

# Journal of the House

Thursday, May 20, 2021

At ten o'clock in the forenoon the Speaker called the House to order.

## Devotional Exercises

A moment of silence was held in lieu of a devotional.

## Third Reading; Bill Passed in Concurrence With Proposal of Amendment; Rules Suspended; Bill Messaged to Senate Forthwith

S. 62

Senate bill, entitled

An act relating to creating incentives for new remote and relocation workers

Was taken up, read the third time, and passed in concurrence with proposal of amendment.

Thereupon, on motion of **Rep. McCoy of Poultney**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

## Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 79

**Rep. Stevens of Waterbury**, for the Committee on General, Housing, and Military Affairs, to which had been referred Senate bill, entitled

An act relating to improving rental housing health and safety

Reported in favor of its passage in concurrence with proposal of amendment by striking all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Department of Public Safety; Authority for Rental Housing

Health and Safety \* \* \*

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

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

\* \* \*

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

\* \* \*

§ 2729. GENERAL PROVISIONS; FIRE SAFETY; CARBON MONOXIDE

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

(b) A person shall not maintain, keep or operate any premises or any part thereof, or cause or permit to be maintained, kept, or operated, any premises or part thereof, under his or her control or ownership in a manner that causes or is likely to cause harm to other persons or property in case of fire or generation and leakage of carbon monoxide.

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

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

§ 2730. DEFINITIONS

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

\* \* \*

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

\* \* \*

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

(b) The term “public building” does not include:

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

\* \* \*

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

\* \* \*

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

#### § 2731. RULES; INSPECTIONS; VARIANCES

(a) Rules.

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

\* \* \*

(b) Inspections.

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

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

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

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

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

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

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

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

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

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

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

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

(i) the date of the inspection;

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

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

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

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

\* \* \*

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

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

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

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

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

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

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

#### § 2734. PENALTIES

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

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

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

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

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

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

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

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

\* \* \*

#### § 2736. MUNICIPAL ENFORCEMENT

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

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

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

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

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

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

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

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

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

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

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

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

\* \* \*

§ 2738. FIRE PREVENTION AND BUILDING INSPECTION SPECIAL  
FUND

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

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

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

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

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

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

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

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

\* \* \*

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

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

§ 2478. STATE RENTAL HOUSING REGISTRY; HOUSING DATA

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

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

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

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

(3) location of the unit;

(4) year built;

(5) type of rental unit;

(6) number of units in the building;

(7) school property account number;

(8) accessibility of the unit; and

(9) any other information the Department deems appropriate.

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

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

(2) The Department:



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

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

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

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

§ 2479. RENTAL HOUSING REGISTRATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

\* \* \* Registration; Prospective Repeal \* \* \*

Sec. 3a. REPEAL

3 V.S.A. § 2479(c)(3) is repealed.

\* \* \* Positions Authorized \* \* \*

Sec. 4. DEPARTMENT OF PUBLIC SAFETY; POSITIONS

(a) The Department of Public Safety is authorized to create five full-time, classified Inspector positions in order to conduct rental housing health and safety inspections and enforcement pursuant to 20 V.S.A. chapter 173, subchapter 2.

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

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

Sec. 5. DEPARTMENT OF HOUSING AND COMMUNITY  
DEVELOPMENT; POSITIONS

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

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

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

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

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

CHAPTER 11. LOCAL HEALTH OFFICIALS

\* \* \*

§ 602a. DUTIES OF LOCAL HEALTH OFFICERS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~(A) provide a copy of the inspection report to the landlord and any tenants affected by a violation by delivering the report electronically, in person, by first class mail, or by leaving a copy at each unit affected by the deficiency; and~~

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

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

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

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

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

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

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

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

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

[Repealed.]

\* \* \*

\* \* \* Transition Provisions \* \* \*

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

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

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

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

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

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

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

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

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

\* \* \* Vermont Housing Investments \* \* \*

Sec. 8. VERMONT RENTAL HOUSING INVESTMENT PROGRAM;

PURPOSE

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

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

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

Subchapter 3. Housing; Investments

§ 699. VERMONT RENTAL HOUSING INVESTMENT PROGRAM

(a) Creation of program.

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

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

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

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

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

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

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

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

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

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

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

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

(3) A project may include a weatherization component.

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

#### Sec. 10. REPORT

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

## Sec. 11. VERMONT HOMEOWNERSHIP REVOLVING LOAN FUND;

## PURPOSE

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

(b) The Program is intended to assist Vermonters who otherwise may be unable to purchase a home or who may be unable to afford the costs to rehabilitate, weatherize, or otherwise make necessary improvements to a home they purchase.

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

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

§ 699a. VERMONT HOMEOWNERSHIP REVOLVING LOAN FUND

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

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

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

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

(c) Eligible applicants; priorities.

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

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

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

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

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

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

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

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

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

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

(f) Program requirements.

(1) A loan issued through the Program:

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

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

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

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

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

(4) A homebuyer shall repay a loan.

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

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

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

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

## Sec. 13. DUTIES CONTINGENT ON FUNDING

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

## Sec. 14. REPORT

On or before February 15, 2022, the Department of Housing and Community Development shall report to the General Assembly concerning the design, implementation, and outcomes of the Vermont Homeownership Revolving Loan Fund created in Sec. 12 of this act, including findings and any recommendations related to the amount of loans.

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

## Sec. 15. APPROPRIATIONS

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

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

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

\* \* \* Eviction Moratorium \* \* \*

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

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

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

(i) Action for ejection on an emergency basis.

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

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

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

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

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

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

(A) issue any necessary preliminary orders;

(B) schedule a hearing;

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

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

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

#### Sec. 18. EFFECTIVE DATES

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

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

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

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

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

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

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

(1) Sec. 4 (DPS positions).

(2) Sec. 5 (DHCD positions).

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

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

(5) Sec. 15 (appropriations).

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

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

**Rep. Masland of Thetford**, for the Committee on Ways and Means, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on General, Housing, and Military Affairs and when further amended as follows:

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

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

§ 2479. RENTAL HOUSING REGISTRATION

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

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

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

(b) Exceptions.

(1) Unit registered with another program.

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

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

(2) Mobile homes.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

\* \* \* Registration; Prospective Repeal \* \* \*

Sec. 3b. REPEAL

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

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

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

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

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

**Rep. Toleno of Brattleboro**, for the Committee on Appropriations, recommended that the House propose to the Senate to amend the bill as recommended by the Committees on General, Housing, and Military Affairs and on Ways and Means.

The bill having appeared on the Calendar one day for Notice was taken up, read the second time, and the report of the Committee on General, Housing, and Military Affairs was amended as recommended by the Committee on Ways and Means on a vote by division: Yeas, 91; Nays, 44.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on General, Housing, and Military Affairs, as amended?, **Rep. McCoy of Poultney** asked that the question be divided as follows: First, by considering Sections 1 through 7 and, in Section 18, which is the effective dates section, subdivisions (a)(1) through (4), subdivisions (b)(1) and (2), and subsections (c) through (e); then second, by considering all remaining provisions of the Committee report.

Pending the question, Shall the House propose to the Senate to amend the bill in the first division, which is sections 1 through 7 and, in section 18, subdivisions (a)(1) through (4), subdivisions (b)(1) and 2, and subsections (c) through (e), of the amendment recommended by the Committee on General, Housing, and Military Affairs, as amended?, **Rep. Stevens of Waterbury**



demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House propose to the Senate to amend the bill in the first division, which is sections 1 through 7 and, in section 18, subdivisions (a)(1) through (4), subdivisions (b)(1) and 2, and subsections (c) through (e), of the amendment recommended by the Committee on General, Housing, and Military Affairs, as amended?, was decided in the affirmative. Yeas, 92. Nays, 52.

Those who voted in the affirmative are:

Ancel of Calais	Goldman of Rockingham	Pajala of Londonderry
Anthony of Barre City	Grad of Moretown	Partridge of Windham
Arrison of Weathersfield	Hooper of Montpelier	Patt of Worcester
Austin of Colchester	Hooper of Randolph	Pearl of Danville
Bartholomew of Hartland	Hooper of Burlington	Pugh of South Burlington
Birong of Vergennes	Houghton of Essex	Rachelson of Burlington
Black of Essex	Howard of Rutland City	Redmond of Essex
Bluemle of Burlington	James of Manchester	Satcowitz of Randolph
Bock of Chester	Jerome of Brandon	Scheu of Middlebury
Bongartz of Manchester	Jessup of Middlesex	Sheldon of Middlebury
Bos-Lun of Westminster	Killacky of South Burlington	Sims of Craftsbury
Brady of Williston	Kimbell of Woodstock	Small of Winooski
Briglin of Thetford	Kitzmiller of Montpelier	Squirrell of Underhill
Brown of Richmond	Kornheiser of Brattleboro	Stebbins of Burlington
Brumsted of Shelburne	LaLonde of South Burlington	Stevens of Waterbury *
Burke of Brattleboro	Lanpher of Vergennes	Surprenant of Barnard
Burrows of West Windsor	Lippert of Hinesburg	Taylor of Colchester
Campbell of St. Johnsbury	Long of Newfane	Till of Jericho
Chase of Colchester	Masland of Thetford	Toleno of Brattleboro
Christie of Hartford	McCarthy of St. Albans City	Townsend of South Burlington
Cina of Burlington *	McCormack of Burlington	Troiano of Stannard
Coffey of Guilford	McCullough of Williston	Vyhovsky of Essex
Colburn of Burlington	Morris of Springfield	Walz of Barre City
Colston of Winooski	Mrowicki of Putney	Webb of Shelburne
Conlon of Cornwall	Mulvaney-Stanak of Burlington	White of Hartford
Cordes of Lincoln	Murphy of Fairfax	Whitman of Bennington
Dolan of Essex	Nicoll of Ludlow	Wood of Waterbury
Dolan of Waitsfield	Nigro of Bennington	Yacovone of Morristown
Donnally of Hyde Park	Notte of Rutland City	Yantachka of Charlotte
Durfee of Shaftsbury	O'Brien of Tunbridge	
Elder of Starksboro	Ode of Burlington	
Emmons of Springfield		

Those who voted in the negative are:

Achey of Middletown	Hango of Berkshire	Palasik of Milton
Springs	Harrison of Chittenden	Parsons of Newbury
Batchelor of Derby	Helm of Fair Haven	Peterson of Clarendon

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Beck of St. Johnsbury	Higley of Lowell	Rogers of Waterville
Brennan of Colchester	LaClair of Barre Town	Rosenquist of Georgia
Brownell of Pownal	Lefebvre of Newark	Savage of Swanton
Canfield of Fair Haven	Lefebvre of Orange	Scheuermann of Stowe
Corcoran of Bennington	Martel of Waterford	Seymour of Sutton
Cupoli of Rutland City	Mattos of Milton	Shaw of Pittsford
Dickinson of St. Albans Town	McCoy of Poultney	Sibilia of Dover
Donahue of Northfield *	McFaun of Barre Town	Smith of Derby
Fagan of Rutland City	Morgan, L. of Milton	Smith of New Haven
Feltus of Lyndon	Morgan, M. of Milton	Strong of Albany
Gannon of Wilmington	Morrissey of Bennington	Sullivan of Dorset
Goslant of Northfield	Norris of Sheldon	Terenzini of Rutland Town
Graham of Williamstown	Norris of Shoreham	Toof of St. Albans Town
Gregoire of Fairfield	Noyes of Wolcott	White of Bethel
	Page of Newport City	Williams of Granby

Those members absent with leave of the House and not voting are:

Burditt of West Rutland	Leffler of Enosburgh	Martin of Franklin
Copeland Hanzas of Bradford	Marcotte of Coventry	

**Rep. Cina of Burlington** explained his vote as follows:

“Madam Speaker:

Our extractive economy was built on stolen land and does not recognize our birthright as humans to live freely upon the Earth. It treats housing and access to the land as commodities that can be bought, leased, and sold. Under these conditions, we must protect people from exploitation and abuse and we must find more ways to make housing accessible and affordable to all. I vote yes because housing is a human right.”

