include appropriate mechanisms to convert fee-for-service reimbursements to predictable payments for multiple provider types, including those described in subdivision (A) of this subdivision (2);

(ii) include a process to ensure reasonable and adequate rates of payment and a reasonable and predictable schedule for rate updates;

(iii) meaningfully impact health equity and address inequities in terms of access, quality, and health outcomes; and

(iv) support equal access to appropriate mental health care that meets standards of quality, access, and affordability equivalent to other components of health care as part of an integrated, holistic system of care.

(3)(A) The Director of Health Care Reform, in collaboration with the Green Mountain Care Board, shall ensure that the process for developing the proposal includes opportunities for meaningful participation by the full continuum of health care and social service providers, payers, and other interested stakeholders in all stages of the proposal's development.

(B) The Director shall seek to minimize the administrative burden of and duplicative processes for stakeholder input.

(C) To promote engagement with diverse stakeholders and ensure the prioritization of health equity, the process may utilize existing local and regional forums, including those supported by the Agency of Human Services.

(b) As set forth in subdivision (a)(2)(B)(i) of this section and notwithstanding any provision of 18 V.S.A. § 9375(b)(1) to the contrary, the Green Mountain Care Board shall:

(1) in collaboration with the Agency of Human Services and using the stakeholder process described in subsection (a) of this section, build on successful health care delivery system reform efforts by developing value-based payments, including global payments, from all payers to Vermont hospitals or accountable care organizations, or both, that will:

(A) help move the hospitals away from a fee-for-service model;

(B) provide hospitals with predictable, sustainable funding that is aligned across multiple payers, consistent with the principles set forth in 18 V.S.A. § 9371, and sufficient to enable the hospitals to deliver high-quality, affordable health care services to patients;

(C) take into consideration the necessary costs and operating expenses of providing services and not be based solely on historical charges; and

(D) take into consideration Vermont's rural nature, including that many areas of the State are remote and sparsely populated;

(2) determine how best to incorporate value-based payments, including global payments to hospitals or accountable care organizations, or both, into the Board's hospital budget review, accountable care organization certification and budget review, and other regulatory processes, including assessing the impacts of regulatory processes on the financial sustainability of Vermont hospitals and identifying potential opportunities to use regulatory processes to improve hospitals' financial health; and

(3) recommend a methodology for determining the allowable rate of growth in Vermont hospital budgets, which may include the use of national and regional indicators of growth in the health care economy and other appropriate benchmarks, such as the Hospital Producer Price Index, Medical Consumer Price Index, bond-rating metrics, and labor cost indicators, as well as other metrics that incorporate differentials as appropriate to reflect the unique needs of hospitals in highly rural and sparsely populated areas of the State.

(c) On or before January 15, 2023, the Director of Health Care Reform and the Green Mountain Care Board shall each report on their activities pursuant to this section to the House Committees on Health Care and on Human Services and the Senate Committees on Health and Welfare and on Finance.

Sec. 2. HOSPITAL SYSTEM TRANSFORMATION; PLAN FOR
ENGAGEMENT PROCESS; REPORT

(a) The Green Mountain Care Board shall develop a plan for a data-informed, patient-focused, community-inclusive engagement process for Vermont's hospitals to reduce inefficiencies, lower costs, improve population health outcomes, reduce health inequities, and increase access to essential services while maintaining sufficient capacity for emergency management.

(b) The plan for the engagement process shall include:

(1) which organization or agency will lead the engagement process;

(2) a timeline that shows the engagement process occurring after the development of the all-payer model proposal as set forth in Sec. 1 of this act;

(3) how to hear from and share data, information, trends, and insights with communities about the current and future states of the hospital delivery system, unmet health care as identified through the community health needs assessment, and opportunities and resources necessary to address those needs; and

(4) a description of the opportunities to be provided for meaningful participation in all stages of the process by employers; consumers; health care professionals and health care providers, including those providing primary care services; Vermonters who have direct experience with all aspects of Vermont's health care system; and Vermonters who are diverse with respect to race, income, age, and disability status;

(5) a description of the data, information, and analysis necessary to support the process, including information and trends relating to the current and future states of the health care delivery system in each hospital service area, the effects of the hospitals in neighboring states on the health care services delivered in Vermont, the potential impacts of hospital system transformation on Vermont's nonhospital health care and social service providers, the workforce challenges in the health care and human services systems, and the impacts of the pandemic;

(6) how to assess the impact of any changes to hospital services on nonhospital providers, including on workforce recruitment and retention;

(7) the amount of the additional appropriations needed to support the engagement process; and

(8) a process for determining the amount of resources that will be needed to support hospitals in implementing the transformation initiatives to be developed as a result of the engagement process.

