Senate Calendar

FRIDAY, APRIL 15, 2022
SENATE CONVENES AT: 11:30 A.M.

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ACTION CALENDAR

CONSIDERATION POSTPONED UNTIL APRIL 20, 2022

GOVERNOR'S VETO

S. 79.

An act relating to improving rental housing health and safety.

Pending question (to be voted by call of the roll): Shall the bill pass, notwithstanding the Governor's refusal to approve the bill? (Two-thirds of the members present required to override the Governor's veto.)

(For text of the Governor's Veto Message, see Senate Journal for June 24, 2021, page 1454)

UNFINISHED BUSINESS OF JANUARY 4, 2022

GOVERNOR'S VETO

S. 107.

An act relating to confidential information concerning the initial arrest and charge of a juvenile.

Pending question (to be voted by call of the roll): Shall the bill pass, notwithstanding the Governor's refusal to approve the bill? (Two-thirds of the members present required to override the Governor's veto.)

The text of the Communication from His Excellency, The Governor, whereby he vetoed and returned unsigned Senate Bill No. S. 107 to the Senate is as follows:

Text of Communication from Governor

“May 20, 2021

The Honorable John Bloomer, Jr.
Secretary of the Senate
115 State House
Montpelier, VT 05633-5401

Dear Mr. Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning S.107, An act relating to confidential information concerning the initial arrest and charge of a juvenile, without my signature, because of concerns with the policy to automatically raise the age of accountability for
crimes, and afford young adults protections meant for juveniles, without adequate tools or systems in place.

Three years ago, I signed legislation intended to give young adults who had become involved in the criminal justice system certain protections meant for juveniles. At the time, I was assured that, prior to the automatic increases in age prescribed in the bill, plans would be in place to provide access to the rehabilitation, services, housing and other supports needed to both hold these young adults accountable and help them stay out of the criminal justice system in the future.

This has not yet been the case. In addition to ongoing housing challenges, programs designed and implemented for children under 18 are often not appropriate for those over 18. Disturbingly, there are also reports of some young adults being used – and actively recruited – by older criminals, like drug traffickers, to commit crimes because of reduced risk of incarceration, potentially putting the young people we are trying to protect deeper into the criminal culture and at greater risk.

I want to be clear: I’m not blaming the Legislature or the Judiciary for these gaps. All three branches of government need to bring more focus to this issue if we are going to provide the combination of accountability, tools and services needed to ensure justice and give young offenders a second chance.

For these reasons, I believe we need to take a step back and assess Vermont’s “raise the age” policy, the gaps that exist in our systems and the unintended consequences of a piecemeal approach on the health and safety of our communities, victims and the offenders we are attempting to help. I see S.107 as deepening this piecemeal approach.

I also remain concerned with the lack of clarity in S.107 regarding the disparity in the public records law between the Department of Public Safety and the Department of Motor Vehicles.

Based on the objections outlined above, I am returning this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution. I believe this presents an opportunity to start a much-needed conversation about the status of our juvenile justice initiatives and make course corrections where necessary, in the interest of public safety and the young Vermonters we all agree need an opportunity to get back on the right path.

Sincerely,

/s/Philip B. Scott
Governor

PBS/kp”
Text of bill as passed by Senate and House

The text of the bill as passed by the Senate and House of Representatives is as follows:

S.107 An act relating to confidential information concerning the initial arrest and charge of a juvenile

It is hereby enacted by the General Assembly of the State of Vermont:

* * * Exemption; records of arrest or charge of a juvenile * * *

Sec. 1. 1 V.S.A. § 317 is amended to read:

§ 317. DEFINITIONS; PUBLIC AGENCY; PUBLIC RECORDS AND DOCUMENTS; EXEMPTIONS

* * *

(c) The following public records are exempt from public inspection and copying:

* * *

(5)(A) Records dealing with the detection and investigation of crime, but only to the extent that the production of such records:

* * *

(B)(i) Notwithstanding subdivision (A) of this subdivision (5), records relating to management and direction of a law enforcement agency; records reflecting the initial arrest of a person, including any ticket, citation, or complaint issued for a traffic violation, as that term is defined in 23 V.S.A. § 2302; and records reflecting the charge of a person shall be public.

(ii) A public agency shall not release any information within a record reflecting the initial arrest or charge of a person under 19 years of age that would reveal the identity of the person. However, a public agency may disclose identifying information relating to the initial arrest of a person under 19 years of age in order to protect the health and safety of any person.

* * *

* * * Effective July 1, 2022 * * *

Sec. 2. 1 V.S.A. § 317 is amended to read:

§ 317. DEFINITIONS; PUBLIC AGENCY; PUBLIC RECORDS AND DOCUMENTS; EXEMPTIONS

* * *
(c) The following public records are exempt from public inspection and copying:

***

(5)(A) Records dealing with the detection and investigation of crime, but only to the extent that the production of such records:

***

(B)(i) Notwithstanding subdivision (A) of this subdivision (5), records relating to management and direction of a law enforcement agency; records reflecting the initial arrest of a person, including any ticket, citation, or complaint issued for a traffic violation, as that term is defined in 23 V.S.A. § 2302; and records reflecting the charge of a person shall be public.

(ii) A public agency shall not release any information within a record reflecting the initial arrest or charge of a person under 19 20 years of age that would reveal the identity of the person. However, a public agency may disclose identifying information relating to the initial arrest of a person under 19 20 years of age in order to protect the health and safety of any person.

***

Sec. 3. APPLICATION OF PUBLIC RECORDS ACT EXEMPTION REVIEW

Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption amended in Sec. 1 shall continue in effect and shall not be reviewed for repeal.

*** Custodian of records relating to a person under court jurisdiction ***

Sec. 4. 33 V.S.A. § 5117 is amended to read:

§ 5117. RECORDS OF JUVENILE JUDICIAL PROCEEDINGS

(a)(1) Except as otherwise provided, court and law enforcement reports and files concerning a person subject to the jurisdiction of the court shall be maintained separate from the records and files of other persons. Unless a charge of delinquency is transferred for criminal prosecution under chapter 52 of this title or the court otherwise orders in the interests of the child, such records and files shall not be open to public inspection nor their contents disclosed to the public by any person. However, upon a finding that a child is a delinquent child by reason of commission of a delinquent act which would have been a felony if committed by an adult, the court, upon request of the victim, shall make the child’s name available to the victim of the
delinquent act. If the victim is incompetent or deceased, the child’s name shall be released, upon request, to the victim’s guardian or next of kin.

(2) When a person is subject to the jurisdiction of the court, the court shall become the sole records custodian for purposes of responding to any request for court or law enforcement records concerning the person. A public agency shall direct any request for these records to the courts for response.

(3) When a person is subject to the jurisdiction of the Criminal Division of the Superior Court pursuant to chapter 52 or 52A of this title, the Criminal Division of the Superior Court shall become the sole records custodian for purposes of responding to any request for court or law enforcement records concerning the person. A public agency shall direct any request for these records to the courts for response.

*** Effective Dates ***

Sec. 5. EFFECTIVE DATES

This act shall take effect on July 1, 2021, except that Sec. 2 (2022 amendment to 1 V.S.A. § 317(c)(5)(B)(ii) (public records; exemptions; records relating to the initial arrest and charge of a person)) shall take effect on July 1, 2022.

NEW BUSINESS
Second Reading
Favorable with Proposal of Amendment
H. 159.

An act relating to community and economic development and workforce revitalization.

Reported favorably with recommendation of proposal of amendment by Senator Sirotkin for the Committee on Economic Development, Housing and General Affairs.

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

*** Purpose ***

Sec. 1. PURPOSE

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

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

§ 4. NEW RELOCATING EMPLOYEE INCENTIVES

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

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

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

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

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

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

(c) The Agency shall:

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

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

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

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

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

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

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

(e) As used in this section:

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

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

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

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

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

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

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

(ii) on or after February 1, 2022:

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

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

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

(C) The individual is subject to Vermont income tax.
Sec. 3. THINK VERMONT REGIONAL RECRUITMENT AND RELOCATION NETWORK

(a) Regional recruitment and relocation network. The Department of Tourism and Marketing shall launch and lead a coordinated regional relocation network to facilitate the successful recruitment and relocation of individuals to Vermont. The Department of Tourism and Marketing shall build capacity to facilitate lead generation and support a network of regional and local entities embedded in their communities who will act as resource coordinators to transform leads into permanent residents. These network partners shall be responsible for providing quick, customized information, resources, and referrals. The network shall be designed to:

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

(b) System infrastructure.

1. The Department shall establish a competitive RFP process, with the goal of contracting with an entity, based on responses received, in each of 12 designated regions. The competitive process will help the Department ensure that there is capacity within responding entities to perform the scope of work required.
2. The Department shall score the RFP responses and utilize a scoring system to choose a partner entity in each region of the State.
3. The Department shall create one full-time staff position to maintain oversight and management of the regional network and report on outcomes and relocation services delivered.
(4) The regional network shall be integrated into current recruitment efforts to maximize existing tools such as ThinkVermont.com.

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

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

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

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

(d) Promotion and marketing.

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

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

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

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

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

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

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

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

(2) employment and relocation status data on all individuals served.
(f) Implementation. The Department of Tourism and Marketing shall launch the RFP and select regional network partners based on the responses on or before November 15, 2022.

*** Capital Investment Grant Program ***

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

Sec. H.18 CAPITAL INVESTMENT GRANT PROGRAM

(a) Creation; purpose; regional outreach.

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

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

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

(b) Eligible applicants.

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

(A) The applicant is located within this State.

(B) The applicant is:

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

   (II) a nonprofit entity; and

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

(C) The applicant demonstrates:

   (i) community and regional support for the project;
(ii) that grant funding is needed to complete the project;
(iii) leveraging of additional sources of funding from local, State, or federal economic development programs; and
(iv) an ability to manage the project, with requisite experience and a plan for fiscal viability.

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

(A) a State or local government-operated business;
(B) a municipality;
(C) a business that, together with any affiliated business, owns or operates more than 20 locations, regardless of whether those locations do business under the same name or within the same industry; and
(D) a publicly traded company.