**Rep. Donahue of Northfield** explained her vote as follows:

“Madam Speaker:

I believe the unintended consequence of this part of the bill will be a loss of rental housing capacity and a reduction in housing affordability. That’s the last thing we need. I cannot support it.”

**Rep. Stevens of Waterbury** explained his vote as follows:

“Madam Speaker:

I would like to correct a statement I made a moment ago. During the roll call I looked up the statute regarding hunting camps, and they would be exempt from this registration, as they are not considered a dwelling unit under 9 VSA Chapter 137.”

Thereupon, the question of the second division, Shall the House propose to the Senate to amend the bill in the second division, which is the remainder of the amendment recommended by the Committee on General, Housing, and Military Affairs, as amended?, was agreed to. Thereafter, third reading was ordered.

### **Orders of the Day Interrupted**

On motion of **Rep. Cina of Burlington**, orders of the day were interrupted for the purpose of making announcements.

### **Recess**

At one o'clock and twenty-nine minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

At two o'clock and thirty-seven minutes in the afternoon, the Speaker called the House to order.

### **Senate Proposal of Amendment Concurred in**

#### **H. 106**

The Senate proposed to the House to amend House bill, entitled

An act relating to equitable access to a high-quality education through community schools

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

\* \* \* Short Title \* \* \*

#### Sec. 1. SHORT TITLE

This act shall be called the "Community Schools Act."

\* \* \* Findings and Purpose \* \* \*

#### Sec. 2. FINDINGS AND PURPOSE

(a) Findings. The General Assembly finds that:

(1) Every child should be provided with an equitable education, as defined by the Agency of Education as access to the resources, opportunities, and educational rigor they need at the right moment in their education, whatever their race, gender identity, sexual orientation, ethnicity, religion, language, disability, family background, or family income may be. Every child should be able to grow up with the opportunity to achieve their dreams and contribute to the well-being of society. Our public schools must be designed and equipped to fully deliver on that promise.

(2) According to the National Center for Education Statistics, more than half of the nation’s schoolchildren live in low-income households, meaning they qualify for free or reduced-price lunch, a percentage that has risen steadily in recent decades. According to the Vermont Agency of Education, an average of 38 percent of students across all supervisory unions during the 2019–2020 school year qualified for free or reduced-price lunch. As a result, some schoolchildren face more challenges than others in succeeding in school and in life. Recognizing that students need fresh and nutritional foods to enable them to focus on their education and that many students come to school hungry, providing universal school meals offered at no cost to students or their families advances the goals that community school programs seek to achieve.

(3) Community schools facilitate the coordination of comprehensive programs and services that are carefully selected to meet the unique needs of students and families and build on the assets they bring to their schools and communities. Community schools combine challenging and culturally inclusive learning opportunities with the academic and social supports every student needs to reach their potential.

(4) According to research reports from the Learning Policy Institute, the four key pillars of the community schools approach, which are integrated student supports, expanded and enriched learning time and opportunities, active family and community engagement, and collaborative leadership and practices, promote conditions and practices found in high-quality schools as well as address out-of-school barriers to learning. Research additionally supports the necessity of safe, inclusive, and equitable learning environments to reinforce student success and well-being. These elements do not function independently, but are instead part of a unified and interconnected approach.

(5) This research also shows that community school interventions can result in improvements in a variety of student and family outcomes, including attendance, academic achievement, reducing systemic racial and economic injustices and inequities, and high school graduation rates, and can meet the Every Student Succeeds Act standard of “evidence-based” approaches to support schools identified for comprehensive and targeted support and intervention.

(6) Research also shows that these programs offer a strong return on investment. According to impact studies, each dollar invested in a community coordinator position returns approximately \$7.00 in net benefits to the school (Return on Investment of a Community School Coordinator: A Case Study; APEX and Community School Partnership; 2019). Every dollar invested in programs and support (including medical, dental, and social services; afterschool and summer enrichment; parent engagement; and early childhood

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services) can yield up to \$15.00 in return (Community Schools as an Effective School Improvement Strategy: A Review of the Evidence; Anna Maier, Julia Daniel, Jeannie Oakes, and Livia Lam; 2017).

(7) According to the Learning Policy Institute, “establishing community schools” is one of 10 recommended strategies for restarting and rethinking the role of public education in the wake of the COVID-19 pandemic. Community schools serve as resource hubs that provide a broad range of easily accessed, well-coordinated supports and services that help students and families with increasingly complex needs. These schools, at their core, are about investing in children, through quality teaching; challenging, engaging, and culturally responsive curricula; wrap around supports; safe, just, and equitable school climate; strong ties to family and community; and a clear focus on student achievement and well-being.

(8) Community schools are important centers for building community connection and resilience. When learning extends beyond the walls of the school through active engagement with community partners as with place-based learning, relationships expand and deepen, community strengths are highlighted, and opportunities for building vitality surface through shared learning.

(9) Community schools have been established in many states and settings, from New York City to Chicago and Los Angeles. But the approach has also been successful in rural communities. In McDowell County, West Virginia (population 22,000), community schools are part of a public-private partnership, a collaboration between state government, nonprofit agencies, businesses, and philanthropic foundations, that aims to “make educational improvement the route to a brighter economic future.” The national nonprofit Rural School and Community Trust is an active advocate for expanding this model in rural areas, calling the relationship between good schools and thriving communities “crucial.” In Vermont, a growing number of schools are implementing or exploring the model, from Molly Stark Elementary in Bennington, which offers school-based health services, extended hours, summer school, and family learning activities, to the school-based health center in Winooski.

(10) Recognizing that literacy proficiency is a foundational learning skill, community schools can advance the State goal of improving literacy for all students in the State. Achieving this goal will require a multiyear and multidimensional effort requiring continued focus by the General Assembly, the Administration, and school leaders, and community schools are an important component of that effort.

(b) Purpose. This act provides funding for the implementation of

community school programs that provide students with equitable access to a high-quality education and creates the Task Force on Universal School Lunch.

\* \* \* Community School Programs \* \* \*

Sec. 3. COMMUNITY SCHOOLS; FUNDING

(a) Definitions. As used in this section:

(1) “Community school coordinator” means a person who:

(A) is a full-time or part-time staff member serving in an eligible school or in a school district or supervisory union with an eligible school and appointed in accordance with Vermont law; and

(B) is responsible for the identification, implementation, and coordination of community school programs, subject to the operational and reporting structure of the community school coordinator’s employer.

(2) “Community school programs” mean programs offered at a public elementary or secondary school that include all five of the following:

(A) Integrated student supports, which address out-of-school barriers to learning through partnerships with social and health service agencies and providers, coordinated by a community school coordinator, which may include access to services such as medical, dental, vision care, and mental health services or access to counselors to assist with housing, transportation, nutrition, immigration, or criminal justice issues, and include what young people bring with them to the classroom and the ways that schools and communities working together can enhance and embrace the knowledge and capacity that students and families can offer their schools. This could include educational strategies like universal design for learning, recognition and respect for cultural and linguistic diversity, and practices that focus on building and supporting relationships such as restorative practices.

(B) Expanded and enriched learning time and opportunities, which may include before-school, afterschool, weekend, summer programs, and during the school day, that provide additional academic instruction, individualized academic support, enrichment activities, and learning opportunities that emphasize real-world learning and community problem-solving and that may include art, music, drama, creative writing, hands-on experience with engineering or science, tutoring and homework help, and recreational programs that enhance and are consistent with the school’s curriculum.

(C) Active family and community engagement, which brings students’ families and the community into the school as partners in children’s education and makes the school a community hub, where all students and their

families feel a sense of belonging and engagement. This shall include broad student and community participation, with a diversity of income, race, gender, newcomer status, language, and ability represented in the design, implementation, and evaluation of all activities, that is embraced by the leaders and decision-makers in schools and communities. This also provides adults with a facility to access educational opportunities they want, which shall include access to evidence-based literacy instruction and may include coordinating services with outside providers to offer English as a second language classes, green card or citizenship preparation, computer skills, art, financial literacy, career counseling, job skills training, services for substance misuse, and other programs that bring community members into the building for meetings or events.

(D) Collaborative leadership and practices, which build a culture of professional learning, collective trust, and shared responsibility using strategies that shall, at a minimum, leverage the multitiered system of supports and include a community school coordinator and an integrated school and community leadership team that include youth and family representatives, and may include other leadership or governance teams; teacher learning communities; and other staff to manage the multiple, complex, joint work of school and community organizations.

(E) Safe, inclusive, and equitable learning environments.

(3) “Eligible recipient” means:

(A) a school district with one or more eligible schools;

(B) a supervisory union with one or more eligible schools;

(C) two or more school districts, each with one or more eligible schools that seek to work collaboratively to provide community school programs; or

(D) two or more supervisory unions, each with one or more eligible schools that seek to work collaboratively to provide community school programs.

(4) “Eligible school” means a public elementary or secondary school that:

(A) has a student body where at least 40 percent of students are eligible for free or reduced-price lunch under the Richard B. Russell National School Lunch Act, 42 U.S.C. § 1751 et seq.; or

(B) has been identified for comprehensive or equity support and intervention under Section 1111 of the Elementary and Secondary Education Act of 1965, Pub. L. 89-10, as amended, or otherwise identified by the State as

in need of additional support.

(5) “Site-based leadership team” means an interdisciplinary, school-based leadership team that may include the school principal, the community school coordinator, teachers, other school employees, students, families, community partners, nonprofit organizations, unions, and neighboring community residents that supports collaborative planning, implementation, and oversight of community school programs by the eligible recipient.

(b) Funding authorization. The Secretary of Education is authorized to provide annual funding for a period of three years to an eligible recipient to use as required under subsection (d) of this section.

(c) Funding administration.

(1) Subject to subdivision (2) of this subsection, the Secretary of Education shall determine, using the Agency of Education’s equity lens tool, which eligible recipients shall receive funding and the amount of funding, and the Secretary shall provide the funding on or before September 1 of each of 2021, 2022, and 2023 to recipients. The Secretary may deny or reduce second- and third-year funding if the Secretary finds that the recipient has made insufficient progress towards developing and implementing community school programs. In determining which eligible recipients shall receive funding, the Secretary shall take into account relative need, based on the extent to which community school program services are needed and the extent to which the eligible recipient seeks to offer them.

(2) In determining which eligible recipients shall receive funding and the amount of funding and to advance the principles for Vermont’s trauma-informed system of care under 33 V.S.A. § 3401, the Secretary of Education shall collaborate with the Director of Trauma Prevention and Resilience Development and the Vermont Child and Family Trauma Work Group.