(c) On or before January 15, 2023, the Green Mountain Care Board shall report on its activities pursuant to this section to the House Committees on Health Care and on Human Services and the Senate Committees on Health and Welfare and on Finance.

Sec. 3. PAYMENT AND DELIVERY SYSTEM REFORM;
APPROPRIATIONS

(a) The sum of \$1,400,000.00 is appropriated from the General Fund to the Agency of Human Services in fiscal year 2023 to support the work of the Director of Health Care Reform as set forth in Sec. 1 of this act.

(b) The sum of \$3,600,000.00 is appropriated from the General Fund to the Green Mountain Care Board in fiscal year 2023 to support the work of the Board as set forth in Sec. 1 of this act.

* * * Health Care Data * * *

Sec. 4. HEALTH INFORMATION EXCHANGE STEERING
COMMITTEE; DATA STRATEGY

The Health Information Exchange (HIE) Steering Committee shall continue its work to create one health record for each person that integrates data types to include health care claims data; clinical, mental health, and substance use disorder services data; and social determinants of health data. In furtherance of these goals, the HIE Steering Committee shall include a data integration strategy in its 2023 HIE Strategic Plan to merge and consolidate claims data in the Vermont Health Care Uniform Reporting and Evaluation System (VHCURES) with the clinical data in the HIE.

Sec. 5. 18 V.S.A. § 9410 is amended to read:

§ 9410. HEALTH CARE DATABASE

(a)(1) The Board shall establish and maintain a unified health care database to enable the Board to carry out its duties under this chapter, chapter 220 of this title, and Title 8, including:

- (A) determining the capacity and distribution of existing resources;
- (B) identifying health care needs and informing health care policy;
- (C) evaluating the effectiveness of intervention programs on improving patient outcomes;
- (D) comparing costs between various treatment settings and approaches;

(E) providing information to consumers and purchasers of health care; and

(F) improving the quality and affordability of patient health care and health care coverage.

(2) [Repealed.]

(b) The database shall contain unique patient and provider identifiers and a uniform coding system, and shall reflect all health care utilization, costs, and resources in this State, and health care utilization and costs for services provided to Vermont residents in another state.

* * *

~~(e) Records or information protected by the provisions of the physician-patient privilege under 12 V.S.A. § 1612(a), or otherwise required by law to be held confidential, shall be filed in a manner that does not disclose the identity of the protected person. [Repealed.]~~

(f) The Board shall adopt a confidentiality code to ensure that information obtained under this section is handled in an ethical manner.

* * *

(h)(1) All health insurers shall electronically provide to the Board in accordance with standards and procedures adopted by the Board by rule:

(A) their health insurance claims data, provided that the Board may exempt from all or a portion of the filing requirements of this subsection data reflecting utilization and costs for services provided in this State to residents of other states;

(B) cross-matched claims data on requested members, subscribers, or policyholders; and

(C) member, subscriber, or policyholder information necessary to determine ~~third party~~ third-party liability for benefits provided.

(2) The collection, storage, and release of health care data and statistical information that are subject to the federal requirements of the Health Insurance Portability and Accountability Act (HIPAA) shall be governed exclusively by the regulations adopted thereunder in 45 C.F.R. Parts 160 and 164.

* * *

(3)(A) The Board shall collaborate with the Agency of Human Services and participants in the Agency's initiatives in the development of a comprehensive health care information system. The collaboration is intended

to address the formulation of a description of the data sets that will be included in the comprehensive health care information system, the criteria and procedures for the development of limited-use data sets, the criteria and procedures to ensure that HIPAA compliant limited-use data sets are accessible, and a proposed time frame for the creation of a comprehensive health care information system.