(c) Awards; amount; eligible uses.

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

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

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

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

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

(d) Data model; approval.

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

(2) The Agency shall present the model and related methodology to the Joint Fiscal Committee for its approval not later than September 1, 2021.
(e) Application process; decisions; awards.

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

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

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

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

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

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

(4) The Secretary of Commerce and Community Development shall consider the recommendations of the interagency team and shall give final approval to projects.
(f) Grant agreements; post award monitoring.

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

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

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

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

(2) the promotion and marketing of the program;

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

(h) Implementation.

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

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

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

Sec. 5. VEDA SHORT-TERM FORGIVABLE LOANS

(a) Creation. The Vermont Economic Development Authority shall create a Short-Term Forgivable Loan Program to support Vermont businesses experiencing continued working capital shortfalls as a result of the COVID-19 public health emergency.
(b) Eligible business. An eligible borrower is a for-profit or nonprofit business:

(1) with fewer than 500 employees;

(2) located in Vermont;

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

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

(c) Economic harm.

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

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

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

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

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

(1) $200,000.00;

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

(B) if, due to the nature of the business and its historical experience fixed costs are not an accurate measure of ongoing operational need, another amount based on a comparable measure of cost; or
(3) the amount of the cumulative decline in adjusted net operating income during the COVID-19 public health emergency in 2020 and 2021.

(e) Eligible use of loan; loan forgiveness.

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

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

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

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

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

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

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

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

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

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

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

* * *

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

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

* * *

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

(1) In a municipality with one or more approved districts, the Council shall not approve an additional district until the municipality retires the debt incurred for all of the districts in the municipality.
(2) The Council shall not approve more than six districts in the State, and not more than two per county, provided:

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

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

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

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

* * *

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

* * *

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

* * *

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

* * *

(C) The project will affect the remediation and redevelopment of a brownfield located within the district. In the case of a brownfield, the Vermont Economic Progress Council is authorized to adopt rules pursuant to subsection (j) of this section to clarify what is a reasonable improvement, as defined in 24 V.S.A. § 1891, to remediate and stimulate the development or
redevelopment in the district. As used in this section, “brownfield” means an area in which a hazardous substance, pollutant, or contaminant is or may be present, and that situation is likely to complicate the expansion, development, redevelopment, or reuse of the property.

* * *

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

(a) Definitions. As used in this section:

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

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

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

(4) “Improvements” means the installation, new construction, or reconstruction of infrastructure that will serve a public purpose, including utilities, transportation, public facilities and amenities, land and property acquisition and demolition, brownfield remediation, and site preparation.
“Improvements” also means the funding of debt service interest payments for a period of up to five years, beginning on the date on which the first debt is incurred.

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

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

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

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

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

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

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

(C) Meet one of the following four criteria:

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

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

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

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

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

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

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

(d) Eligibility.

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

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

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

(2) A municipality with an approved tax increment financing district as set forth in 24 V.S.A. 1892(d) is not authorized to apply for a project under this section.
(e) Approval process. The Vermont Economic Progress Council shall do all of the following to approve an application submitted pursuant to subsection (c) of this section:

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

(B) The review shall take into account:

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

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

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

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

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

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

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

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

(B) The municipality has developed a tax increment financing project plan, including a project description; a development financing plan; a pro forma projection of expected costs; a projection of revenues; a statement and demonstration that the project would not proceed without the allocation of a tax increment; evidence that the municipality is actively seeking or has obtained other sources of funding and investment; and a development schedule that includes a list, a cost estimate, and a schedule for public improvements and projected private development to occur as a result of the improvements. The creation of the project shall occur at 12:01 a.m. on April 1 of the calendar
year the municipal legislative body votes to approve the tax increment
financing project plan.

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

(f) Incurring indebtedness.

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

(2) Notwithstanding any provision of any municipal charter, the
municipality shall only require one authorizing vote to incur debt through one
instance of borrowing to finance or otherwise pay for the tax increment
financing project improvements and related costs; provided, however, that a
municipality may present one or more subsequent authorization votes in the
event a vote fails. The municipality shall be authorized to incur indebtedness
only after the legal voters of the municipality, by a majority vote of all voters
present and voting on the question at a special or annual municipal meeting
duly warned for the purpose, authorize the legislative body to pledge the credit
of the municipality, borrow, or otherwise secure the debt for the specific
purposes so warned. The creation of the project shall occur at 12:01 a.m. on
April 1 of the calendar year the municipal legislative body votes to approve the
tax increment financing project plan.

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

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

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

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

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

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

(i) Use of tax increment.

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

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

(3) The Vermont Economic Progress Council shall determine there is a nexus between the improvement and the expected development and redevelopment for the project and expected outcomes in the TIF Project Zone.

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

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

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

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

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

(B) On or before February 15 of each year, on a form prescribed by the Council, submit an annual report to the Vermont Economic Progress Council and the Department of Taxes, including the information required by subdivision (2) of this section if not already submitted during the year, all information required by subdivision (A) of this subdivision (3), and the information required by 32 V.S.A. § 5404a(i), including performance measures and any other information required by the Council or the Department of Taxes.

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

(m) Audit; financial reports. Annually, until the year following the end of the period for retention of education tax increment, a municipality with an approved project under this section shall:

(1) On or before January 1, submit an annual report to the Vermont Economic Progress Council, which shall provide sufficient information for the Vermont Economic Progress Council to prepare its report required by subsection (i) of this section.

(2) On or before April 1, ensure that the project is subject to the annual audit prescribed in 24 V.S.A. § 1681 or 1690 and submit a copy to the Vermont Economic Progress Council. In the event that the audit is only subject to the audit under 24 V.S.A. § 1681, the Vermont Economic Progress
Council shall ensure a process is in place to subject the project to an independent audit. Procedures for the audit must include verification of the original taxable value and annual and total municipal and education tax increments generated, expenditures for debt and related costs, and current balance.

(n) Authority to issue decisions.

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

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

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

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

§ 1891. DEFINITIONS

When As used in this subchapter:

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

* * *

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

* * *

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

§ 1895. ORIGINAL TAXABLE VALUE

(a) Certification. As of the date the district is created, the lister or assessor for the municipality shall certify the original taxable value and shall certify to the legislative body in each year thereafter during the life of the district the amount by which the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property located within the tax increment financing district has increased or decreased relative to the original taxable value.
(b) Boundary of the district. Any parcel within a district shall be located wholly within the boundaries of a district. No adjustments to the boundary of a district are permitted after the approval of a tax increment financing district plan as described in section 1894 of this title.

Sec. 11. 32 V.S.A. § 5404a(h) is amended to read:

(h) To approve utilization of incremental revenues pursuant to subsection (f) of this section, the Vermont Economic Progress Council shall do all the following:

**

(3) Location criteria. Determine that each application meets at least two of the following three criteria:

**

* * * Vermont Film and Media Industry * * *

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

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

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

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

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

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

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

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

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

(1) successes and failures of past State involvement;

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

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

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

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

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

* * * Minimum Wage * * *

Sec. 13. FINDINGS

The General Assembly finds:

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

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

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

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

§ 384. EMPLOYMENT; WAGES

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

* * *

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

Sec. 14. FINDINGS AND INTENT

(a) The General Assembly finds that:

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

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

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

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

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

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

(B) improve employee retention;

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

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

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

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

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

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

(2) The sum of $16,500,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Administration in fiscal year 2023 for the provision of grants to reimburse employers for the cost of providing COVID-19-related sick leave. Not more than five percent of the amount appropriated pursuant to this subdivision (2) may be used for expenses related to program administration and outreach.

(b) As used in this section:

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

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

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

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

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

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

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

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

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

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

(3) “Employee” means an individual who, in consideration of direct or indirect gain or profit, is employed by an employer to perform services in Vermont.

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

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

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

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

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

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

(3) Employers may submit applications for grants not more than once each calendar month for paid leave provided during the program period between the beginning of the program period or the employer’s previous application, whichever is later, and the date of the employer’s current application.
(4) For the sole purpose of administering grants related to paid leave provided to independent direct support providers for COVID-19-related reasons, ARIS Solutions, as the fiscal agent for the employers of the independent direct support providers, shall have the authority to apply for a grant in the same manner as any employer.

(d)(1) The Secretary shall:

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

(B) promote awareness of the Program to employers;

(C) award grants to employers on a first-come, first-served basis, subject to available funding; and

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

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

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

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

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

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

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

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

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

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

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

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

(g) Each employer that receives a grant shall, not later than March 1, 2023, report to the Agency on a form provided by the Secretary the amount of grant funds used to provide paid leave to employees and the amount of any remaining grant funds that were not spent. All unspent grant funds shall be returned to the Agency pursuant to a procedure adopted by the Secretary.
(h) Any personally identifiable information that is collected by the Program, any entity of State government performing a function of the Program, or any entity that the Secretary contracts with to perform a function of the Program shall be kept confidential and shall be exempt from inspection and copying under the Public Records Act.

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

Sec. 14b. FINDINGS

The General Assembly finds that:

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

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

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

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

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

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

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

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

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

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

(i) bonding with a newborn or adopted child;
(ii) caring for an ill or injured family member;
(iii) the employee’s own illness or injury; and
(iv) exigencies related to a family member serving in the U.S. Armed Forces;

(B) based on the solutions examined pursuant to subdivision (1) of this subsection, develop and examine models and projections for the startup and implementation of similar solutions in Vermont, including:

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

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

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

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

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

(d) Assistance.

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

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

(e) Report. On or before January 15, 2023, the Task Force shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action. The Task Force’s report may take the form of draft legislation.

(f) Meetings.

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

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

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


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

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

* * * Unemployment Insurance Benefits * * *

Sec. 14d. FINDINGS

The General Assembly finds that:
The COVID-19 pandemic caused significant disruption to Vermont’s economy and resulted in unprecedented levels of unemployment.