(3) The Agency of Education shall inform all eligible recipients of the availability of funding under this act and, for those eligible recipients most in need of this funding, shall educate these eligible recipients on community school programs and their benefits. The Agency of Education shall also advise all eligible recipients of other sources of funding that may be available to advance the purpose of this act.

(d) Use of funding.

(1) A recipient of funding under this act shall use the funding to:

(A) if a needs and assets assessment has not been conducted within the prior three years that substantially conforms with the requirements in this subdivision, then, in collaboration with the site-based leadership team, conduct



a needs and assets assessment that includes:

(i) where available, and where applicable, student demographic, academic achievement, and school climate data, disaggregated by major demographic groups, including race, ethnicity, English language proficiency, students with individualized education plans, and students eligible for free or reduced-price lunch status;

(ii) access to and need for integrated student supports;

(iii) access to and need for expanded and enriched learning time and opportunities;

(iv) school funding information, including federal, State, local, and private education funding and per-pupil spending, based on actual salaries of personnel assigned to the eligible school;

(v) information on the number, qualifications, and stability of school staff, including the number and percentage of fully certified teachers and rates of teacher turnover; and

(vi) active family and community engagement information, including:

(I) family and community needs based on surveys, information from public meetings, or information gathered by other means;

(II) measures of family and community engagement in the eligible schools, including volunteering in schools, attendance at back-to-school nights, and parent-teacher conferences;

(III) efforts to provide culturally and linguistically relevant communication between schools and families; and

(IV) access to and need for family and community engagement activities;

(B) hire a community school coordinator to, in collaboration with the site-based leadership team, develop and implement community school programs or designate a community school coordinator from existing personnel and, in collaboration with the site-based leadership team, augment work already being performed to develop and implement community school programs; and

(C) if the recipient has not fully implemented positive behavioral integrated supports under 16 V.S.A. § 2902, provide professional development to staff on positive behavioral integrated supports and implement those supports.

(2) A recipient of funding under this act may use the funding to, in collaboration with the site-based leadership team, develop and implement a plan to improve literacy outcomes and objectively assess those outcomes.

(3) If a needs and assets assessment has not been conducted under subdivision (1)(A) of this subsection within the prior three years, the first year of funding shall be used to conduct the needs and assets assessment of the school to determine what is necessary to develop community school programs and an action plan to implement community school programs. During the second and third years of the funding, the community school coordinator shall, in collaboration with the site-based leadership team, oversee the implementation of community school programs.

(e) Evaluation.

(1) At the end of each year of funding, each recipient shall undergo an evaluation designed by the Agency of Education using its equity lens tool.

(2) On or before each of December 15, 2022 and 2024, the Agency of Education shall report to the General Assembly and the Governor on the impact of the funding under this act. The report shall be made publicly available on the Agency of Education's website.

(f) Ability to operate as a community school. Any school district or school, regardless of whether it receives funding under this act, may function as a community school as defined in this section.

Sec. 4. APPROPRIATION OF FUNDS

(a) The Secretary of Education shall use \$3,399,000.00 of the amount allocated to the Agency of Education from the American Rescue Plan Act of 2021 pursuant to Section 2001(f)(1), 2021, Pub. L. No. 117-2 for the funding under this act on or before September 1 of each of 2021, 2022, and 2023 under Sec. 3 of this act.

(b) The Agency of Education may set aside:

(1) not more than one percent of the funds appropriated under subsection (a) of this section for each of fiscal years 2022, 2023, and 2024 for informational and technical assistance, such as the availability and use of funding for eligible recipients as defined under Sec. 3 of this act; and

(2) not more than two percent of the funds appropriated under subsection (a) of this section for each of fiscal years 2022, 2023, and 2024 for the evaluations required under Sec. 3 of this act.

\* \* \* Locally Produced Foods \* \* \*

Sec. 5. 16 V.S.A. § 1262a is amended to read:

---

§ 1262a. AWARD OF GRANTS

\* \* \*

(d) The Agency shall, from funds appropriated for this subsection to the Agency, award grants to supervisory unions and supervisory districts in accordance with section 1264a of this title (locally produced foods). If the amount appropriated for this purpose is insufficient to fully fund the grants under that section, then the grant amounts that are awarded shall be prorated.

\* \* \*

Sec. 6. 16 V.S.A. § 1264 is amended to read:

§ 1264. FOOD PROGRAM

\* \* \*

~~(d) It is a goal of the State that by the year 2022 school boards operating a school lunch, breakfast, or summer meals program shall purchase at least 20 percent of all food for those programs from local producers. [Repealed.]~~

~~(e)(1) On or before December 31, 2020 and annually thereafter, a school board operating a school lunch, breakfast, or summer meals program shall submit to the Agency of Education an estimate of the percentage of locally produced foods that were purchased by the school board for those programs.~~

~~(2) On or before January 31, 2021 and annually thereafter, the Agency of Education shall submit to the Senate Committees on Agriculture and on Education and the House Committees on Agriculture and Forestry and on Education in an aggregated form the information received from school boards regarding the percentage of locally produced foods that are purchased as part of a school lunch, breakfast, or summer meals program. The provisions of 2 V.S.A. § 20(d) regarding expiration of required reports shall not apply to the report required by this subdivision. [Repealed.]~~

Sec. 7. 16 V.S.A. § 1264a is added to read:

§ 1264a. LOCALLY PRODUCED FOODS

(a) It is a goal of the State that by the year 2023, at least 20 percent of all foods purchased by supervisory unions and supervisory districts, together referred to in this section as “supervisory unions,” be locally produced foods. School boards have the discretion to define what foods are included within the definition of “locally produced foods” for the purposes of this subsection and subsection (b) of this section.

(b) On or before December 31, 2021 and annually thereafter, a school board operating a school lunch, breakfast, or summer meals program shall

report to the Agency of Education an estimate of the percentage of the cost of all foods purchased by the school board for those programs that were locally produced foods during the one-year period ending on June 30 of that year.

(c)(1) Beginning with the 2021–22 school year and thereafter, supervisory unions shall be eligible for a local foods incentive grant (grant) from funds appropriated to the Agency of Education for this purpose.

(2) A supervisory union may apply for the grant if it has:

(A) developed a locally produced foods purchasing plan that describes the supervisory union’s goals for purchasing locally produced foods and its plan to achieve those goals;

(B) designated an individual as the food coordinator for locally produced foods who shall be responsible for implementing the locally produced foods purchasing plan;

(C) developed a process for tracking the purchase of locally produced foods; and

(D) complied with the reporting requirement under subsection (b) of this section.

(3) A supervisory union that has satisfied the conditions under subdivision (2) of this subsection may, on or before January 15, 2022 or on or before January 15 of any year thereafter, apply to the Agency for the grant by submitting a certification, signed by the business manager for the supervisory union, that the supervisory union satisfies the conditions under subdivision (2) of this subsection.

(4) If a supervisory union is eligible for a grant under subdivision (3) of this subsection, then the Agency shall make the grant payment, subject to appropriation, on or before the following March 31 after submission of the supervisory union’s application, which is due on or before January 15 of that year, which shall be equal to \$0.15 per reimbursable school lunch served by the supervisory union in the prior school year through the National School Lunch Program. A supervisory union may apply for this grant and receive this grant funding only once.

(5)(A) A supervisory union that has received a grant under subdivision (4) of this subsection (c) may, on or before January 15, 2023 or on or before January 15 of any year thereafter, apply for a further grant by submitting to the Agency of Education information that demonstrates that at least 15 percent of the cost of all foods purchased or grown, raised, or produced by the supervisory union during the one-year period ending on June 30 of the previous year were local to Vermont as defined in 9 V.S.A.

§ 2465a(b), excluding:

(i) foods purchased or grown, raised, or produced by the supervisory union that were used to provide catering services for which the supervisory union received compensation; and

(ii) fluid milk.

(B) If a supervisory union grows, raises, or produces food, it shall assign a fair market value to that food for the purpose of reporting its cost.

(C) A vendor that contracts with a supervisory union to supply food products shall certify to the supervisory union which of the food products supplied meet the definition of local to Vermont, taking into account the exclusions under subdivision 5(A) of this subsection (c).

(6) If a supervisory union is eligible for a grant under subdivision (5) of this subsection, the Agency shall, on or before the following April 30 after submission of the supervisory union's application, which is due on or before January 15 of that year, make the grant payment, subject to appropriation, which shall be determined as follows:

(A) \$0.15 per reimbursable school lunch served in the prior school year through the National School Lunch Program for supervisory unions purchasing at least 15 percent locally produced foods;

(B) \$0.20 per reimbursable school lunch served in the prior school year through the National School Lunch Program for supervisory unions purchasing at least 20 percent locally produced foods; or

(C) \$0.25 per reimbursable school lunch served in the prior school year through the National School Lunch Program for supervisory unions purchasing at least 25 percent locally produced foods.

(7) A supervisory union may apply for and receive grant funding under subdivisions (5) and (6) of this subsection for each year that it qualifies for this grant funding. For applications covering the 2020–2021 school year, meals served through the Summer Food Service Program shall also be counted for this grant payment.

(8) The Agency of Education may perform sample audits for any year that grant funds are paid to supervisory unions under subdivision (6) of this subsection to verify that information provided to the Agency under subdivision (5) of this subsection is accurate. If the Agency makes a grant payment under subdivision (6) of this subsection to a supervisory union that was based on inaccurate information reported by the supervisory union, the Agency may seek reimbursement from the supervisory union for an overpayment or reimburse the supervisory union for an underpayment or may

adjust future grant amounts under this section to reflect the over- or underpayment.

(d)(1) On or before January 31, 2022 and annually thereafter, the Agency of Education shall submit to the Senate Committees on Agriculture and on Education and the House Committees on Agriculture and Forestry and on Education in an aggregated form:

(A) the information received from supervisory unions regarding the percentage of locally produced foods, as the supervisory unions define them, that were reported under subsection (b) of this section; and

(B) the percentage of locally produced foods, using the grant funding definition, that were reported under subdivision (c)(5) of this section and the amount of grant funding paid to supervisory unions under subdivision (c)(6) of this section in the prior school year.

(2) The provisions of 2 V.S.A. § 20(d) regarding expiration of required reports shall not apply to the reports required by this subsection.

#### Sec. 8. AGENCY OF EDUCATION; STAFFING

The following position is created in the Agency of Education: one full-time, classified position specializing in the administration of school food programs. The position established in this section shall be transferred and converted from an existing vacant position in the Executive Branch of State government. There is appropriated to the Agency of Education from the General Fund in fiscal year 2022 the amount of \$100,000.00 for salary, benefits, and operating expenses.

\* \* \* Task Force on Universal School Lunch \* \* \*

#### Sec. 9. TASK FORCE ON UNIVERSAL SCHOOL LUNCH; REPORT

(a) Creation. There is created the Task Force on Universal School Lunch. The Task Force shall make recommendations on how, not later than the 2026–2027 school year, to achieve the goal of providing universal school lunch for all public school students at no cost to the students or their families.

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

- (1) Secretary of Education or designee;
- (2) Secretary of Human Services or designee; and
- (3) Secretary of Agriculture or designee.

(c) Powers and duties. The Task Force shall make recommendations on how, not later than the 2026–2027 school year, to achieve the goal of providing universal school lunch for all public school students at no cost to the students

or their families and shall perform the following tasks:

(1) recommend funding sources for universal school lunch;

(2) recommend what data should be collected by local education agencies, school districts, and schools to qualify for federal funds based on student poverty, the means by which the data should be collected, the frequency of collection, and how this data should be reported to the Agency of Education and the frequency of this reporting;

(3) consider how other states offer and fund universal school meals at no cost to students or their families; and

(4) meet with Vermont's federal delegation to discuss what changes could be made to federal law and regulations to more readily facilitate universal school meals.