(B) To the extent allowed by HIPAA, the data shall be available as a resource for insurers, employers, providers, purchasers of health care, and State agencies to continuously review health care utilization, expenditures, and performance in Vermont. In presenting data for public access, comparative considerations shall be made regarding geography, demographics, general economic factors, and institutional size.

(C) Consistent with the dictates of HIPAA, and subject to such terms and conditions as the Board may prescribe by rule, the Vermont Program for Quality in Health Care shall have access to the unified health care database for use in improving the quality of health care services in Vermont. In using the database, the Vermont Program for Quality in Health Care shall agree to abide by the rules and procedures established by the Board for access to the data. The Board's rules may limit access to the database to limited-use sets of data as necessary to carry out the purposes of this section.

(D) Notwithstanding HIPAA or any other provision of law, the comprehensive health care information system shall not publicly disclose any data that contain direct personal identifiers. For the purposes of this section, "direct personal identifiers" include information relating to an individual that contains primary or obvious identifiers, such as the individual's name, street address, e-mail address, telephone number, and Social Security number.

* * *

* * * Blueprint for Health * * *

Sec. 6. 18 V.S.A. § 702(d) is amended to read:

(d) The Blueprint for Health shall include the following initiatives:

* * *

(8) The use of quality improvement facilitation and other means to support quality improvement activities, including using integrated clinical and claims data, where available, to evaluate patient outcomes and promoting best practices regarding patient referrals and care distribution between primary and specialty care.

Sec. 7. BLUEPRINT FOR HEALTH; COMMUNITY HEALTH TEAMS;
QUALITY IMPROVEMENT FACILITATION; REPORT

On or before January 15, 2023, the Director of Health Care Reform in the Agency of Human Services shall recommend to the House Committees on Health Care and on Appropriations and the Senate Committees on Health and Welfare, on Appropriations, and on Finance the amounts by which health insurers and Vermont Medicaid should increase the amount of the per-person, per month payments they make toward the shared costs of operating the Blueprint for Health community health teams and providing quality improvement facilitation, in furtherance of the goal of providing additional resources necessary for delivery of comprehensive primary care services to Vermonters and to sustain access to primary care services in Vermont. The Agency shall also provide an estimate of the State funding that would be needed to support the increase for Medicaid, both with and without federal financial participation.

* * * Options for Extending Moderate Needs Supports * * *

Sec. 8. OPTIONS FOR EXTENDING MODERATE NEEDS SUPPORTS;
WORKING GROUP; GLOBAL COMMITMENT WAIVER; REPORT

(a) As part of developing the Vermont Action Plan for Aging Well as required by 2020 Acts and Resolves No. 156, Sec. 3, the Department of Disabilities, Aging, and Independent Living shall convene a working group comprising representatives of older Vermonters, home- and community-based service providers, the Office of the Long-Term Care Ombudsman, the Agency of Human Services, and other interested stakeholders to consider extending access to long-term home- and community-based services and supports to a broader cohort of Vermonters who would benefit from them, and their family caregivers, including:

(1) the types of services, such as those addressing activities of daily living, falls prevention, social isolation, medication management, and case management that many older Vermonters need but for which many older Vermonters may not be financially eligible or that are not covered under many standard health insurance plans;

(2) the most promising opportunities to extend supports to additional Vermonters, such as expanding the use of flexible funding options that enable beneficiaries and their families to manage their own services and caregivers within a defined budget and allowing case management to be provided to beneficiaries who do not require other services;

(3) how to set clinical and financial eligibility criteria for the extended supports, including ways to avoid requiring applicants to spend down their assets in order to qualify;

(4) how to fund the extended supports, including identifying the options with the greatest potential for federal financial participation;

(5) how to proactively identify Vermonters across all payers who have the greatest need for extended supports;

(6) how best to support family caregivers, such as through training, respite, home modifications, payments for services, and other methods; and

(7) the feasibility of extending access to long-term home- and community-based services and supports and the impact on existing services.