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

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

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

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

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

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

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

§ 1341. UNEMPLOYMENT INSURANCE COVID-19 SUPPLEMENTAL BENEFIT

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

(b) Benefits provided pursuant to this section shall be paid from the Unemployment Insurance COVID-19 Supplemental Benefit Special Fund established pursuant to section 1342 of this chapter.
Sec. 14g. 21 V.S.A. § 1342 is added to read:

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

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

Sec. 14h. APPROPRIATION

$8,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Unemployment Insurance COVID-19 Supplemental Benefit Special Fund established pursuant to 21 V.S.A. § 1342. Not more than five percent of the amount appropriated may be used for administrative costs related to the implementation and payment of the Unemployment Insurance COVID-19 Supplemental Benefit established pursuant to 21 V.S.A. § 1341.

Sec. 14i. REPEALS

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

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

§ 1338. WEEKLY BENEFITS

* * *

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

(f) The maximum weekly benefit amount shall be annually adjusted on the first day of the first calendar week in July to an amount equal to the sum of $25.00 plus 57 percent of the State annual average weekly wage as determined by subsection (g) of this section.
Sec. 14k. MODIFICATION OF UNEMPLOYMENT INSURANCE MAINFRAME CODE; ANNUAL REPORT; INDEPENDENT VERIFICATION

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

(2) The Commissioner of Labor and the Secretary of Digital Services shall, to the greatest extent possible, plan and carry out the development and implementation of a modernized information technology system for the unemployment insurance program so that the modernized system is available in time to implement on January 1, 2025 the changes to the unemployment insurance weekly benefit amount enacted pursuant to Sec. 14j of this act.

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

(c) The Legislative Information Technology Consultant shall, on or before February 15, 2023 and February 15, 2024, submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a review of the report submitted pursuant to subsection (b) of this section. The review shall include an assessment of whether the Department of Labor will be able to implement the changes to the unemployment insurance weekly benefit amount enacted pursuant to Sec. 14j of this act by January 1, 2025 and shall identify any potential risks or concerns related to implementation that are not addressed in the Commissioner’s report.
Sec. 141. 21 V.S.A. § 1338 is amended to read:

§ 1338. WEEKLY BENEFITS

***

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

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

***

*** Appropriations ***

Sec. 15. APPROPRIATIONS

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

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

(A) $1,000,000.00 to the Agency’s base budget for the relocated and remote worker program; and

(B) $5,000,000.00 in one-time funding for the program in fiscal year 2023.

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

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

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

(b) Capital Investment Program. In fiscal year 2023:

(1) The amount of $40,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Commerce and Community Development for the Capital Investment Program.
(2) The Agency of Commerce and Community Development shall reallocate any remaining funds appropriated pursuant to it by 2021 Acts and Resolves No. 74, Sec. G.300(a)(13) for Economic Recovery grants to the Capital Investment Program.

(c) VEDA Short-Term Forgivable Loan Program. In fiscal year 2022, the amount of $20,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Vermont Economic Development Authority for the VEDA Forgivable Loan Program.

(d) Brownfields. In fiscal year 2023, the amount of $6,000,000.00 is appropriated from the General Fund to the Agency of Commerce and Community Development to be used in the same manner as the Brownfields Revitalization Fund established by 10 V.S.A. § 6654, except notwithstanding the grant limitations in 10 V.S.A. § 6654, projects supported by this appropriation shall not be limited to $200,000.00 grants per parcel.

(e) Downtown development. Of the amounts appropriated to the Agency of Commerce and Community Development in Fiscal Year 2023 for the Better Places Program, Think Vermont initiative, or other programs that promote downtown development, the Agency may allocate not more than $485,000 to provide funding to one or more nonprofit organizations that sponsor a downtown designation to:

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

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

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

*** Sports Betting Study Committee ***

Sec. 16. SPORTS BETTING; FINDINGS

The General Assembly finds that:

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

(2) Based on current participation rates and expected growth, it is estimated that Vermont could generate from $640,000.00 to $4.8 million in the first year of sports betting revenue taxes and $1.3 million to $10.3 million in the second year, depending on the regulatory model chosen by the General Assembly.
(3) As of March 2022, 31 states and the District of Columbia have some form of active legal sports betting operations while an additional three states have enacted laws or adopted ballot measures to permit legal sports betting.

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

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

Sec. 17. SPORTS BETTING; STUDY COMMITTEE; REPORT

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

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

(1) the Attorney General or designee;
(2) the Commissioner of Liquor and Lottery or designee;
(3) the Commissioner of Taxes or designee;
(4) the Secretary of State or designee;
(5) the Secretary of Commerce and Community Development or designee;
(6) two current members of the Senate, who shall be appointed by the Committee on Committees; and
(7) two current members of the House, who shall be appointed by the Speaker of the House.

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

(1) studies carried out by other states concerning the legalization, taxation, and regulation of sports betting;
(2) laws enacted by other states to legalize, tax, and regulate sports betting;
(3) potential models for legalizing and regulating sports betting in Vermont, including any advantages or drawbacks to each model;
(4) potential models for legalizing and regulating online sports betting, including any advantages or drawbacks to each model;

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

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

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

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

(e) Report. On or before December 15, 2022, the Study Committee shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs with its findings, recommendations for legislative action, and a draft of proposed legislation.

(f) Meetings.

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

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

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

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

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

Sec. 18. EFFECTIVE DATES

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

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

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

(2) Secs. 14g (special fund), 14h (appropriation for temporary unemployment insurance supplemental benefit), and 14i (sunset of unemployment insurance supplemental benefit) shall take effect on July 1, 2022.

(d) Sec. 14j (increase in unemployment insurance weekly benefit amount) shall take effect on July 1, 2024 and shall apply to benefit weeks beginning after that date.

(e) Sec. 14l (prospective repeal of unemployment insurance benefit increase) shall take effect upon the payment of a cumulative total of $92,000,000.00 in additional benefits pursuant to 21 V.S.A. § 1338(e) when compared to the rate at which benefits would have been paid under the formula set forth in 21 V.S.A. § 1338(e) on June 30, 2024 and shall apply to benefit weeks beginning after that date.

(f) Sec. 14k (report on implementation of change to unemployment insurance weekly benefit) shall take effect on passage.

(g) All remaining sections of this act shall take effect on July 1, 2022.

(Committee vote: 5-0-0)

(For House amendments, see House Journal for March 24, 2021, pages 424-449)

Reported favorably with recommendation of proposal of amendment by Senator Sirotkin for the Committee on Finance.

The Committee recommends that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs with the following amendments thereto:
First: In Sec. 8, tax increment financing project development; pilot program, subdivision (f)(2), by striking out the last sentence.

Second: In Sec. 8, tax increment financing project development; pilot program, subsection (e), subdivision (1)(B)(ii), by striking out “and” and in subdivision (e)(1)(B)(iii)(IV), after “project” by striking out the period and inserting ; and and after subdivision (e)(1)(B)(iii), by inserting a subdivision (iv) to read as follows:

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

Third: In Sec. 8, tax increment financing project development; pilot program, in subdivision (h)(1), in the second sentence, after “In each year” by striking out “for which the assessed valuation exceeds the original taxable value” and in subdivision (h)(3), in the second sentence, by striking out “within the district”

Fourth: In Sec. 8, tax increment financing project development; pilot program, subsection (i), by striking out subdivision (3) in its entirety.

Fifth: In Sec. 8, tax increment financing project development; pilot program, in subsection (k), subdivision (3)(B), by striking out “February 15” and inserting in lieu thereof October 1

Sixth: In Sec. 8, tax increment financing project development; pilot program, in subsection (l), by striking out “April”

Seventh: In Sec. 8, tax increment financing project development; pilot program, by striking out subsection (m) in its entirety and inserting in lieu thereof the following:

(m) Audit; financial reports.

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

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

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

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

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

Eighth: By striking out Sec. 11, 32 V.S.A. § 5404a(h), in its entirety and inserting in lieu thereof a new Sec. 11 to read as follows:

Eighth: Sec. 11. [Deleted.]

(Committee vote: 7-0-0)

Reported favorably with recommendation of proposal of amendment by Senator Kitchel for the Committee on Appropriations.

The Committee recommends that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs with the following amendments thereto:

First: By striking out Sec. 15, appropriations, in its entirety and inserting in lieu thereof the following:

Sec. 15. APPROPRIATIONS

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

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

(1) Worker recruitment. The amount of $6,000,000.00 is appropriated from the General Fund to the Agency of Commerce and Community Development for worker recruitment activities and for the relocated and remote worker program.
(2) Tourism and marketing; relocation. In fiscal year 2023, the following amounts are appropriated from the General Fund to the Department of Tourism and Marketing, which the Department shall expend over two years:

(A) $1,200,000.00 to support a regional relocation network; and
(B) $3,000,000.00 for marketing and promotion.

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

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

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

(d) Workforce development. It is the intent of the General Assembly to provide $26,900,000.00 from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds and the State General Fund to be allocated for workforce investment initiatives, including to address critical needs in nursing and the skilled trades and to provide training opportunities for young adult Vermonters seeking to acquire skills. The specific programs to be funded shall be included in H.703 or other legislation passed in the 2022 legislative session.

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

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

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

(3) support communication within the coordinated effort of these State-mandated organizations to leverage successes.
(f) Community-based economic development. It is the intent of the General Assembly that up to $11,000,000.00 of funding be provided in fiscal year 2023 in other legislation for the following community-based economic development initiatives:

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

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

Second: By striking out Sec. 18, effective dates, and its reader assistance heading in their entireties and inserting in lieu thereof the following:

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

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

§ 5930ee. LIMITATIONS

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

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed $2,000,000.00 $4,350,000.00 with up to $1,000,000.00 awarded to qualified projects in neighborhood development areas;

** * * * **

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

§ 5930ee. LIMITATIONS

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

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

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

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

*** Effective Dates ***

Sec. 21. EFFECTIVE DATES

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

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

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

      (2) Secs. 14g (special fund), 14h (appropriation for temporary unemployment insurance supplemental benefit), and 14i (sunset of Unemployment Insurance Supplemental Benefit) shall take effect on July 1, 2022.