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

(e) Report. On or before January 15, 2022, the Task Force shall submit a written report to the House and Senate Committees on Education and on Appropriations, the House Committee on Agriculture and Forestry, and the Senate Committee on Agriculture with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Secretary of Education shall call the first meeting of the Task Force to occur on or before October 10, 2021.

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

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

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

(5) The Task Force shall expire on January 16, 2022.

(g) Assistance. The Task Force shall have the administrative, technical, and legal assistance of the Agency of Education.

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

Sec. 10. EFFECTIVE DATE

This act shall take effect on passage.

Proposal of amendment was considered and concurred in.

**Rules Suspended; Joint Resolution Taken Up and Adopted in  
Concurrence with Proposal of Amendment; Rules Suspended; Resolution  
Messaged to Senate Forthwith**

**J.R.S. 24**

On motion of **Rep. McCoy of Poultney**, the rules were suspended and joint Senate resolution, entitled

An act relating to Joint resolution relating to amending temporary Joint Rule 22A

Appearing on the Calendar for Notice, was taken up for immediate consideration.

**Rep. Donahue of Northfield**, for the Committee on Rules, reported in favor of its adoption in concurrence with proposal of amendment by striking out all after the title and inserting in lieu thereof the following:

***Resolved by the Senate and House of Representatives:***

That Temporary Joint Rule 22A is amended to read as follows:

Rule 22A Emergency Rule Regarding Joint Committee Meetings

(a) The Joint Rules Committee is vested with the authority to permit any joint committees of the Vermont Legislature (including itself and Conference Committees) to meet and vote electronically as the Joint Rules Committee determines appropriate. If necessary, the Joint Rules Committee may make this authorization remotely in conformity with this Rule.

(b) The authority of the Joint Rules Committee under this Rule 22A terminates upon the expiration of the Executive's Declared Emergency shall only be in effect through the 30 days following the date on which the Governor rescinds all remaining capacity restrictions at gatherings and events and mask and physical distancing requirements issued under the Governor's Declaration of a State of Emergency in Response to COVID-19 as determined by the Joint Rules Committee.

(c) Notwithstanding the provisions of subsection (b) of this rule, if the Governor thereafter reissues capacity restrictions at gatherings and events or requires masks and physical distancing in response to COVID-19, the Joint



Rules Committee is again authorized to meet remotely and to permit any joint committees of the Legislature to meet and vote electronically as the Joint Rules Committee determines appropriate., and be it further

**Resolved:** If the Joint Rules Committee determines that there should be conditions on the public entering the State House or other legislative meeting spaces, or limitations on access to legislative meeting spaces, due to air quality or construction, the inability to comply with Centers for Disease Control and Prevention guidelines, or other similar reasons, the Joint Rules Committee is authorized to issue orders to the Sgt at Arms that condition or limit that public access.

and that after passage the title of the resolution be amended to read: “Joint resolution relating to amending temporary Joint Rule 22A and to public access to the State House or other legislative meeting spaces”

Which was agreed to.

Thereupon, on motion of **Rep. McCoy of Poultney**, the rules were suspended and the resolution was ordered messaged to the Senate forthwith.

**Rules Suspended; Senate Proposal of Amendment to House Proposal of Amendment Concurred in with Further Amendment Thereto;  
Rules Suspended; Bill Messaged to Senate Forthwith**

**S. 3**

Appearing on the Calendar for Notice, on motion of **Rep. McCoy of Poultney**, the rules were suspended and Senate bill, entitled

An act relating to competency to stand trial and insanity as a defense

Was taken up for immediate consideration.

The Senate concurs in the House proposal of amendment with the following proposals of amendment thereto:

First: By striking out Sec. 6, forensic care working group, in its entirety and inserting in lieu thereof a new Sec. 6 to read as follows:

Sec. 6. REPORTS; FORENSIC CARE WORKING GROUP; PROSECUTOR NOTIFICATION; COMPETENCY RESTORATION MODELS

(a) On or before July 15, 2021, the Department of Mental Health shall convene working groups of interested stakeholders to provide recommendations necessary to carry out the provisions in subsections (b), (c), and (d) of this section, including as appropriate:

(1) a representative from the Department of Corrections;

(2) a representative from the Department of Disabilities, Aging, and Independent Living;

(3) a representative from the Department of Buildings and General Services;

(4) the Chief Superior Judge;

(5) a representative from the Department of State's Attorneys and Sheriffs;

(6) a representative from the Office of the Attorney General;

(7) a representative from the Office of the Defender General;

(8) the Director of Health Care Reform or designee;

(9) a representative, appointed by Vermont Care Partners;

(10) a representative, appointed by Vermont Legal Aid's Mental Health Project;

(11) a representative, appointed by the Vermont Medical Society;

(12) three crime victims representatives, appointed by the Vermont Center for Crime Victim Services;

(13) the Mental Health Care Ombudsman established pursuant to 18 V.S.A. § 7259 or designee;

(14) a representative of the designated hospitals, appointed by the Vermont Association of Hospitals and Health Care Systems;

(15) three individuals with lived experience of mental illness, at least one of whom has lived experience of the criminal justice system or the civil commitment system, or both, appointed by Vermont Psychiatric Survivors;

(16) a representative appointed by the Vermont Developmental Disabilities Council; and

(17) any other interested party permitted by the Commissioner of Mental Health.

(b)(1) On or before August 1, 2022, the Department of Mental Health shall submit a final report to the Joint Legislative Justice Oversight Committee and the chairs of the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and of the Senate Committees on Health and Welfare and on Judiciary addressing:

(A) any gaps in the current mental health and criminal justice system structure related to individuals incompetent to stand trial or who are adjudicated not guilty by reason of insanity;

(B) opportunities to:

(i) improve public safety and address the treatment needs for individuals incompetent to stand trial or who are adjudicated not guilty by reason of insanity; and

(ii) consider the importance of victims' rights in the forensic care process;

(C) models used in other states to determine public safety risks and the means used to address such risks, including guilty but mentally ill verdicts in criminal cases;

(D) due process requirements for defendants held without adjudication of a crime and presumed innocent;

(E) processes regarding other mental conditions affecting competence or sanity, including intellectual disabilities, traumatic brain injury, and dementia;

(F) models for forensic treatment, including the size, scope, and fiscal impact of any forensic treatment facility; and

(G) any additional recommendations.

(2) On or before January 15, 2022, the Department shall submit a preliminary report to the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary summarizing the work completed pursuant to subdivision (1) of this subsection to date.

(c) On or before February 1, 2022, the Department of Mental Health shall submit a report to the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary that assesses the necessity of notification to the prosecutor upon becoming aware that individuals on orders of nonhospitalization pursuant to 18 V.S.A. § 7618 are not complying with the order or that the alternative treatment is not adequate to meet the individual's treatment needs, including any recommendations:

(1) necessary to clarify the process;

(2) addressing what facts and circumstances should trigger the Commissioner's duty to notify the prosecutor; and

(3) addressing steps that the prosecutor should take after receiving the notification.

(d) On or before January 15, 2023, the Department of Mental Health shall submit a report to the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary comparing competency restoration models and addressing how cases where competency is not restored are addressed.

(e)(1) In conducting the work required by this section, including evaluations for forensic treatment facility models pursuant to subsection (b) of this section, the working group shall ensure:

(A) that social and racial equity issues are considered, including issues related to transgender and gender nonconforming persons; and

(B) consistency with the General Assembly's policy in 18 V.S.A. § 7629(c) of working "toward a mental health system that does not require coercion or the use of involuntary medication."

(2) These considerations shall be reflected in the final report submitted pursuant to subdivision (b)(1) of this section and the reports submitted pursuant to subsections (c) and (d) of this section.

(f) The Department shall access regional or national expertise to present models to the working group for review, including any model recommended by members of the working group.

(g) The final report submitted pursuant to subdivision (b)(1) of this section and the reports submitted pursuant to subsections (c) and (d) of this section shall include proposed draft legislation addressing any identified needed changes to statute.

(h) Members of the working group who are neither State employees nor otherwise paid to participate in the working group in their professional capacity shall be entitled to per diem compensation and reimbursement of expenses for attending meetings as permitted under 32 V.S.A. § 1010.

Second: By striking out Sec. 7, creation of Committee, and its reader assistance heading in their entirety and inserting in lieu thereof:

Sec. 7. [Deleted.]

Pending the question, Shall the House concur in the Senate proposal of amendment to the House proposal of amendment?, **Rep. LaLonde of South Burlington**, moved to concur in the Senate proposal of amendment with a further amendment thereto by striking out Sec. 6, reports; forensic care working group; prosecutor notification; competency restoration models, in its entirety and inserting in lieu thereof a new Sec. 6 to read as follows:

**Sec. 6. REPORTS; FORENSIC CARE WORKING GROUP; PROSECUTOR**

## NOTIFICATION; COMPETENCY RESTORATION MODELS

(a) On or before July 15, 2021, the Department of Mental Health shall convene working groups of interested stakeholders to provide recommendations necessary to carry out the provisions in subsections (b) and (c) of this section, including as appropriate:

(1) a representative from the Department of Corrections;

(2) a representative from the Department of Disabilities, Aging, and Independent Living;

(3) a representative from the Department of Buildings and General Services;

(4) the Chief Superior Judge;

(5) a representative from the Department of State's Attorneys and Sheriffs;

(6) a representative from the Office of the Attorney General;

(7) a representative from the Office of the Defender General;

(8) the Director of Health Care Reform or designee;

(9) a representative, appointed by Vermont Care Partners;

(10) a representative, appointed by Vermont Legal Aid's Mental Health Project;

(11) a representative, appointed by the Vermont Medical Society;

(12) three crime victims representatives, appointed by the Vermont Center for Crime Victim Services;

(13) the Mental Health Care Ombudsman established pursuant to 18 V.S.A. § 7259 or designee;

(14) a representative of the designated hospitals, appointed by the Vermont Association of Hospitals and Health Care Systems;

(15) three individuals with lived experience of mental illness, at least one of whom has lived experience of the criminal justice system or the civil commitment system, or both, appointed by Vermont Psychiatric Survivors;

(16) a representative, appointed by the Vermont Developmental Disabilities Council; and

(17) any other interested party permitted by the Commissioner of Mental Health.

(b)(1) On or before August 1, 2022, the Department of Mental Health shall submit a final report to the Joint Legislative Justice Oversight Committee and the Chairs of the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and of the Senate Committees on Health and Welfare and on Judiciary addressing:

(A) any gaps in the current mental health and criminal justice system structure related to individuals incompetent to stand trial or who are adjudicated not guilty by reason of insanity;

(B) opportunities to:

(i) improve public safety and address the treatment needs for individuals incompetent to stand trial or who are adjudicated not guilty by reason of insanity; and

(ii) consider the importance of victims' rights in the forensic care process;

(C) competency restoration models used in other states, including both models that do not rely on involuntary medication to restore competency and how cases where competency is not restored are addressed;

(D) models used in other states to determine public safety risks and the means used to address such risks, including guilty but mentally ill verdicts in criminal cases;

(E) due process requirements for defendants held without adjudication of a crime and presumed innocent;

(F) processes regarding other mental conditions affecting competence or sanity, including intellectual disabilities, traumatic brain injury, and dementia;

(G) models for forensic treatment, including the size, scope, and fiscal impact of any forensic treatment facility; and

(H) any additional recommendations.