(b) The working group shall also make recommendations regarding changes to service delivery for persons who are dually eligible for Medicaid and Medicare in order to improve care, expand options, and reduce unnecessary cost shifting and duplication.

(c) On or before January 15, 2024, the Department shall report to the House Committees on Human Services, on Health Care, and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations regarding the working group's findings and recommendations, including its recommendations regarding service delivery for dually eligible individuals, and an estimate of any funding that would be needed to implement the working group's recommendations.

(d) If so directed by the General Assembly, the Department shall collaborate with others in the Agency of Human Services as needed in order to incorporate the working group's recommendations on extending access to long-term home- and community-based services and supports as an amendment to the Global Commitment to Health Section 1115 demonstration in effect in 2024 or into the Agency's proposals to and negotiations with the Centers for Medicare and Medicaid Services for the iteration of Vermont's Global Commitment to Health Section 1115 demonstration that will take effect following the expiration of the demonstration currently under negotiation.

* * * Summaries of Green Mountain Care Board Reports * * *

Sec. 9. 18 V.S.A. § 9375 is amended to read:

§ 9375. DUTIES

* * *

(e)(1) The Board shall summarize and synthesize the key findings and recommendations from reports prepared by and for the Board, including its expenditure analyses and focused studies. The Board shall develop, in consultation with the Office of the Health Care Advocate, a standard for creating plain language summaries that the public can easily use and understand.

(2) All reports and summaries prepared by the Board shall be available to the public and shall be posted on the Board's website.

* * * Primary Care Providers; Medicaid Reimbursement Rates * * *

Sec. 10. MEDICAID REIMBURSEMENT RATES; PRIMARY CARE AT
100 PERCENT OF MEDICARE FISCAL YEAR 2024

It is the intent of the General Assembly that Vermont's health care system should reimburse all Medicaid participating providers at rates that are equal to 100 percent of the Medicare rates for the services provided, with first priority for primary care providers. In support of this goal, in its fiscal year 2024 budget proposal, the Department of Vermont Health Access shall either provide reimbursement rates for Medicaid participating providers for primary care services at rates that are equal to 100 percent of the Medicare rates for the services or, in accordance with 32 V.S.A. § 307(d)(6), provide information on the additional amounts that would be necessary to achieve full reimbursement parity for primary care services with the Medicare rates.

* * * Prior Authorizations * * *

Sec. 11. DEPARTMENT OF FINANCIAL REGULATION; GREEN
MOUNTAIN CARE BOARD; PRIOR AUTHORIZATIONS;
ADMINISTRATIVE COST REDUCTION; REPORT

(a) The Department of Financial Regulation shall explore the feasibility of requiring health insurers and their prior authorization vendors to access clinical data from the Vermont Health Information Exchange whenever possible to support prior authorization requests in situations in which a request cannot be automatically approved.

(b) The Department of Financial Regulation shall direct health insurers to provide prior authorization information to the Department in a format required by the Department in order to enable the Department to analyze opportunities to align and streamline prior authorization request processes. The Department shall share its findings and recommendations with the Green Mountain Care Board, and the Department and the Board shall collaborate to provide recommendations to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance on or before January 15, 2023 regarding the statutory changes necessary to align and streamline prior authorization processes and requirements across health insurers.

* * * Effective Dates * * *

Sec. 12. EFFECTIVE DATES

(a) Sec. 3 (payment and delivery system reform; appropriations) shall take effect on July 1, 2022.

(b) The remainder of this act shall take effect on passage.