  (d) Sec. 14j (increase in unemployment insurance weekly benefit amount) shall take effect on July 1, 2024 and shall apply to benefit weeks beginning after that date.

  (e) Sec. 14l (prospective repeal of unemployment insurance benefit increase) shall take effect upon the payment of a cumulative total of $92,000,000.00 in additional benefits pursuant to 21 V.S.A. § 1338(e) when compared to the rate at which benefits would have been paid under the formula set forth in 21 V.S.A. § 1338(e) on June 30, 2024 and shall apply to benefit weeks beginning after that date.

  (f) Sec. 14k (report on implementation of change to unemployment insurance weekly benefit) shall take effect on passage.

  (g) Sec. 19 (32 V.S.A. § 5930ee) shall take effect on July 1, 2024.

  (h) All remaining sections of this act shall take effect on July 1, 2022.

  (Committee vote: 6-0-1)
An act relating to sealing criminal history records.

Reported favorably with recommendation of proposal of amendment by Senator Benning for the Committee on Judiciary.

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

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), 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.

(Committee vote: 5-0-0)

(For House amendments, see House Journal for March 17, 2022, pages 687-704)

H. 635.

An act relating to secondary enforcement of minor traffic offenses.

Reported favorably with recommendation of proposal of amendment by Senator Benning for the Committee on Judiciary.

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

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.

(Committee vote: 5-0-0)

(For House amendments, see House Journal for March 22, 2022, pages 787-788 and March 23, 2022, pages 845-847)
House Proposals of Amendment

S. 72

An act relating to the Interstate Compact on the Placement of Children.

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

First: In Sec. 2, 33 V.S.A. chapter 59, in subdivision 5902(20), by striking out “he or she” and inserting in lieu thereof the person

Second: In Sec. 2, 33 V.S.A. chapter 59, in subdivision 5903(a)(3), by striking out “The” and inserting in lieu thereof the

Third: In Sec. 2, 33 V.S.A. chapter 59, in subdivision 5903(b)(4), by striking out “his or her” and inserting in lieu thereof the child’s

Fourth: In Sec. 2, 33 V.S.A. chapter 59, in subdivision 5903(b)(7), by striking out “his or her”

Fifth: In Sec. 2, 33 V.S.A. chapter 59, in subdivision 5904(d)(7), after the word “receiving”, by striking out “the”

Sixth: In Sec. 2, 33 V.S.A. chapter 59, in subdivision 5908(2)(D), by striking out “his or her” and inserting in lieu thereof the

Seventh: In Sec. 2, 33 V.S.A. chapter 59, in section 5924, by striking out “his or her” and inserting in lieu thereof the child’s

S. 265

An act relating to expanding criminal threatening to include threats to third persons.

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

Sec. 1. 13 V.S.A. § 1702 is amended to read:

§ 1702. CRIMINAL THREATENING

(a) A person shall not by words or conduct knowingly:

(1) threaten another person or a group of particular persons; and

(2) as a result of the threat, place the other person in reasonable apprehension of death, or serious bodily injury, or sexual assault to the other person, a person in the group of particular persons, or any other person.

(b) A person who violates subsection (a) of this section shall be imprisoned not more than one year or fined not more than $1,000.00, or both.
(c) A person who violates subsection (a) of this section with the intent to prevent another person from reporting to the Department for Children and Families the suspected abuse or neglect of a child shall be imprisoned not more than two years or fined not more than $1,000.00 $2,000.00, or both.

(d) A person who violates subsection (a) of this section by making a threat that places any person in reasonable apprehension that death, serious bodily injury, or sexual assault will occur at a public or private school; postsecondary education institution; place of worship; polling place during election activities; the Vermont State House; or any federal, State, or municipal building shall be imprisoned not more than two years or fined not more than $2,000.00, or both.

(e) A person who violates subsection (a) of this section with the intent to terrify, intimidate, or unlawfully influence a person to prevent that person from complying with State laws or rules, State court or administrative orders, or State executive orders shall be imprisoned not more than two years or fined not more than $2,000.00, or both.

(f) A person who violates subsection (a) of this section with the intent to terrify, intimidate, or unlawfully influence the conduct of a candidate for public office, a public servant, an election official, or a public employee in any decision, opinion, recommendation, vote, or other exercise of discretion taken in capacity as a candidate for public office, a public servant, an election official, or a public employee, or with the intent to retaliate against a candidate for public office, a public servant, an election official, or a public employee for any previous action taken in capacity as a candidate for public office, a public servant, an election official, or a public employee, shall be imprisoned not more than two years or fined not more than $2,000.00, or both.

(g) As used in this section:

(1) “Serious bodily injury” shall have has the same meaning as in section 1021 of this title.

(2) “Threat” and “threaten” shall do not include constitutionally protected activity.

(3) “Candidate” has the same meaning as in 17 V.S.A. § 2103.

(4) “Election official” has the same meaning as in 17 V.S.A. § 2455.

(5) “Public employee” means a classified employee within the Legislative, Executive, or Judicial Branch of the State and any of its political subdivisions and any employee within a county or local government and any of the county’s or local government’s political subdivisions.

(6) “Public servant” has the same meaning as in 17 V.S.A. § 2103.
(7) “Polling place” has the same meaning as described in 17 V.S.A. chapter 51, subchapter 4.

(8) “Sexual assault” has the same meaning as sexual assault as described in section 3252 of this title.

(e)(h) Any person charged under this section who is under 18 years of age younger than the age identified in 33 V.S.A. § 5201(d) shall be adjudicated as a juvenile delinquent subject to a juvenile proceeding.

(f) It shall be an affirmative defense to a charge under this section that the person did not have the ability to carry out the threat. The burden shall be on the defendant to prove the affirmative defense by a preponderance of the evidence.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

NOTICE CALENDAR

Second Reading

Favorable with Proposal of Amendment

H. 265.

An act relating to the Office of the Child, Youth, and Family Advocate.

Reported favorably with recommendation of proposal of amendment by Senator Hardy for the Committee on Health and Welfare.

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

Sec. 1. 33 V.S.A. chapter 32 is added to read:

CHAPTER 32. OFFICE OF THE CHILD, YOUTH, AND FAMILY ADVOCATE

§ 3201. DEFINITIONS

As used in this chapter:

(1) “Child, Youth, and Family Advocate” or “Advocate” means an individual who leads the Office of the Child, Youth, and Family Advocate.

(2) “Department” means the Department for Children and Families.

(3) “Office” means the Office of the Child, Youth, and Family Advocate.
(4) “State agency” means any office, department, board, bureau, division, agency, or instrumentality of the State.

§ 3202. OFFICE OF THE CHILD, YOUTH, AND FAMILY ADVOCATE

There is established the Office of the Child, Youth, and Family Advocate for the purpose of advancing the interests and welfare of Vermont’s children and youths. The Office shall advocate for the welfare of children and youths receiving services from the Department and those involved in the child protection and juvenile justice systems. The Office shall promote reforms necessary to better serve Vermont’s children, youths, and families in a manner that addresses racial and social equity. The Office shall act independently of any State agency in the performance of its duties.

§ 3203. DUTIES AND AUTHORITY

(a) The Office shall:

(1) work in collaboration with relevant parties to strengthen services for children, youths, and families;

(2) analyze and monitor the development and implementation of federal, State, and local laws; regulations; and policies relating to child, youth, and family welfare and recommend changes when appropriate;

(3) review complaints concerning the actions of the Department and of any entity that provides services to children, youths, and families through funds provided by the Department; make appropriate referrals; and investigate those complaints where the Advocate determines that a child, youth, or family may be in need of assistance from the Office;

(4) support children, youths, and families by providing information about service recipients’ rights and responsibilities;

(5) provide systemic information concerning child, youth, and family welfare to the public, the Governor, State agencies, legislators, and others, as necessary; and

(6) notwithstanding 2 V.S.A. § 20(d), submit to the General Assembly and the Governor on or before December 1 of each year a report addressing services provided by the Department, including:

(A) the conditions of placements for Vermont’s children and youths;

(B) findings related to services for and assistance to children, youths, and families within the child protection and juvenile justice systems;

(C) recommendations related to improving services for children, youths, and families; and
(D) data disaggregated by race, ethnicity, gender, geographic location, disability status, and any other categories that the Advocate deems necessary.

(b) The Office may:

(1) review current systems to assess to what extent children and youths placed in the custody of the Department or who are receiving services under the supervision of the Department receive humane and dignified treatment at all times, including consideration by the Advocate as to what extent the system protects and enhances the child’s or youth’s personal dignity, right to privacy, and right to appropriate health care and education in accordance with State and federal law;

(2) address any challenges accessing information or records that are necessary for carrying out the provisions of this chapter; and

(3) as part of its annual report pursuant to subdivision (a)(6) of this section, include findings and recommendations related to other services provided to children, youths, and families.

§ 3204. CHILD, YOUTH, AND FAMILY ADVOCATE

(a) The Office shall be directed by the Child, Youth, and Family Advocate, an individual who shall be qualified by reason of education, expertise, and experience and who may have a professional degree in law, social work, public health, or a related field. The Child, Youth, and Family Advocate shall serve on a full-time basis and shall be exempt from classified service.

(b)(1) The Oversight Commission on Children, Youths, and Families established pursuant to section 3211 of this chapter shall recommend qualified applicants for the position of the Child, Youth, and Family Advocate to the Governor for consideration. Subject to confirmation by the Senate, the Governor shall appoint an Advocate within 45 days from among those applicants recommended by the Oversight Commission for a term of four years. The appointment for Advocate shall be made without regard to political affiliation and on the basis of integrity and demonstrated ability. The Advocate shall hold office until reappointed or until a successor is appointed.

(2) The Governor, upon a majority vote of the Oversight Commission, may remove the Child, Youth, and Family Advocate for cause, which includes only neglect of duty, gross misconduct, conviction of a crime, or inability to perform the responsibilities of the Office. The Speaker of the House and President Pro Tempore shall simultaneously receive notification from the Governor of the Advocate’s removal. Any vacancy shall be filled by the appointment process set forth in subdivision (1) of this subsection for the
remainder of the unexpired term.