(2) On or before January 15, 2022, the Department shall submit a preliminary report to the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary summarizing the work completed pursuant to subdivision (1) of this subsection to date, except with regard to the work completed pursuant to subdivision (1)(G).

(c) On or before February 15, 2022, the Department of Mental Health shall submit a report to the House Committees on Corrections and Institutions, on

Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary that:

(1) assesses the necessity of notification to the prosecutor upon becoming aware that individuals on orders of nonhospitalization pursuant to 18 V.S.A. § 7618 are not complying with the order or that the alternative treatment is not adequate to meet the individual's treatment needs, including any recommendations:

(A) necessary to clarify the process;

(B) addressing what facts and circumstances should trigger the Commissioner's duty to notify the prosecutor; and

(C) addressing steps that the prosecutor should take after receiving the notification; and

(2) summarizes the work completed to date by the working groups regarding the models for forensic treatment, including the size, scope, and fiscal impact of any forensic treatment facility, pursuant to subdivision (b)(1)(G) of this section.

(d)(1) In conducting the work required by this section, including evaluations for forensic treatment facility models, pursuant to subsections (b) and (c) of this section, the working group shall ensure:

(A) that social and racial equity issues are considered, including issues related to transgender and gender nonconforming persons; and

(B) consistency with the General Assembly's policy in 18 V.S.A. § 7629(c) of working "toward a mental health system that does not require coercion or the use of involuntary medication."

(2) These considerations shall be reflected in the final report submitted pursuant to subdivision (b)(1) of this section and the report submitted pursuant to subsection (c) of this section.

(e) The Department shall access regional or national expertise to present models to the working group for review, including any model recommended by members of the working group.

(f) The final report submitted pursuant to subdivision (b)(1) of this section and the report submitted pursuant to subdivision (c)(1) of this section shall include proposed draft legislation addressing any identified needed changes to statute.

(g) Members of the working group who are neither State employees nor otherwise paid to participate in the working group in their professional

capacity shall be entitled to per diem compensation and reimbursement of expenses for attending meetings as permitted under 32 V.S.A. § 1010.

Which was agreed to.

Thereupon, on motion of **Rep. McCoy of Poultney**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

**Rules Suspended; Senate Proposal of Amendment Concurred in**

**H. 289**

Appearing on the Calendar for Notice, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to professions and occupations regulated by the Office of Professional Regulation

Was taken up for immediate consideration.

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

First: By striking out Sec. 1, 3 V.S.A. § 122, in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 3 V.S.A. § 122 is amended to read:

§ 122. OFFICE OF PROFESSIONAL REGULATION

The Office of Professional Regulation is created within the Office of the Secretary of State. The Office shall have a director who shall be ~~appointed by the Secretary of State and shall be an exempt employee~~ qualified by education and professional experience to perform the duties of the position. The Director of the Office of Professional Regulation shall be a classified position with the Office of the Secretary of State. The following boards or professions are attached to the Office of Professional Regulation:

\* \* \*

(2) ~~Board of Barbers and Cosmetology~~ Cosmetologists

\* \* \*

(6) ~~Board of Funeral Service~~

\* \* \*

(18) ~~Board of Private Investigative and Security Services~~

\* \* \*

(50) Well Drillers



Second: By striking out Sec. 15, effective date, and its reader assistance heading in their entirety, and inserting in lieu thereof a new reader assistance heading and eight new sections to be Secs. 15–21 to read as follows:

\* \* \* Mixed Martial Arts \* \* \*

Sec. 15. 26 V.S.A. chapter 107 is added to read:

CHAPTER 107. BOXING AND MIXED MARTIAL ARTS

Subchapter 1. Boxing

\* \* \*

Subchapter 2. Mixed Martial Arts

§ 6025. DEFINITIONS

As used in this subchapter:

(1) “Contestant” means an individual who competes in a mixed martial arts match, including an exhibition. “Contestant” includes both amateur and professional mixed martial arts competitors.

(2) “Director” means the Director of the Vermont Office of Professional Regulation.

(3) “Event” or “mixed martial arts event” means a mixed martial arts match or two or more mixed martial arts matches held at the same location on the same or consecutive dates.

(4) “Exhibition” means an engagement in which the contestants show or display their skills without necessarily striving to win.

(5) “Match” or “mixed martial arts match” means any occurrence in which a mixed martial arts contestant competes against another mixed martial arts contestant using mixed martial arts. “Match” or “mixed martial arts match” includes amateur matches and exhibitions.

(6) “Mixed martial arts” means unarmed combat involving the use, subject to any applicable limits set forth in this subchapter and in any rules adopted in accordance with this subchapter, of a combination of techniques, including grappling, kicking, and striking, from different disciplines of martial arts. Mixed martial arts includes kickboxing, pankration, Muay Thai, and extreme martial arts. Mixed martial arts does not include boxing.

(7) “Office” means the Vermont Office of Professional Regulation.

(8) “Participant” means individuals who participate, directly or indirectly, in mixed martial arts matches, including managers, referees, match makers, seconds, corners, and judges. “Participant” does not include

spectators and audience members.

(9) "Promoter" means any person, club, corporation, or association and, in the case of a corporate promoter, includes any officer, director, employee, or stockholder thereof, who produces, arranges, or stages any mixed martial arts match.

#### § 6026. JURISDICTION OF OFFICE

(a) The Office shall have and exercise sole discretion, management, control, and supervision over all mixed martial arts events taking place within the State. No mixed martial arts event shall take place within the State except in accordance with the provisions of this subchapter and the rules adopted by the Office.

(b) Every license issued under this subchapter shall be subject to the rules adopted pursuant to this subchapter.

#### § 6027. DIRECTOR; POWERS; DUTIES

(a) In addition to the powers and duties of the Director, as established in this subchapter and in 3 V.S.A. chapter 5, subchapter 3, the Director shall have the following powers and duties:

(1) provide information to applicants for obtaining a license;

(2) receive applications for licenses; grant licenses to applicants qualified under this subchapter and in accordance with rules adopted pursuant to this subchapter; renew licenses; and deny, revoke, suspend, reinstate, or condition licenses as directed by an Administrative Law Officer;

(3) administer the inspection of facilities where a mixed martial arts event is to be held and the records associated with the event;

(4) administer fees collected under this subchapter;

(5) collect taxes and bonds in accordance with this subchapter and any rules adopted pursuant this subchapter;

(6) explain appeal procedures to licensees and applicants and complaint procedures to the public; and

(7) refer all disciplinary matters to an Administrative Law Officer.

(b) The Director, in consultation with the advisors appointed in accordance with this subchapter, shall adopt rules necessary to perform the Director's duties under this subchapter and shall establish safety standards for the protection of contestants, participants, promoters, and the public. The rules adopted by the Director in accordance with this subchapter shall, at a minimum, include the following:

(1) rules for the conduct and holding of amateur and professional mixed martial arts events;

(2) requirements and qualifications to be eligible for licenses for anyone involved, indirectly or directly, in a mixed martial arts event, including promoters, contestants, and participants, and to be eligible for event licenses;

(3) requirements for the collection, retention, and remission of bonds provided by promoters as a condition of licensure or of an event permit;

(4) requirements for promoter reports to the Office, including reports following a mixed martial arts event and for promoter payment of the event tax;

(5) requirements for medical examinations of participants and contestants to be performed prior to licensure and renewal;

(6) requirements for medical examinations of contestants and participants before, during, and after mixed martial arts matches or events;

(7) exemptions for certain mixed martial arts events;

(8) requirements for the inspection of facilities where a mixed martial arts event is to be held and of associated records; and

(9) all other requirements necessary for the safe conduct of mixed martial arts matches and events.

#### § 6028. ADVISORS

(a) The Secretary of State shall appoint two individuals to serve as advisors in matters related to mixed martial arts regulation. Both advisors shall be an individual with at least three years' experience in mixed martial arts as a promoter, participant, or contestant. The advisor appointees shall be appointed for staggered five-year terms and shall serve at the pleasure of the Secretary.

(b) The Director shall seek the advice of the advisors appointed under this section in carrying out the provisions of this subchapter. The advisors shall be entitled to compensation and necessary expenses in the amount provided in 32 V.S.A. § 1010 for attendance at any meeting called by the Director for this purpose.

#### § 6029. AMATEUR EVENTS; EXEMPTION FOR SCHOOLS; EXEMPTIONS

(a) All amateur mixed martial arts events shall be regulated by the Office in accordance with this subchapter and rules adopted under this subchapter except for amateur mixed martial events conducted by a school, college, or university.

(b) The Director may, by rules adopted in accordance with this subchapter, exempt from the application of these rules mixed martial arts events in which there is minimal or no contact between contestants, for which there is no remuneration for participation, and for which no tickets are sold or admission fees charged.

#### § 6030. CONTESTANTS; LICENSING; EXAMINATION

##### (a) Contestant license.

(1) No individual shall participate as a contestant in a mixed martial arts event, which includes a sole match, in the State without first having obtained a license from the Office.

(2) Every contestant licensed in accordance with this subchapter shall be subject to the rules adopted by the Director.

(3) A fee may be assessed for a contestant license in accordance with section 6033 of this subchapter.

(4) An individual who wants to be licensed under this subsection shall apply for a contestant license in the manner specified by the Director in rules adopted in accordance with this subchapter, accompanied by payment of the required fee.

(5) Licenses shall be renewed every year on a date set by the Director in rules adopted in accordance with this subchapter. Licenses shall be subject to the provisions of this subchapter and to all rules adopted in accordance with this subchapter.

##### (b) Medical examination; report.

(1) Each contestant shall be examined by a physician, who is licensed under 26 V.S.A. chapter 23 or 26 V.S.A. chapter 33, at the time and in accordance with rules adopted by the Director in accordance with this subchapter.

(2) No contestant shall be granted a license or permitted to renew a license without first submitting a report from a physician, who is licensed under 26 V.S.A. chapter 23 or 26 V.S.A. chapter 33 and who performed an examination in accordance with rules adopted under this subchapter, certifying the contestant is in appropriate physical condition to engage in a mixed martial arts event. Reports from an examining physician shall be submitted directly to the Office by the examining physician and shall contain such information as required by the Director in rules adopted in accordance with this subchapter. The examining physician shall provide an assessment in the report of the contestant's physical condition to engage in a mixed martial arts match.

(3) No contestant shall participate in a mixed martial arts match unless:

(A) the contestant has been examined not more than twelve hours before the match by a physician licensed under 26 V.S.A. chapter 23 or 26 V.S.A. chapter 33 and who performed the medical examination in accordance with rules adopted under this subchapter; and

(B) the physician who performed the examination certifies in writing to the referee of the match that the contestant is in appropriate physical condition to engage in a mixed martial arts match.

(4) Fees for the pre-match examination shall be paid by the promoter of the match. In addition to providing the certification to the referee on the day of the event, the contestant shall submit the certification of the examining physician to the Office within 48 hours following the mixed martial arts match for which the physician provided the examination.

#### § 6031. PROMOTERS

(a) Promoter license.