(Committee vote:7-2-2)

(For text see Senate Journal March 29, 2022)

Rep. Yacovone of Morristown, for the Committee on Appropriations, recommends the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Health Care when proposal of amendment is amended as follows:

In Sec. 3, payment and delivery system reform; appropriations, in subsection (a), by striking out “\$1,400,000.00” and inserting in lieu thereof “\$900,000.00”

(Committee Vote:11-0-0)

Senate Proposal of Amendment

H. 510

An act relating to a Vermont Child Tax Credit and the Vermont Social Security income exclusion

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

* * * Child Tax Credit * * *

Sec. 1. 32 V.S.A. § 5830f is added to read:

§ 5830f. VERMONT CHILD TAX CREDIT

(a) A resident individual or part-year resident individual who is entitled to a child tax credit under the laws of the United States shall be entitled to a refundable credit against the tax imposed by section 5822 of this title for the taxable year. The total credit per taxable year shall be in the amount of \$1,000.00 per qualifying child, as defined under 26 U.S.C. § 152(c), who is five years of age or younger as of the close of the calendar year in which the taxable year of the taxpayer begins. For a part-year resident individual, the amount of the credit shall be multiplied by the percentage that the individual's income that is earned or received during the period of the individual's residency in this State bears to the individual's total income.

(b) Notwithstanding subsection (a) of this section, the amount of the credit per child under this section shall be reduced, but not below zero, by \$125.00 for each \$10,000.00, or fraction thereof, by which the individual's adjusted gross income exceeds \$55,000.00, irrespective of the individual's filing status. For purposes of this subsection, spouses filing jointly shall be considered an individual.

(c) Notwithstanding any provision of law to the contrary, the refundable credit and its payment authorized under this section shall be treated in the same manner as the federal Earned Income Tax Credit and shall not be considered as assets, income, or resources to the same extent the credit and its payment would be disregarded pursuant to 26 U.S.C. § 6409 and the general welfare doctrine for purposes of determining eligibility for benefits or assistance, or the amount or extent of those benefits or assistance, under any State or local program, including programs established under 33 V.S.A. § 3512 and chapters 11, 17, 19, 21, 25, and 26. This subsection shall only apply to the extent that it does not conflict with federal law relating to the benefit or assistance program and that any required federal approval or waiver is first obtained for that program.

(d) An individual who is eligible for the credit under this section but who is not required to file a tax return under section 5861 of this title may claim the credit in the form and manner prescribed by the Commissioner of Taxes, provided the form and manner are as simple and easy to understand as possible.

* * * Child and Dependent Care Tax Credit * * *

Sec. 2. 32 V.S.A. § 5822(d) is amended to read:

(d)(1) A taxpayer shall be entitled to a credit against the tax imposed under this section of 24 percent of each of the credits allowed against the taxpayer's federal income tax for the taxable year as follows: the credit for people who are elderly or permanently totally disabled, and the investment tax credit attributable to the Vermont-property portion of the investment,~~and child care and dependent care credits.~~

* * *

Sec. 3. 32 V.S.A. § 5828c is amended to read:

§ 5828c. ~~LOW-INCOME CHILD AND DEPENDENT CARE CREDIT~~

~~A resident of this State with federal adjusted gross income less than \$30,000.00 (or \$40,000.00 for married, filing jointly) shall be eligible for a refundable credit against the tax imposed under section 5822 of this title. The credit shall be equal to 50 percent of the federal child and dependent care credit allowed to the taxpayer for the taxable year for child or dependent care services provided in this State in a registered home or licensed facility certified by the Agency of Human Services as meeting national accreditation or national credential standards endorsed by the Agency. A credit under this section shall be in lieu of any child and dependent care credit available under subsection 5822(d) of this title.~~

* * * Student Loan Interest Deduction * * *

Sec. 4. 32 V.S.A. § 5811 is amended to read:

§ 5811. DEFINITIONS

~~The following definitions shall apply throughout~~ As used in this chapter unless the context requires otherwise:

* * *

(21) "Taxable income" means, in the case of an individual, federal adjusted gross income determined without regard to 26 U.S.C. § 168(k) and:

* * *

(B) decreased by the following items of income (to the extent such income is included in federal adjusted gross income):

* * *

(iv) the portion of federally taxable benefits received under the federal Social Security Act that is required to be excluded under section 5830e of this chapter; and

* * *

(vi) the amount of interest paid by a qualified resident taxpayer during the taxable year on a qualified education loan for the costs of attendance at an eligible educational institution; and

* * *

(29) As used in subdivision (21)(B)(vi) of this section:

(A) “Qualified education loan” and “eligible educational institution” shall have the same meanings as under 26 U.S.C. § 221(d).