(c) The Child, Youth, and Family Advocate shall appoint a Deputy Child, Youth, and Family Advocate, whose duties shall be performed at the direction of the Advocate.

(d) Upon any vacancy in the position of the Advocate, and until such time as a replacement is appointed and confirmed, the Deputy Child, Youth, and Family Advocate shall serve as the acting Child, Youth, and Family Advocate. The acting Child, Youth, and Family Advocate shall have the full responsibilities of the Advocate and shall be entitled to the same compensation as the outgoing Child, Youth, and Family Advocate.

§ 3205. CHILD, YOUTH, AND FAMILY ADVISORY COUNCIL

(a) Purpose and membership. The Child, Youth, and Family Advocate shall appoint and convene an Advisory Council composed of nine stakeholders who have been impacted by child welfare services provided by the Department for Children and Families. The Advisory Council’s membership shall reflect the growing diversity of Vermont’s children and families, including individuals who are Black, Indigenous, and Persons of Color, as well as with regard to socioeconomic status, geographic location, gender, sexual identity, and disability status. Members shall provide advice and guidance to the Office of the Child, Youth, and Family Advocate regarding the routine administration and operation of the Office, including providing advice and guidance to the Advocate upon request.

(b) Meetings.

(1) The Advocate shall call the first meeting of the Advisory Council to occur on or before March 15, 2023.

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

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

(4) The Advisory Council shall cease to exist on July 1, 2028.

(c) Confidentiality. In seeking the advice and guidance of the Advisory Council, the Child, Youth, and Family Advocate shall not disclose to the Advisory Council, or any member thereof, individually identifiable information about a child or youth unless the information is already known to the public.

(d) Compensation. Members of the Advisory Council shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings annually. These payments
shall be made from monies appropriated to the Office.

§ 3206. INCIDENTS AND FATALITIES

(a) The Department shall notify the Office of all incidents of actual physical injury to children or youths in the custody of the Commissioner or at significant risk of such harm.

(b) The Department shall notify the Office within 48 hours of:

   (1) any fatality of a child or youth in its custody; and
   (2) the restraint or seclusion of any child or youth in its custody.

§ 3207. ACCESS TO INFORMATION AND FACILITIES

(a) Notwithstanding any other provision of law, the Child, Youth, and Family Advocate and the Deputy Advocate shall, upon request, have timely access, including the right to inspect and copy, to records necessary to carry out the provisions of this chapter, including relevant records produced and held by State entities and third parties. As used in this subsection, “third parties” does not include Vermont’s Statistical Analysis Center.

(b) If the Child, Youth, and Family Advocate determines that doing so advances the welfare of a child or youth, the Advocate and Deputy Advocate may:

   (1) communicate privately and visit with any child or youth who is in the custody of the Department; and
   (2) upon first obtaining the consent of a child or youth’s parent or guardian, communicate privately and visit with a child or youth who is not in the custody of the Department.

(c) Facilities and providers delivering services to children and youths shall permit the Child, Youth, and Family Advocate or the Deputy Advocate to access their facilities.

§ 3208. COOPERATION OF STATE AGENCIES

All State agencies shall comply with reasonable requests of the Child, Youth, and Family Advocate and Deputy Advocate for information and assistance.

§ 3209. CONFIDENTIALITY

(a) The Office shall maintain the confidentiality of all case records, third-party records, and court records, as well as any information gathered in the course of investigations and systems monitoring duties. These records are exempt from public inspection and copying under the Public Records Act and
shall be kept confidential except as provided in subsections (b) and (c) of this section.

(b) In the course of carrying out the provisions of this chapter, if the Child, Youth, and Family Advocate or Deputy Advocate reasonably believes that the health, safety, or welfare of a child or youth is at imminent risk, the Advocate or Deputy Advocate may disclose relevant documents or information to the Department or any of the individuals or entities listed in subdivision 4921(e)(1) of this title or both. Determinations of relevancy shall be made by the Advocate.

(c) Notwithstanding subsection (a) of this section, the Child, Youth, and Family Advocate or Deputy Advocate may publicly disclose any patterns of conduct or repeated incidents identified by the Advocate or Deputy Advocate in carrying out the provisions of this chapter if the Advocate or Deputy Advocate reasonably believes that public disclosure is likely to mitigate a risk posed to the health, safety, and welfare of a child or youth, except the Advocate or Deputy Advocate shall not publicly disclose either of the following:

(1) individually identifiable information about a child or youth, or the child’s or youth’s family, foster family, or kin in a kinship placement unless the information is already known to the public; and

(2) investigation findings where there is a pending law enforcement investigation or prosecution.

§ 3210. CONFLICT OF INTEREST

The Child, Youth, and Family Advocate, the Advocate’s employees or contractors, and members of the Oversight Commission on Children, Youths, and Families shall not have any conflict of interest with the Department or with any entity that provides services to children, youths, and families through funds provided by the Department relating to the performance of their responsibilities under this chapter. For the purposes of this section, a conflict of interest exists whenever the Child, Youth, and Family Advocate, the Advocate’s employees or contractors, or a member of the Oversight Commission on Children, Youths, and Families:

(1) has direct involvement in the licensing, certification, or accreditation of a provider or facility delivering services to children, youths, and families;

(2) has a direct ownership interest in a provider or facility delivering services to children, youths, and families;

(3) is employed by or participates in the management of a provider or facility delivering services to children, youths, and families; or
(4) receives or has the right to receive, directly or indirectly, remuneration under a compensation arrangement with a provider or facility delivering services to children, youths, and families.

§ 3211. OVERSIGHT COMMISSION ON CHILDREN, YOUTHS, AND FAMILIES

(a) Creation. There is created the Oversight Commission on Children, Youths, and Families to provide guidance and recommendations to the Office of the Child, Youth, and Family Advocate.

(b) Membership. The Commission shall be composed of the following members who shall not have a conflict of interest with the Department for Children and Families:

(1) one current member of the House of Representatives who serves on the House Committee on Human Services, who shall be appointed by the Speaker of the House;

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

(3) a member with professional expertise in childhood trauma, adverse childhood experiences, or child welfare, who shall be appointed by the Governor;

(4) the Executive Director of Racial Equity established pursuant to 3 V.S.A. § 5001 or designee;

(5) one member of a child advocacy group, board, or commission, who shall be appointed by the Speaker of the House;

(6) one member of a child advocacy group, board, or commission, who shall be appointed by the Committee on Committees;

(7) one member of a child advocacy group, board, or commission, who shall be appointed by the Governor;

(8) an adult who was in the custody of the Department for Children and Families within the past five years, who shall be appointed by the Vermont Foster and Adoptive Family Association; and

(9) the relative caregiver of a child or youth involved in the child protection system, who shall be appointed by Vermont Kin as Parents.
(c) Powers and duties. The Commission shall:

(1) recommend qualified applicants for the position of the Child, Youth, and Family Advocate to the Governor for consideration pursuant to section 3204 of this chapter within 45 days following a vacancy; and

(2) provide oversight of the Office in its efforts to support an equitable, comprehensive, and coordinated system of services and programs for children, youths, and families.

(d) Assistance. The Commission shall have the administrative assistance of the Agency of Administration.

(e) Meetings.

(1) The member representing the House Committee on Human Services shall call the first meeting of the Commission to occur on or before August 1, 2022.

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

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

(f) Compensation and reimbursement.

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

(2) Other members of the Commission shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than four meetings annually. These payments shall be made from monies appropriated to the Office of the Child, Youth, and Family Advocate.

Sec. 2. 33 V.S.A. § 4913 is amended to read:

§ 4913. REPORTING CHILD ABUSE AND NEGLECT; REMEDIAL ACTION

(a) A mandated reporter is any:

* * *

(11) camp counselor; or

(12) member of the clergy; or
employee of the Office of the Child, Youth, and Family Advocate established pursuant to chapter 32 of this title.

Sec. 3. 33 V.S.A. § 4921 is amended to read:

§ 4921. DEPARTMENT’S RECORDS OF ABUSE AND NEGLECT

(d) Upon request, Department records created under this subchapter shall be disclosed to:

(4) law enforcement officers engaged in a joint investigation with the Department, an Assistant Attorney General, or a State’s Attorney; and

(5) other State agencies conducting related inquiries or proceedings; and

(6) the Office of the Child, Youth, and Family Advocate for the purpose of carrying out the provisions in chapter 32 of this title.

Sec. 4. 33 V.S.A. § 5117 is amended to read:

§ 5117. RECORDS OF JUVENILE JUDICIAL PROCEEDINGS

(b)(1) Notwithstanding the foregoing, inspection of such records and files by or dissemination of such records and files to the following is not prohibited:

(H) the Human Services Board and the Commissioner’s Registry Review Unit in processes required under chapter 49 of this title; and

(I) the Department for Children and Families; and

(J) the Office of the Child, Youth, and Family Advocate for the purpose of carrying out the provisions in chapter 32 of this title.

Sec. 5. [Deleted.]

Sec. 6. TRANSITION

The initial term of the Child, Youth, and Family Advocate established pursuant to 33 V.S.A. chapter 32 shall begin on January 1, 2023.
Sec. 7. APPROPRIATION

The sum of $120,000.00 is appropriated to the Office of the Child, Youth, and Family Advocate from the General Fund in fiscal year 2023 for carrying out the purposes of this act.

Sec. 8. [Deleted.]

Sec. 9. EFFECTIVE DATES

This act shall take effect on July 1, 2022, except that Secs. 2 (reporting child abuse and neglect; remedial action), 3 (Department’s records of abuse and neglect), 4 (records of juvenile judicial proceedings), and 7 (appropriation) shall take effect on January 1, 2023.

(Committee vote: 5-0-0)

(For House amendments, see House Journal for April 22, 2021, pages 699-708)

H. 464.

An act relating to miscellaneous changes to the Reach Up Program.

Reported favorably with recommendation of proposal of amendment by Senator Cummings for the Committee on Health and Welfare.