(1) No person shall hold or conduct a mixed martial arts event, which includes a sole match, in the State without first having obtained a license from the Office.

(2) A person who wants to be licensed under this subsection shall apply for a promoter license in the manner specified by the Director in rules adopted in accordance with this subchapter, accompanied by payment of the required fee.

(3) Licenses shall be renewed every two years on a date set by the Director in rules adopted in accordance with this subchapter. Licenses shall be subject to the provisions of this subchapter and to all rules adopted in accordance with this subchapter.

(4) In addition to the bond required under this subchapter, a fee may be assessed for a promoter license in accordance with section 6033 of this subchapter.

(5) Before any promoter license is granted or renewed, the applicant shall execute and file with the Office a bond to the State in the amount of \$10,000.00, to be conditioned upon the faithful performance by the applicant of the provisions of this subchapter and the payment of the taxes imposed under this subchapter. The bond shall be in a form with sureties satisfactory to the Office. No promoter license shall be renewed unless this bond has been renewed and filed with the Board.

(b) Event license.

(1) No mixed martial arts event, including a sole match, shall be held by any promoter licensed under this subchapter unless the promoter has obtained from the Office an event license to hold the event at least two weeks prior to the first day of the event. The application to the Office for an event license shall be in such form, with such information, and at such place as the Office may, by rules adopted in accordance with this subchapter, prescribe.

(2) A fee may be assessed for this match or event license in accordance with section 6033 of this subchapter. The Office may charge a separate event license fee for each day of an event.

(3) No event license shall be granted to any promoter who is not licensed in the State; whose license is suspended, disciplined, or revoked in any state or jurisdiction; or who is delinquent in paying a tax that has been assessed pursuant to section 6039 of this subchapter.

(4) No event license shall be granted until the Office performs an inspection of the facilities where the mixed martial arts event is to be held and of records associated with the event.

(5) No event license shall be renewed. A separate event license shall be obtained for each event, including a for a sole match.

#### § 6032. PARTICIPANTS

(a) No individual shall participate, either directly or indirectly, as a participant in a mixed martial arts event, including a sole match, in the State without first having obtained a license from the Office.

(b) A fee may be assessed for a participant license in accordance with section 6033 of this subchapter.

(c) Every participant licensed in accordance with this subchapter shall be subject to the rules adopted by the Director.

(1) An individual who wants to be licensed under this section shall apply for a participant license in the manner specified by the Director in rules adopted in accordance with this subchapter, accompanied by payment of the required fee.

(2) Licenses shall be renewed every two years on a date set by the Director in rules adopted in accordance with this subchapter. Licensees shall be subject to the provisions of this subchapter and to all rules adopted in accordance with this subchapter.

#### § 6033. FEES

Applicants and persons regulated by this subchapter shall be subject to the following fees:

(1) Application:

<u>(A) Promoter license</u>	<u>\$500.00</u>
<u>(B) Event license</u>	<u>\$250.00</u>
<u>(C) Contestant license</u>	<u>\$25.00</u>
<u>(D) Participant license</u>	<u>\$25.00</u>

(2) Biennial renewal for managers, seconds, referees, and judges  
\$25.00

(3) Biennial renewal for promoters    \$500.00

(4) Annual renewal for contestants    \$25.00

(5) Late fees set pursuant to 3 V.S.A. § 127(d)(1).

§ 6034. RENEWAL

(a) General provisions. A licensee shall apply to renew the license prior to the expiration of the current license. The Director shall send a reminder to licensees prior to the expiration of their licenses. The Office may charge, in addition to the license fee, a late fee to licensees who do not apply to renew a license until after the license is expired.

(b) Renewal deadlines.

(1) Licenses for participants and promoters shall be renewed every two years upon payment of the required fees and in accordance with rules adopted under this subchapter.

(2) Licenses for contestants shall be renewed every year upon payment of the required fees and in accordance with rules adopted under this subchapter.

§ 6035. MEDICAL INSURANCE

(a) Promoters licensed in accordance with this subchapter shall carry medical insurance covering all contestants who participate in an event, including a sole match, conducted by the promoter.

(b) The cost of the medical insurance, including deductibles and premiums, shall be borne by the promoter.

(c) The promoter shall obtain medical insurance coverage in an amount to be determined by the Director in rules adopted in accordance with this subchapter that shall cover the expenses for the treatment of any injuries the contestant may suffer as a result of a mixed martial arts event.

(d) The medical insurance coverage shall extend for at least six months

following the date of the mixed martial arts event.

(e) No mixed martial arts event shall be approved in the State unless the promoter is in full compliance with the requirements of this section concerning medical insurance coverage.

#### § 6036. MEDICAL EXAM

The Director shall adopt rules for medical examination of contestants and participants, as needed, including examinations before, during, and after a match or event and as a condition of licensure under this subchapter.

#### § 6037. REFEREES

(a) No mixed martial arts event, including a sole match, shall take place in Vermont without a referee present and overseeing the event in accordance with rules adopted under this subchapter.

(b) The sole arbiter in the ring in a mixed martial arts match shall be the referee, licensed as a participant in Vermont, who shall govern the match in accordance with the rules adopted by the Director under this subchapter. The referee shall have full power to stop the match whenever the referee deems it advisable because of the physical condition of a contestant, when one of the contestants is clearly outclassed by an opponent, or for other reasonable cause.

#### § 6038. MEDICAL ASSISTANCE AT EVENTS

(a) Physician. Every promoter shall have in attendance at every mixed martial arts match at least one physician, who is licensed under 26 V.S.A. chapter 23 or 26 V.S.A. chapter 33. The physician shall perform medical examinations of the contestants not more than twelve hours before the beginning of the match and shall certify in writing to the referee whether or not the contestant is in appropriate physical condition to engage in a mixed martial arts match.

(b) Ambulance. Every promoter shall have at every mixed martial arts match an ambulance containing the standard medical equipment necessary to treat cerebral injuries. If the ambulance leaves an event, no other mixed martial arts match may commence or resume until the ambulance returns. The promoter shall stop or delay a match until an ambulance is present.

(c) Upon the recommendation of the physician present during a mixed martial arts event, a contestant shall be required to undergo an ophthalmological and neurological examination after each match in accordance with rules adopted under this subchapter.

(1) The cost of such an examination shall be borne by the promoter of the event.



(2) The physician shall provide a certified writing of the examination findings to the referee and the contestant.

(3) Within 48 hours after receiving the examination, the contestant shall submit the physician's certified writing to the Office.

(4) If the physician, after an examination in accordance with this section and rules adopted under this subchapter, certifies that the contestant is not in a physical condition to engage in a mixed martial arts match, the contestant shall not be permitted to engage in another match until a subsequent examination is conducted in accordance with rules adopted under this subchapter and a physician certifies that the contestant is in an appropriate physical condition to engage in a mixed martial arts match. The physician providing the subsequent examination does not need to be the same physician who provided the examination at the mixed martial arts match.

#### § 6039. TAX; POST-EVENT REPORT BY PROMOTER

(a) Every promoter shall, not later than seven days after the conclusion of a mixed martial arts event, submit a post-event report to the Office in accordance with rules adopted pursuant to this subchapter. The report shall include the exact number of tickets to the event sold, the amount of gross and net receipts from the event, and any other facts as the Director may by rule require. The promoter shall report on tickets sold to an entire event not to an individual match within an event.

(b) Every promoter shall, not later than seven days after the conclusion of a mixed martial arts event, pay to the Office by certified check a tax of five percent of the receipts from tickets, admission fees, and sponsorships after all costs from the event and any other State and federal taxes thereon have been paid. The promoter shall pay the tax on the receipts from the entire event. This tax shall be deposited in the Professional Regulation Fee Fund and used to carry out the provisions of this subchapter.

(c) If the report required under this section and the accompanying tax are not paid within the seven days required, the Office may examine, or cause to be examined, the books and records of the promoter and any corporation on behalf of which the promoter held the event.

#### § 6040. UNPROFESSIONAL CONDUCT

(a) All persons. All persons licensed under this subchapter are subject to 3 V.S.A. chapter 5, subchapter 3, including the unprofessional conduct items established under 3 V.S.A. § 129a.

(b) Contestants. In addition to the items set forth in 3 V.S.A. § 129a, it shall be unprofessional conduct for a contestant to do any of the following:

(1) engage in a mixed martial arts match after a physician, licensed under 26 V.S.A. chapter 23 or 26 V.S.A. chapter 33, certifies, following an annual examination or an examination before, during, or within seven days after a match and carried out in accordance with this subchapter and rules adopted in accordance with this subchapter, that the contestant is not in a physical condition to engage in a mixed martial arts match;

(2) engage in a mixed martial arts match when suspended or prohibited from competing in a mixed martial arts match by any entity that regulates mixed martial arts;

(3) engage in a mixed martial arts match when the contestant's license to engage in mixed martial arts, as a contestant, promoter, or participant, is suspended in any other state or jurisdiction;

(4) engage in a mixed martial arts match less than 30 days after competing as a contestant in another mixed martial arts match;

(5) engage in a mixed martial arts match less than 60 days after having been knocked out in a mixed martial arts match or less than 30 days after having been technically knocked out in a mixed martial arts match; or

(6) any other activity as established by the Director in rules adopted in accordance with this subchapter.

(c) Promoters. In addition to the items set forth in 3 V.S.A. § 129a, it shall be unprofessional conduct for a promoter to do any of the following:

(1) fail to submit a required report or information to the Office within the time period and with the information, taxes, and fees required under this subchapter and in accordance with rules adopted pursuant to this subchapter;

(2) directly or indirectly have any financial interest in an individual competing in a mixed martial arts match arranged by the promoter;

(3) engage a contestant who is suspended or prohibited from competing in mixed martial arts matches by any state or jurisdiction to compete in a match held by the promoter;

(4) conduct a mixed martial arts match with no ambulance present;

(5) conduct a mixed martial arts match with no physician present;

(6) conduct a mixed martial arts match without a referee present; or

(7) any other activity as established by the Director in rules adopted in accordance with this subchapter.

(d) Participants. In addition to the items set forth in 3 V.S.A. § 129a, it shall be unprofessional conduct for a participant to do any of the following:

(1) for a referee, to unreasonably fail to comply with the rules adopted by the Director in accordance with this subchapter for the conduct of a mixed martial arts match;

(2) for a referee, match-maker, or judge, to directly or indirectly have any financial interest in an individual competing in a mixed martial arts match at which the referee, match-maker, or judge is acting as a judge, match-maker, or referee; or

(3) any other activity as established by the Director in rules adopted in accordance with this subchapter.

#### § 6041. INSPECTIONS

The Director or designee may inspect facilities, including the ring, where a mixed martial arts match is to be held, before or during any match or event, and the records required for each licensee and the event or match in accordance with this subchapter and rules adopted pursuant to this subchapter. The Director or designee may suspend an event license immediately for failure to comply with this subchapter or with any rules adopted in accordance with this subchapter.

#### § 6042. AGE

No individual under 18 years of age shall engage in a mixed martial arts event, including a sole match, in which money, a prize or purse, or other form of monetary compensation is offered or given to any contestant.

#### § 6043. INJUNCTION

The Director may, in addition to other remedies available under law, bring an action in a court of this State to enjoin a person from continuing any violation of this subchapter or doing any acts in furtherance thereof and for any other relief that the court deems appropriate.