(B) “Qualified resident taxpayer” means an individual qualifying for residency as defined under subdivision (11) of this section and whose adjusted gross income is equal to or less than:

(i) \$120,000.00 if the individual’s filing status is single, head of household, or married filing separately; or

(ii) \$200,000.00 if the individual’s filing status is married filing jointly.

* * * Statutory Purposes for Tax Expenditures * * *

Sec. 5. 32 V.S.A. § 5813 is amended to read:

§ 5813. STATUTORY PURPOSES

* * *

~~(c) The statutory purpose of the Vermont credit for child and dependent care in subsection 5822(d) of this title is to provide financial assistance to employees who must incur dependent care expenses to stay in the workforce in the absence of prekindergarten programming. [Repealed.]~~

* * *

(r) The statutory purpose of the Vermont ~~low-income~~ child and dependent care tax credit in section 5828c of this title is to provide cash relief to ~~lower-income~~ employees who incur dependent care expenses ~~in certified centers~~ to enable them to remain in the workforce.

* * *

(y) The statutory purpose of the Vermont child tax credit in section 5830f of this title is to provide financial support to families with young children.

(z) The statutory purpose of the exclusion from income of student loan interest paid in subdivision 5811(21)(B)(vi) of this title is to lessen the financial impact of higher education debt on Vermonters.

* * * Sunsets; Tax Credits and Deduction * * *

Sec. 6. REPEAL; CHILD TAX CREDIT

32 V.S.A. § 5830f (Vermont child tax credit) is repealed.

Sec. 7. 32 V.S.A. § 5822(d) is amended to read:

(d)(1) A taxpayer shall be entitled to a credit against the tax imposed under this section of 24 percent of each of the credits allowed against the taxpayer's federal income tax for the taxable year as follows: ~~the credit for people who are elderly or permanently totally disabled, and the investment tax credit attributable to the Vermont-property portion of the investment, and child care and dependent care credits.~~

* * *

Sec. 8. 32 V.S.A. § 5828c is amended to read:

§ 5828c. LOW-INCOME CHILD AND DEPENDENT CARE CREDIT

A resident of this State with federal adjusted gross income less than \$30,000.00 (or \$40,000.00 for married, filing jointly) shall be eligible for a refundable credit against the tax imposed under section 5822 of this title. The credit shall be equal to 50 percent of the federal child and dependent care credit allowed to the taxpayer for the taxable year for child or dependent care services provided in this State in a registered home or licensed facility certified by the Agency of Human Services as meeting national accreditation or national credential standards endorsed by the Agency. A credit under this section shall be in lieu of any child and dependent care credit available under subsection 5822(d) of this title.

Sec. 9. 32 V.S.A. § 5811(21)(B) is amended to read:

(B) decreased by the following items of income (to the extent such income is included in federal adjusted gross income):

* * *

(iv) the portion of federally taxable benefits received under the federal Social Security Act that is required to be excluded under section 5830e

of this chapter; and

* * *

~~(vi) the amount of interest paid by a qualified resident taxpayer during the taxable year on a qualified education loan for the costs of attendance at an eligible educational institution; and [Repealed.]~~

* * *

(29) As used in subdivision (21)(B)(vi) of this section:

(A) ~~“Qualified education loan” and “eligible educational institution” shall have the same meanings as under 26 U.S.C. § 221(d).~~

(B) ~~“Qualified resident taxpayer” means an individual qualifying for residency as defined under subdivision (11) of this section and whose adjusted gross income is equal to or less than:~~

~~(i) \$120,000.00 if the individual’s filing status is single, head of household, or married filing separately; or~~

~~(ii) \$200,000.00 if the individual’s filing status is married filing jointly. [Repealed.]~~

Sec. 10. 32 V.S.A. § 5813 is amended to read:

§ 5813. STATUTORY PURPOSES

* * *

(c) The statutory purpose of the Vermont credit for child and dependent care in subsection 5822(d) of this title is to provide financial assistance to employees who must incur dependent care expenses to stay in the workforce in the absence of prekindergarten programming.