The Committee recommends that the Senate propose to the House to amend the bill as follows:

First: By striking out Sec. 8, 33 V.S.A. § 1114, in its entirety and inserting in lieu thereof a new Sec. 8 and a Sec. 8a to read as follows:

Sec. 8. 33 V.S.A. § 1114 is amended to read:

§ 1114. DEFERMENTS, MODIFICATIONS, AND REFERRAL

***

(b) The work requirements shall be either modified or deferred for:

***

(5) A participant who is needed in the home on a full- or part-time basis in order to care for an ill or disabled parent, spouse, or child. In granting deferments, the Department shall fully consider the participant’s preference as to the number of hours the participant is able to leave home to participate in work activities. A deferral or modification of the work requirement exceeding 60 days due to the existence of illness or disability pursuant to this subdivision shall be confirmed by the independent medical review of one or more physicians, physician assistants, advanced practice registered nurses, or other
health care providers designated by the Secretary of Human Services prior to receipt of continued financial assistance under the Reach Up program.

* * *

(d) Absent an apparent condition or claimed physical, emotional, or mental condition, participants are presumed to be able-to-work. A participant shall have the burden of demonstrating the existence of the condition asserted as the basis for a deferral or modification of the work requirement. A deferral or modification of the work requirement exceeding 60 days due to the existence of conditions rendering the participant unable-to-work shall be confirmed by the independent medical review of one or more physicians, physician assistants, advanced practice registered nurses, or other health care providers designated by the Secretary of Human Services prior to receipt of continued financial assistance under the Reach Up program.

* * *

Sec. 8a. 33 V.S.A. § 1114 is amended to read:

§ 1114. DEFERMENTS, MODIFICATIONS, AND REFERRAL

(a) The Commissioner shall establish by rule criteria, standards, and procedures for granting deferments from or modifications to the work requirements established in section 1113 of this title, in accordance with the provisions of this section and for referring individuals with disabilities to the Office of Vocational Rehabilitation.

(b) The work requirements shall be either modified or deferred for:

(1) A participant for whom no unsubsidized or subsidized job or other equivalent supervised work activity recognized by the Commissioner by rule is available.

(2) A participant for whom support services that are essential to employment and other work activities and identified in the family development plan cannot be arranged. Such services shall include case management, education and job training, child care, and transportation.

(3) A primary caretaker parent in a two-parent family in which one parent is able-to-work part-time or unable-to-work, a single parent, or a caretaker who is caring for a child who has not attained 24 months of age for no more than 24 months of the parent’s or caretaker’s lifetime receipt of financial assistance. To qualify for such deferment, a parent or caretaker of a child older than the age of six months but younger than 24 months shall cooperate in the development of and participate in a family development plan.

(4) An individual who has exhausted the 24 months of deferment
provided for in subdivision (3) of this subsection and who is caring for a child who is not yet 13 weeks of age or a primary caretaker parent in a family with two parents who are able to work if the primary caretaker is caring for a child under 13 weeks of age and is otherwise subject to a work requirement because the other parent in the family is being sanctioned in accordance with section 1116 of this title.

(5) A participant who is needed in the home on a full- or part-time basis in order to care for an ill or disabled parent, spouse, or child. In granting deferments, the Department shall fully consider the participant’s preference as to the number of hours the participant is able to leave home to participate in work activities.

(6) A participant who is under 20 years of age, who is a single head of household or married, and who maintains satisfactory attendance at secondary school or the equivalent during the month, or participates in education directly related to employment for an average of 20 or more hours per week during the month.

(7) A participant who has attained 20 years of age and who is engaged in at least 15 hours per week of classes and related learning activities for the purpose of attaining a high school diploma or General Educational Development (GED) certificate or completing a literacy program approved by the Department; provided that the participant is making satisfactory progress toward the attainment of the diploma or certificate; and provided further that a deferment or modification granted for this purpose does not exceed 18 months.

(8) A participant who is enrolled in, attending, and making satisfactory progress toward the completion of a full-time vocational training program that has a normal duration of no more than two years and who is within 12 months of expected completion of such program. Such deferment or modification shall continue until he or she has completed the program, he or she is no longer attending the program, or the 12-month expected completion period has ended, whichever occurs first.

(9) A participant for whom, due to the effects of domestic violence, fulfillment of the work requirement can be reasonably anticipated to result in serious physical or emotional harm to the participant that significantly impairs his or her capacity either to fulfill the work requirement or to care for his or her child adequately, or can be reasonably anticipated to result in serious physical or emotional harm to the child.

(10) Any other participant designated by the Commissioner in accordance with criteria established by rule.
(e) A participant who is able to work part-time or is unable to work shall be referred for assessment of the individual’s skills and strengths, accommodations and support services, and vocational and other services in accordance with the provisions of his or her family development plan. The work requirement hours shall reflect the individual’s ability to work. Participants with disabilities that do not meet the standards used to determine disability under Title XVI of the Social Security Act shall participate in rehabilitation, education, or training programs as appropriate. A participant who qualifies for a deferment or modification and who is able to work part-time shall have his or her work requirement hours modified or deferred. In granting deferments, the Department shall fully consider the participant’s estimation of the number of hours the participant is able to work.

(d) Absent an apparent condition or claimed physical, emotional, or mental condition, participants are presumed to be able to work. A participant shall have the burden of demonstrating the existence of the condition asserted as the basis for a deferral or modification of the work requirement.

(e) Deferments and modifications granted pursuant to this section shall continue for as long as the grounds for the deferment or modification exist or until expiration of a related time period specified in subsection (b) of this section, whichever occurs first.

(f) As used in this section, “health care provider” means a person, partnership, or corporation, other than a facility or institution, licensed or certified or authorized by law to provide professional health care service in this State to an individual during that individual’s medical care, treatment, or confinement. The program participation requirements established in section 1113 of this chapter shall be deferred when:

1. a participating adult is 60 years of age or older;
2. a participating adult is caring for a child under six weeks of age;
3. a participating adult for whom, due to the effects of domestic violence, engaging in the program participation requirements can be reasonably anticipated to result in serious physical or emotional harm to the participating adult or participating adult’s child; or
4. any other participant designated by the Commissioner in accordance with criteria established by the Commissioner in rule pursuant to 3 V.S.A. chapter 25.
Second: In Sec. 12, effective dates, after “This section”, by inserting the following:

, Sec. 8 (deferments, modifications, and referral).

(Committee vote: 5-0-0)

(For House amendments, see House Journal for March 22, 2022, pages 789-805)

H. 515.

An act relating to banking, insurance, and securities.

Reported favorably with recommendation of proposal of amendment by Senator Cummings for the Committee on Finance.

The Committee recommends that the Senate propose to the House to amend the bill as follows:

First: In Sec. 10, 8 V.S.A. chapter 148, section 7122, subsection (b), by striking out “herein”

Second: In Sec. 20, 8 V.S.A. § 4728, subdivision (c)(2), by striking out “but not limited to”

Third: In Sec. 20, 8 V.S.A. § 4728, subdivision (c)(3)(A), immediately preceding “process” by inserting the word protective

Fourth: By adding a new section 23a to read as follows:

Sec. 23a. DEPARTMENT OF FINANCIAL REGULATION; BROADBAND CONSTRUCTION; INSURANCE; GUIDANCE

(a) The availability of significant federal funds coupled with the State’s commitment to achieving universal broadband connectivity has resulted in an unprecedented period of broadband construction in our State. It is the purpose of this section to provide educational risk management guidance to broadband service providers engaged in broadband construction projects to reduce the risk of harm or injury to Vermonters, generally. It is not the intent of this section to establish new or expand existing rights, obligations, or remedies. Broadband service providers should consult with insurance professionals and legal counsel when developing specific contractual terms and conditions.

(b) The Department of Financial Regulation, in consultation with the Public Utility Commission, shall develop a guidance document that includes recommendations related to standard insurance requirements and measures that ensure adequate coverage is in force for the duration of broadband construction projects. The guidance shall be posted on a website maintained
by the Public Utility Commission and shall be distributed by the Commission to every broadband service provider that registers with the State as well as to the Vermont Community Broadband Board for distribution to recipients of State broadband construction grants.

(c) The Department of Financial Regulation may include in the guidance any recommendations for mitigating liability risk through safe cleanup practices on a broadband construction worksite and may include notification of the requirements pertaining to the proper disposal of solid waste as established in 24 V.S.A. § 2201.

(d) The guidance required by this section shall be published on or before September 15, 2022.

(Committee vote: 6-0-1)

(For House amendments, see House Journal for February 18, 2022, pages 341-398)

H. 711.

An act relating to the creation of the Opioid Settlement Advisory Committee and the Opioid Abatement Special Fund.

Reported favorably with recommendation of proposal of amendment by Senator Lyons for the Committee on Health and Welfare.

The Committee recommends that the Senate propose to the House to amend the bill as follows:

First: In Sec. 1, 18 V.S.A. chapter 93, section 4772, subsection (c), in the second sentence by striking out “Substance Misuse Advisory Council” and inserting in lieu thereof Substance Misuse Oversight Prevention and Advisory Council.

Second: In Sec. 1, 18 V.S.A. chapter 93, section 4774, subsection (a), by striking out subdivisions (1) and (2) in their entireties and inserting in lieu thereof the following:

(a)(1) There is created the Opioid Abatement Special Fund, a special fund established and managed pursuant to 32 V.S.A. chapter 7, subchapter 5 and administered by the Department of Health. The Opioid Abatement Special Fund shall consist of all abatement account fund monies disbursed to the Department from the national settlement fund administrator, the national opioid abatement trust, the supplemental opioid abatement fund, or any other settlement funds that must be utilized exclusively for opioid prevention, intervention, treatment, recovery, and harm reduction services.
(2) The Department shall include a spending plan, informed by the recommendations of the Opioid Settlement Advisory Committee established pursuant to section 4772 of this subchapter, as part of its annual budget submission, and once approved, the Department shall request to have the funds formally released from the national settlement fund administrator, the national opioid abatement trust, the supplemental opioid abatement fund, or any other settlement funds that must be utilized exclusively for opioid prevention, intervention, treatment, recovery, and harm reduction services. The Department shall disburse monies from the Opioid Abatement Special Fund pursuant to 32 V.S.A. chapter 7, subchapter 3.