Sec. 15a. 31 V.S.A. § 1101 is redesignated and amended to read:

#### § ~~1101~~ 6001. DEFINITIONS

As used in this ~~chapter~~ subchapter:

(1) “Boxer” means an individual who participates in a boxing match.

(2) “Boxing match” or “match” means a contest or training exhibition for a prize or purse where an admission fee is charged and where individuals score points by striking the head and upper torso of an opponent with padded fists. An amateur match is a match held under the supervision of a school, college, or university; under the supervision of United States Amateur Boxing, Inc. or its successor as the nationally designated governing body for amateur

boxing; or, for any other amateur match, under the supervision of a nationally designated governing body. All other matches shall be considered professional matches. ~~Kickboxing, martial arts, and mixed martial arts, as defined in this section, shall be considered “matches” for the purposes of this chapter.~~

(3) “Director” means the Director of the Office of Professional Regulation.

(4) “Disciplinary action” includes any action by the administrative law officer appointed under 3 V.S.A. § 129, premised upon a finding of wrongdoing. It includes all sanctions of any kind, including denying, suspending, or revoking a registration and issuing warnings.

(5) “Health care provider” means a health care practitioner licensed in Vermont who is permitted under ~~his or her~~ the practitioner’s statutory or regulatory scope of practice to conduct the types of examinations set forth in ~~this chapter subchapter.~~

~~(6) “Kickboxing” means unarmed combat involving the use of striking techniques delivered with the upper and lower body and in which the competitors remain standing while striking.~~

~~(7) “Martial arts” means any form of unarmed combative sport or unarmed combative entertainment that allows contact striking, except boxing or wrestling.~~

~~(8) “Mixed martial arts” means unarmed combat involving the use of a combination of techniques from different disciplines of the martial arts, including grappling, submission holds, and strikes with the upper and lower body.~~

~~(9)~~(6) “Manager” means a person who receives compensation for service as an agent or representative of a professional boxer.

~~(10)~~(7) “National Boxer Registry” means an entity certified by the Association of Boxing Commissions for the purpose of maintaining records for the identification of professional boxers and for tracking their records and suspensions.

~~(11)~~(8) “Participant” means managers, seconds, referees, and judges in a professional boxing match.

~~(12)~~(9) “Promoter” means a person that organizes, holds, advertises, or otherwise conducts a professional boxing match.

\* \* \* Boxing \* \* \*

Sec. 16. REDESIGNATIONS; BOXING

(a) 31 V.S.A. chapter 21 is redesignated as 26 V.S.A. chapter 107, subchapter 1.

(b) 31 V.S.A. §§ 1101–1113 are redesignated as 26 V.S.A. §§ 6001–6013, respectively.

Sec. 17. CONFORMING CHANGES

When preparing the Vermont States Annotated for publication, the Office of Legislative Counsel shall revise any cross-references to 31 V.S.A. chapter 21 and its sections as redesignated and codified in Sec. 16 of this act.

\* \* \* Endorsement Process \* \* \*

Sec. 18. 3 V.S.A. § 136a is amended to read:

§ 136a. UNIFORM PROCESS FOR ENDORSEMENT FROM OTHER STATES

(a) Except Notwithstanding any statute or rule to the contrary and except as provided in subsection (b) of this section, all professions attached to the Office shall have an endorsement process that requires not more than three years of practice in good standing in another jurisdiction within the United States, regardless of whether that jurisdiction has licensing requirements substantially similar to those of this State.

(b) Any profession determining that three years of demonstrated practice in another jurisdiction is not adequately protective of the public shall provide its rationale to the Director, who may propose any necessary statutory or rule amendments in order to implement more restrictive requirements for endorsement.

(c) The Director may issue to an endorsement applicant a waiver of the profession's practice requirement if there is a showing that the waiver follows State policy and the public is adequately protected.

\* \* \* Home Health Nursing \* \* \*

Sec. 19. 2020 Acts and Resolves No. 90, as amended by 2020 Acts and Resolves No. 140, Sec. 13, and 2021 Acts and Resolves No. 6, Sec. 1, is further amended to read:

\* \* \* Supporting Health Care and Human Service  
Provider Sustainability \* \* \*

Sec. 1. AGENCY OF HUMAN SERVICES; HEALTH CARE AND  
HUMAN SERVICE PROVIDER SUSTAINABILITY

\* \* \*

\* \* \* Regulation of Professions \* \* \*

\* \* \*

Sec. 17. OFFICE OF PROFESSIONAL REGULATION; BOARD OF  
MEDICAL PRACTICE; OUT-OF-STATE HEALTH CARE  
PROFESSIONALS

(a) Notwithstanding any provision of Vermont's professional licensure statutes or rules to the contrary, through March 31, 2022, a health care professional, including a mental health professional, who holds a valid license, certificate, or registration to provide health care services in any other U.S. jurisdiction shall be deemed to be licensed, certified, or registered to provide health care services, including mental health services, to a patient located in Vermont using telehealth;<sup>2</sup> as a volunteer member of the Medical Reserve Corps;<sup>3</sup> or as part of the staff of a licensed facility, other health care facility as defined in 18 V.S.A. § 9432, or federally qualified health center, provided the health care professional:

(1) is licensed, certified, or registered in good standing in the other U.S. jurisdiction or jurisdictions in which the health care professional holds a license, certificate, or registration;

(2) is not subject to any professional disciplinary proceedings in any other U.S. jurisdiction; and

(3) is not affirmatively barred from practice in Vermont for reasons of fraud or abuse, patient care, or public safety.

(b) A health care professional who plans to provide health care services in Vermont as a volunteer member of the Medical Reserve Corps or as part of the staff of a licensed facility, other health care facility as defined in 18 V.S.A. § 9432, or federally qualified health center shall submit or have submitted on the individual's behalf the individual's name, contact information, and the location or locations at which the individual will be practicing to:

(1) the Board of Medical Practice for medical doctors, physician assistants, and podiatrists; or

(2) the Office of Professional Regulation for all other health care professions.

(c) A health care professional who delivers health care services in Vermont pursuant to subsection (a) of this section shall be subject to the imputed jurisdiction of the Board of Medical Practice or the Office of Professional Regulation, as applicable based on the health care professional's profession, in accordance with Sec. 19 of this act.

(d)(1) This section shall remain in effect through March 31, 2022, provided the health care professional remains licensed, certified, or registered in good

standing.

(2) The Board of Medical Practice and Office of Professional Regulation shall provide appropriate notice of the March 31, 2022 expiration date of this section to:

(A) health care professionals providing health care services in Vermont under this section;

(B) the Medical Reserve Corps; and

(C) health care facilities and federally qualified health centers at which health care professionals are providing services under this section.

Sec. 18. INACTIVE LICENSEES; BOARD OF MEDICAL PRACTICE;  
OFFICE OF PROFESSIONAL REGULATION

(a)(1) Through March 31, 2022, a former health care professional, including a mental health professional, whose Vermont license, certificate, or registration became inactive not more than three years earlier and was in good standing at the time it became inactive may provide health care services, including mental health services, to a patient located in Vermont using telehealth;<sup>1</sup> as a volunteer member of the Medical Reserve Corps;<sup>2</sup> or as part of the staff of a licensed facility, other health care facility as defined in 18 V.S.A. § 9432, or federally qualified health center after submitting, or having submitted on the individual's behalf, to the Board of Medical Practice or Office of Professional Regulation, as applicable, the individual's name, contact information, and the location or locations at which the individual will be practicing.

(2) A former health care professional who returns to the Vermont health care workforce pursuant to this subsection shall be subject to the regulatory jurisdiction of the Board of Medical Practice or the Office of Professional Regulation, as applicable.

(3) The Board of Medical Practice and Office of Professional Regulation shall provide appropriate notice of the March 31, 2022 expiration date of this section to:

(A) health care professionals providing health care services under this section;

(B) the Medical Reserve Corps; and

(C) health care facilities and federally qualified health centers at which health care professionals are providing services under this section.

(b) Through March 31, 2022, the Board of Medical Practice and the Office of Professional Regulation may permit former health care professionals,

including mental health professionals, whose Vermont license, certificate, or registration became inactive more than three but less than 10 years earlier and was in good standing at the time it became inactive to return to the health care workforce on a temporary basis to provide health care services, including mental health services, to patients in Vermont. The Board of Medical Practice and Office of Professional Regulation may issue temporary licenses to these individuals at no charge and may impose limitations on the scope of practice of returning health care professionals as the Board or Office deems appropriate.

\* \* \*

Sec. 20. 3 V.S.A. § 129a is amended to read:

§ 129a. UNPROFESSIONAL CONDUCT

(a) In addition to any other provision of law, the following conduct by a licensee constitutes unprofessional conduct. When that conduct is by an applicant or person who later becomes an applicant, it may constitute grounds for denial of a license or other disciplinary action. Any one of the following items or any combination of items, whether the conduct at issue was committed within or outside the State, shall constitute unprofessional conduct:

\* \* \*

(10) Conviction of a crime related to the practice of the profession or conviction of a felony, whether or not related to the practice of the profession. If an individual has a conviction of concern, the board or hearing officer shall consider the following in determining whether to deny or discipline a license, certification, or registration to the individual based on the following factors:

(A) the nature and seriousness of the conviction;

(B) the amount of time since the commission of the crime;

(C) the relationship of the crime to the ability, capacity, and fitness required to perform the duties and discharge the responsibilities of the profession; and

(D) evidence of rehabilitation or treatment.

\* \* \*

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

Sec. 21. EFFECTIVE DATES

This act shall take effect on passage except that Secs. 2–7 and Secs. 13–17 shall take effect on July 1, 2021.



Which proposal of amendment was considered and concurred in.

### Recess

At three o'clock and forty minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

At four o'clock and forty-eight minutes in the afternoon, the Speaker called the House to order.

### Senate Proposal of Amendment Concurred in With a Further Amendment Thereto; Rules Suspended; Bill Messaged to Senate Forthwith

#### H. 436

The Senate proposed to the House to amend House bill, entitled

An act relating to miscellaneous changes to Vermont's tax laws

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

First: By striking out Sec. 11, 32 V.S.A. § 9706(nn), and its reader assistance heading in their entirety and inserting in lieu thereof the following:

\* \* \* Sales and Use Tax \* \* \*

Sec. 11. 32 V.S.A. § 9706(nn) and (oo) are added to read:

(nn) The statutory purpose of the exemption for sales of recyclable paper carryout bags in subdivision 9741(54) of this title is to lessen the cost of recyclable paper carryout bags incidental to other retail purchases made by customers in Vermont.

(oo) The statutory purpose of the exemption for feminine hygiene products in subdivision 9741(56) of this title is to limit the cost of goods that are necessary for the health and welfare of Vermonters.

Sec. 11a. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title:

\* \* \*

(26) Sales of electricity, oil, gas, and other fuels used in a residence for all domestic use, including heating, but not including fuel sold at retail in free-standing containers, or sold as part of a transaction where a free-standing

container is exchanged without a separate charge. Wood pellets sold to an individual on the vendor's premises or delivered to an individual's residence shall be presumed to be purchased for residential use and shall be exempt sales under this subdivision unless the vendor knew or ought reasonably to have known that the wood pellets were not purchased for residential use. A certificate of exemption shall not be required for exempt retail sales of wood pellets to an individual. The Commissioner shall by rule determine that portion of the sales attributable to domestic use where fuels are used for purposes in addition to domestic use.