* * *

(r) The statutory purpose of the Vermont low-income child and dependent care tax credit in section 5828c of this title is to provide cash relief to lower-income employees who incur dependent care expenses in certified centers to enable them to remain in the workforce.

* * *

~~(y) The statutory purpose of the Vermont child tax credit in section 5830f of this title is to provide financial support to families with young children. [Repealed.]~~

~~(z) The statutory purpose of the exclusion from income of student loan interest paid in subdivision 5811(21)(B)(vi) of this title is to lessen the~~

~~financial impact of higher education debt on Vermonters. [Repealed.]~~

* * * Retirement Income Exclusions * * *

Sec. 11. 32 V.S.A. § 5811(21)(B)(iv) is amended to read:

(iv) the portion of certain retirement income and federally taxable benefits received under the federal Social Security Act that is required to be excluded under section 5830e of this chapter; ~~and~~

Sec. 12. 32 V.S.A. § 5830e is amended to read:

§ 5830e. RETIREMENT INCOME; SOCIAL SECURITY INCOME

(a) Social Security income. The portion of federally taxable Social Security benefits excluded from taxable income under subdivision 5811(21)(B)(iv) of this chapter shall be as follows:

(1) For taxpayers whose filing status is single, married filing separately, head of household, or ~~qualifying widow or widower~~ surviving spouse:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to ~~\$45,000.00~~ \$50,000.00, all federally taxable benefits received under the federal Social Security Act shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than ~~\$45,000.00~~ \$50,000.00 but less than ~~\$55,000.00~~ \$60,000.00, the percentage of federally taxable benefits received under the Social Security Act to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over ~~\$45,000.00~~ \$50,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from ~~\$55,000.00~~ \$60,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the federally taxable benefits received under the Social Security Act.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than ~~\$55,000.00~~ \$60,000.00, no amount of the federally taxable benefits received under the Social Security Act shall be excluded under this section.

(2) For taxpayers whose filing status is married filing jointly:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to ~~\$60,000.00~~ \$65,000.00, all federally taxable benefits received

under the Social Security Act shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than ~~\$60,000.00~~ \$65,000.00 but less than ~~\$70,000.00~~ \$75,000.00, the percentage of federally taxable benefits received under the Social Security Act to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over ~~\$60,000.00~~ \$65,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from ~~\$70,000.00~~ \$75,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the federally taxable benefits received under the Social Security Act.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than ~~\$70,000.00~~ \$75,000.00, no amount of the federally taxable benefits received under the Social Security Act shall be excluded under this section.

(b) Civil Service Retirement System income. The portion of income received from the Civil Service Retirement System excluded from taxable income under subdivision 5811(21)(B)(iv) of this title shall be subject to the limitations under subsection (e) of this section and shall be determined as follows:

(1) For taxpayers whose filing status is single, married filing separately, head of household, or surviving spouse:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to \$50,000.00, the first \$10,000.00 of income received from the Civil Service Retirement System shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$50,000.00 but less than \$60,000.00, the percentage of the first \$10,000.00 of income received from the Civil Service Retirement System to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$50,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$60,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the income received from the Civil Service Retirement System.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than \$60,000.00, no amount of the income received from the Civil Service Retirement System shall be excluded under this section.

(2) For taxpayers whose filing status is married filing jointly:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to \$65,000.00, the first \$10,000.00 of income received from the Civil Service Retirement System shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$65,000.00 but less than \$75,000.00, the percentage of the first \$10,000.00 of income received from the Civil Service Retirement System to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$65,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$75,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the income received from the Civil Service Retirement System.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than \$75,000.00, no amount of the income received from the Civil Service Retirement System shall be excluded under this section.

(c) Other contributory retirement systems; earnings not covered by Social Security. Other retirement income, except U.S. military retirement income pursuant to subsection (d) of this section, received by a taxpayer of this State shall be excluded pursuant to subsection (b) of this section as though the income were received from the Civil Service Retirement System and shall be subject to the limitations under subsection (e) of this section, provided that:

(1) the income is received from a contributory annuity, pension, endowment, or retirement system of:

(A) the U.S. government or a political subdivision or instrumentality of the U.S. government;

(B) this State or a political subdivision or instrumentality of this

State; or

(C) another state or a political subdivision or instrumentality of another state; and

(2) the contributory system from which the income is received was based on earnings that were not covered by the Social Security Act.