Third: By striking out Sec. 2, sunset; Opioid Settlement Advisory Committee, in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. SUNSET; OPIOID SETTLEMENT ADVISORY COMMITTEE

The Opioid Settlement Advisory Committee shall cease to exist upon written certification by the Chair of the Opioid Settlement Advisory Committee to the Governor, the Speaker of the House, and the President Pro Tempore that Vermont’s share of monies from the national settlement fund administrator, the national opioid abatement trust, the supplemental opioid abatement fund, or any other settlement funds that must be utilized exclusively for opioid prevention, intervention, treatment, recovery, and harm reduction services has been fully expended.

(Committee vote: 5-0-0)

(For House amendments, see House Journal for March 17, 2022, pages 704-713)

H. 720.

An act relating to the system of care for individuals with developmental disabilities.

Reported favorably with recommendation of proposal of amendment by Senator Hooker for the Committee on Health and Welfare.

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

** Legislative Intent **

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly that:
(1) Individuals who qualify for developmental services and who meet a funding priority as outlined in the State system of care plan for developmental services receive full and complete information in plain language regarding their options and services.

(2) Individuals with developmental disabilities, their family members, allies, and advocates be respected and active participants in systems change activities, including payment reform, development of resources to comply with the federal home- and community-based services regulations, and development of additional residential service options. Information provided to stakeholders shall be in plain language.

* * * System of Care Plan * * *

Sec. 2. 18 V.S.A. § 8725 is amended to read:

§ 8725. SYSTEM OF CARE PLAN

(a) Every three years, the Department shall adopt a plan for the nature, extent, allocation, and timing of services consistent with the principles of service set forth in section 8724 of this title that will be provided to people with developmental disabilities and their families. Each plan shall include the following categories, which shall be adopted by rule pursuant to 3 V.S.A. chapter 25:

(1) priorities for continuation of existing programs or development of new programs;
(2) criteria for receiving services or funding;
(3) type of services provided; and
(4) a process for evaluating and assessing the success of programs.

* * *

(c) Not later than 60 days before adopting the proposed plan, the Commissioner shall submit it to the Advisory Board established in section 8733 of this title, for advice and recommendations, except that the Commissioner shall submit those categories within the plan subject to 3 V.S.A. chapter 25 to the Advisory Board at least 30 days prior to filing the proposed plan in accordance with the Vermont Administrative Procedure Act. The Advisory Board shall provide the Commissioner with written comments on the proposed plan. It may also submit public comments pursuant to 3 V.S.A. chapter 25.

* * *
(f) If the Department requires an extension to complete the system of care plan, it shall submit a written request indicating the anticipated completion date to the House Committee on Human Services and to the Senate Committee on Health and Welfare at least two months prior to the expiration of the existing system of care plan. The request for an extension may be granted upon the approval of both the Chairs of the House Committee on Human Services and the Senate Committee on Health and Welfare.

** Quality Services Reviews **

Sec. 3. 18 V.S.A. chapter 204A is amended to read:

CHAPTER 204A. SUPPORTING INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES ACT

Subchapter 1. Developmental Disabilities Act

**

§ 8723. DEPARTMENT OF DISABILITIES, AGING, AND INDEPENDENT LIVING; DUTIES

The Department shall plan, coordinate, administer, monitor, and evaluate State and federally funded services for people with developmental disabilities and their families within Vermont. The Department shall be responsible for coordinating the efforts of all agencies and services, government and private, on a statewide basis in order to promote and improve the lives of individuals with developmental disabilities. Within the limits of available resources, the Department shall:

(1) promote the principles stated in section 8724 of this title and shall carry out all functions, powers, and duties required by this chapter subchapter by collaborating and consulting with people with developmental disabilities, their families, guardians, community resources, organizations, and people who provide services throughout the State;

**

§ 8724. PRINCIPLES OF SERVICE

Services provided to people with developmental disabilities and their families shall foster and adhere to the following principles:

**

(11) Trained staff. In order to ensure that the goals of this chapter subchapter are attained, all individuals who provide services to people with developmental disabilities and their families must receive training as required by section 8731 of this title.
§ 8727. COMPLAINTS; APPEALS

(a) Notice. The Department or agency or program funded by the Department shall provide notice:

(1) To an applicant or the applicant’s guardian, as applicable, of the rights provided under this chapter subchapter, State and federal law, and any other available rights of appeal for violations of any of those rights.

* * *

§ 8733. ADVISORY BOARD

* * *

(e) Members shall be entitled to reimbursement for necessary and actual expenses incurred in performance of their duties under this chapter subchapter.

Subchapter 2. Supports for Individuals with Developmental Disabilities

§ 8741. QUALITY SERVICES REVIEWS

The Department shall perform at least annual on-site quality assurance and improvement visits to the designated and specialized service agencies and other contracted agencies. The Department shall, at a minimum, assess the quality of services provided, including health and safety, in accordance with personalized service plans for the individuals served.

* * * Creation of New Position * * *

Sec. 4. DEPARTMENT OF DISABILITIES, AGING, AND INDEPENDENT LIVING; RESIDENTIAL PROGRAM DEVELOPER

(a) There is created a limited-service position of the Residential Program Developer within the Department of Disabilities, Aging, and Independent Living for the purposes of:

(1) expanding housing and residential services options for individuals with developmental disabilities, in accordance with federal home- and community-based services regulations;

(2) assisting individuals with developmental disabilities and their families navigate publicly and privately funded housing and residential services options;

(3) investigating public and private funding opportunities for residential program development for individuals with developmental disabilities;

- 2642 -
(4) working with individuals with developmental disabilities, their families, and allies to identify potential models for residential services;

(5) developing requests for proposals and identifying at least three pilot planning grants for different regions of the State focused on the needs identified in those regions; and

(6) working with appropriate designated and specialized service agencies or other providers to implement selected pilots.

(b) In fiscal year 2023, $102,000.00 is appropriated to the Department of Disabilities, Aging, and Independent Living from the Global Commitment Federal Medical Assistance Percentage (FMAP) home- and community-based services monies to fund the Residential Program Developer position established in subsection (a) of this section.

* * * Housing and Residential Service Pilot Planning Grants * * *

Sec. 5. DEPARTMENT OF DISABILITIES, AGING, AND INDEPENDENT LIVING; DEVELOPMENT OF HOUSING AND RESIDENTIAL SERVICES PILOT PLANNING GRANTS

(a) The Department of Disabilities, Aging, and Independent Living shall work with the Vermont Developmental Disabilities Council and a statewide self-advocacy group to review housing models in other states for the purpose of informing the pilot planning grants developed pursuant to subsection (b) of this section.

(b)(1) In fiscal year 2023, $500,000.00 is appropriated to the Department of Disabilities, Aging, and Independent Living from the Global Commitment Federal Medical Assistance Percentage (FMAP) home- and community-based services monies to develop housing and residential service pilot planning grants in at least three regions of the State, in partnership with designated and specialized service agencies, for individuals with developmental disabilities and their families. The Department shall consult with the Vermont Housing and Conservation Board and other housing providers to prioritize successful housing projects for adults with developmental disabilities. The Department shall issue a request for proposals seeking entities to develop regional pilot planning grants with not more than one grant per designated agency catchment area.

(2) The pilot planning grants shall:

(A) reflect the diversity of needs expressed by individuals with developmental disabilities and their families, including individuals with high support needs who require 24-hour care and those with specific communication needs;
(B) be consistent with the federal home- and community-based services regulations;

(C) include new service-supported housing models; and

(D) include a vision statement, the number of and description of the support needs of individuals with developmental disabilities anticipated to be served, a draft budget, and an implementation plan.

(c)(1) The Department shall convene a steering committee to provide advice and guidance as it develops and selects the pilot planning grants required pursuant to this section.

(2) The steering committee shall be composed of the following members:

   (A) three individuals with a developmental disability, appointed by the Green Mountain Self Advocates;

   (B) two family members of individuals with a developmental disability, appointed by the Vermont Family Network;

   (C) two advocates who are either individuals with a developmental disability or a family member of an individual with a developmental disability, appointed by the State Program Standing Committee and the Advisory Board established pursuant to 18 V.S.A. § 8733; and

   (D) two representatives of the designated and specialized service agencies, appointed by Vermont Care Partners.

(3)(A) The steering committee shall have the technical, legal, and administrative assistance of the Department.

   (B) The steering committee shall cease to exist on January 1, 2024.

(4) Information provided for the steering committee’s consideration shall be in plain language.

(5) Members of the steering committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings. These payments shall be made from monies appropriated to the Department.

(d) On or before April 15, 2023, the Department shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare describing the pilot planning grant selection process, the implementation plan, and any resources necessary for implementation of selected pilots.
* * * Payment Reform and Conflict-Free Case Management * * *

Sec. 6. PAYMENT REFORM AND CONFLICT-FREE CASE MANAGEMENT

(a) At a minimum, the following shall be included in the payment reform process impacting individuals with developmental disabilities, their families, and designated and specialized service agencies:

(1) in addition to any standardized assessment utilized by the Department of Disabilities, Aging, and Independent Living, a process for consideration of additional information relevant to the life circumstances of service recipients or applicants;

(2) in addition to any standardized rates or rate ranges developed by the Department, a process for consideration of budgets to reflect the individualized support needs of service recipients or applicants; and

(3) a process for evaluating the fiscal and service impact on individual service recipients and the designated and specialized service agencies.

(b)(1) Prior to implementing the federally required conflict-free case management system, the Department shall seek and consider input from a variety of stakeholders, including individuals with developmental disabilities, their families, designated and specialized service agencies, and other providers and advocates.

(2) As part of the changes necessary to come into federal compliance, consideration shall be given to performing initial clinical eligibility and service planning within the Department.

(c) On or before February 1, 2023, the Department shall present any proposed policy changes related to payment reform and conflict-free case management to the House Committee on Human Services and the Senate Committee on Health and Welfare and seek and consider input from the Committees.

* * * HCBS Spending Plan Amendment * * *

Sec. 7. HOME- AND COMMUNITY-BASED SERVICE SPENDING PLAN AMENDMENT

The Agency of Human Services shall seek to amend its federal Home- and Community-Based Service Spending Plan to enable the Department of Disabilities, Aging, and Independent Living to use Global Commitment Federal Medical Assistance Percentage (FMAP) home- and community-based services monies to fund the new Residential Program Developer position created in Sec. 4 of this act and the pilot planning grants in Sec. 5 of this act.
Sec. 8. EFFECTIVE DATES

This section and Sec. 2 (system of care plan) shall take effect on passage, and the remaining sections shall take effect on July 1, 2022.

(Committee vote: 5-0-0)

(For House amendments, see House Journal for March 18, 2022, page 749)

**House Proposal of Amendment**

**S. 171**

An act relating to adoption of a State code of ethics.

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

First: In Sec. 1, 3 V.S.A. chapter 31, subchapter 1, by striking out section 1205 in its entirety and inserting in lieu thereof a new section 1205 to read as follows:

§ 1205. MANDATORY CODE OF ETHICS EDUCATION AND TRAINING

Within the first 120 days of public service, a public servant shall engage in State Code of Ethics training, which may be in person or online. Completion of State Code of Ethics training shall be documented by the department where the public servant is employed. A public servant shall participate in continuing State Code of Ethics education, which may be in person or online, at least once every three years thereafter. Approved continuing State Code of Ethics education providers are the State Ethics Commission, the Department of Human Resources – Center for Achievement in Public Service (CAPS), the Vermont House of Representatives Ethics Panel for the House of Representatives, the Vermont Senate Ethics Panel for the Senate, the Vermont Supreme Court and the Court Administrator’s Office for the Vermont Judiciary, and any education providers approved by the State Ethics Commission. Copies of State Code of Ethics training materials by ethics education providers shall be provided to the State Ethics Commission in advance of the training. On request, the State Ethics Commission may collaborate with or assist State Code of Ethics education providers.
Second: By adding a new section to be Sec. 2a to read as follows:

Sec. 2a. 3 V.S.A. § 1226 is amended to read:

§ 1226. COMMISSION REPORTS

Annually, on or before January 15, the Commission shall report to the General Assembly regarding the following issues:

(1) Complaints. The number and a summary of the complaints made to it, separating the complaints by topic, and the disposition of those complaints, including any prosecution, enforcement action, or dismissal. This summary of complaints shall not include any personal identifying information.

(2) Guidance and training.

(A) Guidance. The number of requests for and a summary of the guidance the Executive Director provided, separating the guidance by topic. This summary of guidance shall not include any personal identifying information.

(B) Training. An estimate of the number of Code of Ethics trainings conducted by each branch of government, a summary of the training activities undertaken by the Ethics Commission, and a summary of any recommendations the Commission or the Executive Director made to any branch of State government regarding additional training or more in-depth training for particular provisions of the Code of Ethics.

(3) Recommendations. Any recommendations for legislative action to address State governmental ethics or provisions of campaign finance law.

Third: In Sec. 1, 3 V.S.A. chapter 31, subchapter 1, in section 1203g, in subsection (a), by striking out subdivision (7) in its entirety and inserting in lieu thereof a new subdivision (7) to read as follows:

(7) Admission fees and tickets. A public servant may accept free attendance to a widely attended charitable, cultural, political, or civic event at which a public servant participates in the public servant’s official capacity, provided such tickets or admission is provided by the primary sponsoring entity. Free attendance may include all or part of the cost of admission; transportation to and from the event; and food, refreshments, entertainment, and instructional materials provided to all event attendees.
Senate Resolution for Second Reading
Favorable with Recommendation of Amendment

S.R. 16.

Senate resolution urging the United States Postal Service to improve immediately the reliability and timeliness of its deliveries and requesting that Congress take any necessary legislative actions to effectuate this objective.

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

The Committee recommends that the resolution be amended by striking out all after the title and inserting in lieu thereof the following:

Whereas, even in the digital age, the U.S. Postal Service (USPS) remains essential for Vermonters and Vermont’s economy, and

Whereas, to improve USPS revenues, U.S. Postmaster General Louis DeJoy and the Postal Board of Governors adopted a 10-year USPS transformation plan entitled “Delivering for America,” which focuses more on profitability and less on timely service, and

Whereas, the 10-year plan includes an intentional slowing, from three to six days, of the USPS delivery standard for first-class mail, and

Whereas, this standard is resulting in deteriorating postal service nationwide, as seen in the fact that approximately 92 percent of first-class mail was delivered on time in the first quarter of 2020 while, during the same period in 2021, that figure fell to 78 percent, and

Whereas, many Vermont communities, including Barre, Bennington, Marshfield, Montpelier, Pownal, Shaftsbury, Stowe, and Williston, have experienced extensive USPS delivery delays, and

Whereas, the late receipt of credit card and utility bills may result in damage to a person’s credit rating or the suspension of a basic utility service, and

Whereas, the tardy arrival of critical medications sent via USPS could be life threatening, and

Whereas, the Bennington Post Office informed an individual that the delivery of packages would be delayed until the post office had the time or staff, or both, to deliver them, and yet, a full workweek after a stated delivery date had passed, the parcels remained undelivered, and
Whereas, the shortcomings of the USPS are also impacting businesses such as Vermont News & Media, which publishes the Bennington Banner, the Brattleboro Reformer, and the Manchester Journal, and

Whereas, the company attributes the cancellation of over 200 newspaper subscriptions in Bennington and Windham Counties and an anticipated revenue loss of at least $45,000 to the USPS, and this is merely one example of the negative financial effects of USPS delivery delays on Vermont corporations, and

Whereas, the USPS’s new “Delivering for America” plan is causing significant harm to the health and economic livelihoods of individuals and corporations in Vermont and nationally and should be immediately reassessed, and

Whereas, constraining directives from USPS headquarters limit the excellent customer service that dedicated employees have shown in the past, and

Whereas, the combination of climatic, road, and terrain conditions in Vermont necessitates that USPS vehicles be equipped to meet our State’s challenging and, at times, unique travel circumstances, and

Whereas, the postal problems Vermonter are encountering are due to flawed national USPS policies and are not the fault of the hard-working USPS employees in Vermont, now therefore be it

Resolved by the Senate:

That the Senate of the State of Vermont urges the U.S. Postal Service to reassess its 10-year transformation plan with the goal of immediately restoring the reliability and timeliness of mail delivery to the standard that existed prior to the plan’s implementation, and be it further

Resolved: That the Senate of the State of Vermont urges USPS administrators to allow local USPS employees more autonomy in the provision of excellent customer service to local patrons, and be it further

Resolved: That the Senate of the State of Vermont urges USPS to purchase vehicles that are equipped to meet our State’s challenging and, at times, unique travel conditions, and be it further

Resolved: That the Secretary of the Senate be directed to send a copy of this resolution to U.S. Postmaster General Louis DeJoy, the Postal Board of Governors, the Chair of the U.S. House Committee on Oversight and Reform’s Subcommittee on Government Operations, the U.S. House and Senate Majority and Minority Leaders, and the Vermont Congressional Delegation.

(Committee vote: 5-0-0)
CONCURRENT RESOLUTIONS FOR ACTION

Concurrent Resolutions For Action Under Joint Rule 16

The following joint concurrent resolutions have been introduced for approval by the Senate and House. They will be adopted by the Senate unless a Senator requests floor consideration before the end of the session. Requests for floor consideration should be communicated to the Secretary’s Office.

S.C.R. 18 (For text of Resolution, see Addendum to Senate Calendar for April 14, 2022)

H.C.R. 139 - 143 (For text of Resolutions, see Addendum to House Calendar for April 14, 2022)

CONFIRMATIONS

The following appointments will be considered by the Senate, as a group, under suspension of the Rules, as moved by the President pro tempore, for confirmation together and without debate, by consent thereby given by the Senate. However, upon request of any senator, any appointment may be singled out and acted upon separately by the Senate, with consideration given to the report of the Committee to which the appointment was referred, and with full debate; and further, all appointments for the positions of Secretaries of Agencies, Commissioners of Departments, Judges, Magistrates, and members of the Public Utility Commission shall be fully and separately acted upon.

Shirley Jefferson of South Royalton – Member, State Police Advisory Commission – By Sen. Clarkson for the Committee on Government Operations. (4/19/22)

Mary Jean Wasik of Pittsford – Member, Human Services Board – By Sen. Terenzini for the Committee on Health and Welfare. (4/19/22)

JFO NOTICE

Grants and Positions that have been submitted to the Joint Fiscal Committee by the Administration, under 32 V.S.A. §5(b)(3):

JFO #3092 - $420,000 to the VT Agency of Natural Resources, Dept of Environmental Conservation from the Environmental Protection Agency. The grant is for improved drinking water in underserved areas and will support construction of replacement drinking water infrastructure for the town of Milton's Mobile Home Cooperative.

[Received March 23, 2022]
**JFO #3093** - $1,000,000.00 to the VT Agency of Commerce and Community Development from the U.S. Economic Development Administration. Funds for the use of Statewide Economic Recovery Planning.

[Received March 23, 2022]

**JFO #3094** – 11 (eleven) limited-service positions to the VT Agency of Human Services, Dept for Children and Families, to administer and support emergency and transitional housing programs. Positions funded through previously approved grant #3034 (U.S. Emergency Assistance Rental Program) and funded through 9/30/2025.

[Received 3/23/2022, expedited review approved on 3/29/2022]

**JFO #3095** - $1,859,890 to the VT Department of Public Safety from the Federal Emergency Management Agency. Funding for flooding that occurred in Bennington and Windham counties between 7/29/21 and 7/30/21.

[Received March 23, 2022]

**JFO #3096** – Ten (10) limited-service positions to the Agency of Human Services, Department of Health to support the Public Health Emergency Response Supplemental Award for response to the Covid-19 pandemic. Funded by previously approved JFO grant #2070. Positions funded through 6/30/2023.

[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]