(d) U.S. military retirement income. U.S. military retirement income received by a taxpayer of this State shall be excluded pursuant to subsection (b) of this section as though the income were received from the Civil Service Retirement System and shall be subject to the limitations under subsection (e) of this section.

(e) Requirement to elect one exclusion. A taxpayer of this State who is eligible during the taxable year for the Social Security income exclusion under subsection (a) of this section and any of the exclusions under subsections (b)–(d) of this section shall elect either one of the exclusions for which the taxpayer is eligible under subsections (b)–(d) of this section or the Social Security income exclusion under subsection (a) of this section, but not both, for the taxable year.

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

Sec. 13. 32 V.S.A. § 5930u(g) is amended to read:

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

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

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

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

* * * Appropriations * * *

Sec. 14. APPROPRIATION; AID FOR THE AGED, BLIND, AND
DISABLED

(a) In fiscal year 2023, in addition to other funds provided to the Department for Children and Families, a total of \$1,700,000.00 in Global Commitment funds is appropriated to increase the payments to eligible individuals in the Aid for the Aged, Blind, and Disabled program. It is the intent of the General Assembly that this increase should be incorporated into the annual budget funding for the Aid for the Aged, Blind, and Disabled program in fiscal year 2024 and after.

(b) In fiscal year 2023, to fund the Global Commitment investment authorized under subsection (a) of this section, there is appropriated to the Secretary's Office of the Agency of Human Services:

(1) the sum of \$750,000.00 from the General Fund; and

(2) the sum of \$950,000.00 from federal funds.

(c) To the extent permitted under federal law, any increase in payments provided under subsection (a) of this section is intended to be retained by recipients in residential care settings by increasing the individuals' personal needs allowance.

Sec. 15. FY 2023 APPROPRIATION; CHILD CARE WORKER
RETENTION GRANT PROGRAM

In fiscal year 2023, the sum of \$3,500,000.00 is appropriated from the General Fund to the Department for Children and Families to continue to fund the early childhood staff and home-based provider retention grant program established in 2021 Acts and Resolves No. 74, Sec. G.300(a)(30), as added by 2022 Acts and Resolves No. 83, Sec. 68.

* * * Effective Dates * * *

Sec. 16. EFFECTIVE DATES

(a) This section shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Secs. 1–5 (income tax credits and exclusions) and 11 and 12 (retirement income exclusions) shall take effect retroactively on January 1, 2022 and shall apply to taxable years beginning on and after January 1, 2022.

(c) Secs. 6–10 (sunsets; tax credits and deduction) shall take effect on January 1, 2025.

(d) Secs. 13 (affordable housing tax credit) and 14 and 15 (appropriations) shall take effect on July 1, 2022.

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

An act relating to tax reductions and other aid for Vermonters.

(For text see House Journal February 8, 9, 2022)

Senate Proposal of Amendment to House Proposal of Amendment

S. 254

An act relating to recovering damages for Article 11 violations by law enforcement and a report on qualified immunity

The Senate concurs in the House proposal of amendment thereto as follows::

By adding a new Sec. 1 to read as follows:

Sec. 1. 20 V.S.A. § 2370 is added to read:

§ 2370. RECORD OF CASE DISPOSITION

Each law enforcement agency shall maintain a record of all final judgments and settlements paid by the law enforcement agency for court claims related to alleged violations of constitutional rights established under the Constitution of the State of Vermont. All judgments, settlements, and their underlying complaints are subject to public disclosure unless an exemption applies pursuant to the Vermont Public Records Act. Any record disclosed shall include the name of the law enforcement agency and the monetary amount paid pursuant to the judgment or settlement.

And by renumbering the remaining sections to be numerically correct.

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

An act relating to maintaining records of judgments and settlements paid by law enforcement agencies and a legal analysis of qualified immunity.

(For House Proposal of Amendment see House Journal April 15, 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

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 #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]