\* \* \*

(56) Feminine hygiene products. As used in this subdivision, "feminine hygiene products" means tampons, panty liners, menstrual cups, sanitary napkins, and other similar tangible personal property designed for feminine hygiene in connection with the human menstrual cycle but does not include "grooming and hygiene products" as defined in this chapter.

Second: By striking out Sec. 17, effective dates, and its reader assistance heading in their entirety and inserting in lieu thereof the following:

\* \* \* Education Property Tax; Yields; Nonhomestead Rate \* \* \*

Sec. 17. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME DOLLAR EQUIVALENT YIELD, AND NONHOMESTEAD RATE FOR FISCAL YEAR 2022

(a) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2022 only, the property dollar equivalent yield shall be \$11,202.00.

(b) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2022 only, the income dollar equivalent yield shall be \$13,770.00.

(c) Notwithstanding 32 V.S.A. § 5402(a)(1) and any other provision of law to the contrary, the tax rate for nonhomestead property for fiscal year 2022 shall be \$1.628 per \$100.00 of equalized education property value.

\* \* \* Exclusion from Excess Spending Penalty; Capital Project Costs \* \* \*

Sec. 18. 16 V.S.A. § 4001 is amended to read:

§ 4001. DEFINITIONS

As used in this chapter:

\* \* \*

(6) "Education spending" means the amount of the school district budget, any assessment for a joint contract school, career technical center payments made on behalf of the district under subsection 1561(b) of this title,

and any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is paid for by the school district, but excluding any portion of the school budget paid for from any other sources such as endowments, parental fundraising, federal funds, nongovernmental grants, or other State funds such as special education funds paid under chapter 101 of this title.

(A) [Repealed.]

(B) For purposes of calculating excess spending pursuant to 32 V.S.A. § 5401(12), “education spending” shall not include:

(i) Spending during the budget year for:

(I) approved school capital construction for a project that received preliminary approval under section 3448 of this title, including interest paid on the debt, provided the district shall not be reimbursed or otherwise receive State construction aid for the approved school capital construction; or

(II) spending on eligible school capital project costs pursuant to the State Board of Education’s Rule 6134 for a project that received preliminary approval under section 3448 of this title.

(ii) For a project that received final approval for State construction aid under chapter 123 of this title:

(I) spending for approved school capital construction during the budget year that represents the district’s share of the project, including interest paid on the debt; and or

(II) payment during the budget year of interest on funds borrowed under subdivision 563(21) of this title in anticipation of receiving State aid for the project.

(iii) Spending that is approved school capital construction spending or deposited into a reserve fund under 24 V.S.A. § 2804 to pay future approved school capital construction costs, including that portion of tuition paid to an independent school designated as the public high school of the school district pursuant to section 827 of this title for capital construction costs by the independent school that has received approval from the State Board of Education, using the processes for preliminary approval of public school construction costs pursuant to subdivision 3448(a)(2) of this title.

\* \* \*

\* \* \* Declining Enrollment; 3.5 Percent Hold Harmless \* \* \*

Sec. 19. 16 V.S.A. § 4010 is amended to read:

---

 § 4010. DETERMINATION OF WEIGHTED MEMBERSHIP

\* \* \*

(f) For purposes of determining weighted membership under this section, a district's equalized pupils shall in no case be less than 96 and one-half percent of the actual number of equalized pupils in the district in the previous year, prior to making any adjustment under this section.

\* \* \*

\* \* \* Small Schools Grants \* \* \*

Sec. 20. 16 V.S.A. § 4015 is amended to read

\* \* \*

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

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

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

\* \* \* Department of Taxes; Property Data Reports \* \* \*

## Sec. 21. COMMERCIAL PROPERTY APPRAISAL PROPOSAL

On or before January 15, 2022, the Commissioner of Taxes, in consultation with the Vermont League of Cities and Towns, shall submit a proposal, including proposed legislation, to the House Committees on Government Operations and on Ways and Means and the Senate Committees on Finance and on Government Operations that recommends ways to assist towns with appraising high-value or unique commercial properties, including property owned by utilities. In making the proposal required under this section, the Commissioner shall consider the recommendations contained in the Final

Report of the Vermont Tax Structure Commission dated February 8, 2021 relating to appraisals, including the possibility of creating a State appraisal and litigation assistance program.

Sec. 22. REPORT; DEPARTMENT OF TAXES; SECONDARY RESIDENCES

On or before January 15, 2022, the Commissioner of Taxes, in consultation with the Vermont League of Cities and Towns and the Vermont Municipal Clerks' and Treasurers' Association, shall submit a report to the House Committee on Ways and Means and the Senate Committee on Finance proposing options to collect and report data annually on the number and grand list value of secondary residences located within this State. The report required under this section shall include the following recommendations:

(1) a definition for "secondary residences" to determine the new grand list classification of properties that would be subject to data collection and reporting;

(2) a structure and an implementation plan for collecting and reporting data on secondary residences as part of the grand list, including the State entity or State and municipal entities that would conduct the data collection and reporting; and

(3) initial and on-going education and guidance for municipalities and listers.

\* \* \* Annual Link to Federal Statutes \* \* \*

Sec. 23. 32 V.S.A. § 5824 is amended to read:

§ 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

The statutes of the United States relating to the federal income tax, as in effect on ~~December 31, 2020~~ March 31, 2021, but without regard to federal income tax rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the tax liability under this chapter, and shall continue in effect as adopted until amended, repealed, or replaced by act of the General Assembly.

Sec. 24. 32 V.S.A. § 7402(8) is amended to read:

(8) "Laws of the United States" means the U.S. Internal Revenue Code of 1986, as amended through December 31, 2020, ~~which shall continue in effect as adopted until amended, repealed, or replaced by act of the General Assembly.~~ As used in this chapter, "Internal Revenue Code" has the same meaning as "laws of the United States" as defined in this subdivision. The date through which amendments to the U.S. Internal Revenue Code of 1986 are adopted under this subdivision shall continue in effect until amended,

repealed, or replaced by act of the General Assembly.

Sec. 25. REPEAL; FORGIVEN PAYROLL PROTECTION PROGRAM  
LOANS INCLUDED IN TAXABLE INCOME

2021 Acts and Resolves No. 9, Sec. 23c (forgiven PPP loans included in taxable income) is repealed.

\* \* \* Tax Increment Financing Districts \* \* \*

Sec. 26. 32 V.S.A. § 5404a(l) is amended to read:

(l) The State Auditor of Accounts shall conduct performance audits of all tax increment financing districts according to a schedule, which will be arrived at in consultation with the Vermont Economic Progress Council. The cost of conducting each audit shall be considered a “related cost” as defined in 24 V.S.A. § 1891(6) and shall be billed back to the municipality. Audits conducted pursuant to this subsection shall include a review of a municipality’s adherence to relevant statutes and rules adopted by the Vermont Economic Progress Council pursuant to subsection (j) of this section, an assessment of record keeping related to revenues and expenditures, and 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.

(1)(A) For municipalities with a district created prior to January 1, 2006 and a debt repayment schedule that anticipates retention of education increment beyond fiscal year 2016, an audit shall be conducted when approximately three-quarters of the period for retention of education increment has elapsed, and at the end of that same period, an audit shall be conducted for the final one-quarter period for retention of education increment, ~~except that for the Milton Catamount/Husky district and the Burlington Waterfront district only a final audit shall be conducted to cover the period from the effective date of the rules pursuant to subdivision (j)(1) of this section to the end of the retention period.~~

(B) Notwithstanding subdivision (1)(A) of this subsection, the audit schedule for the Burlington Waterfront Tax Increment Financing District shall be as follows:

(i) an audit shall be conducted not less than 5 years after the effective date of the rules adopted pursuant subdivision (j)(1) of this section;

(ii) an audit shall be conducted not more than three years from the date debt is incurred as allowed by 2020 Acts and Resolves No. 175, Sec. 29 (4);

(iii) a final audit shall be conducted at the end of the retention period for the District.

\* \* \*

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

## Sec. 27. EFFECTIVE DATES

This act shall take effect on July 1, 2021, except:

(1) Sec. 1 (taxable meal facilitators) shall take effect on August 1, 2021.

(2) Notwithstanding 1 V.S.A. § 214, Sec. 2 (alcoholic beverages) shall take effect retroactively on April 1, 2021 and apply to sales made on and after April 1, 2021.

(3) Notwithstanding 1 V.S.A. § 214, Secs. 9–10 (current use contingent lien and subordination fee) and 11 (tax expenditure; statutory purpose) shall take effect retroactively on July 1, 2020. Secs. 9–10 shall take effect retroactively to correct an erroneous technical revision to 2019 Acts and Resolves, No. 20, Sec. 109(a).

(4) Secs. 19–20 (3.5 percent hold harmless; small schools grant) shall take effect on passage.

(5) Notwithstanding 1 V.S.A. § 214, Sec. 23 (tax year 2021 link to federal income tax statutes) shall take effect retroactively on March 31, 2021 and shall apply to taxable years beginning on and after January 1, 2021.

(6) Notwithstanding 1 V.S.A. § 214, Sec. 24 (tax year 2020 link to federal estate tax statutes) shall take effect retroactively on January 1, 2021 and shall apply to taxable years beginning on and after January 1, 2020.

(7) Notwithstanding 1 V.S.A. § 214, Sec. 25 (repeal; forgiven PPP loans included in taxable income) shall take effect retroactively on January 1, 2021.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Reps. Ancel of Calais, Beck of St. Johnsbury, Brennan of Colchester, Canfield of Fair Haven, Durfee of Shaftsbury, Elder of Starksboro, Kornheiser of Brattleboro, Masland of Thetford, Mattos of Milton, Ode of Burlington, and Till of Jericho** moved to concur in the Senate proposal of amendment with a further proposals of amendment thereto as follows:

First: By striking out Sec. 17, education property tax; yields; nonhomestead rate, in its entirety and inserting in lieu thereof the following to read:

Sec. 17. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME DOLLAR EQUIVALENT YIELD, AND NONHOMESTEAD RATE FOR

## FISCAL YEAR 2022

(a) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2022 only, the property dollar equivalent yield shall be \$11,317.00.

(b) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2022 only, the income dollar equivalent yield shall be \$13,770.00.

(c) Notwithstanding 32 V.S.A. § 5402(a)(1) and any other provision of law to the contrary, the tax rate for nonhomestead property for fiscal year 2022 shall be \$1.612 per \$100.00 of equalized education property value.

Second: By striking out Sec. 26, tax increment financing districts, in its entirety, and inserting in lieu thereof the following:

Sec. 26. 32 V.S.A. § 5404a(1) is amended to read:

(1) The State Auditor of Accounts shall conduct performance audits of all tax increment financing districts according to a schedule, which will be arrived at in consultation with the Vermont Economic Progress Council. The cost of conducting each audit shall be considered a “related cost” as defined in 24 V.S.A. § 1891(6) and shall be billed back to the municipality. Audits conducted pursuant to this subsection shall include a review of a municipality’s adherence to relevant statutes and rules adopted by the Vermont Economic Progress Council pursuant to subsection (j) of this section, an assessment of record keeping related to revenues and expenditures, and 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.

~~(1)(A) For municipalities with a district created prior to January 1, 2006 and a debt repayment schedule that anticipates retention of education increment beyond fiscal year 2016, an audit shall be conducted when approximately three-quarters of the period for retention of education increment has elapsed, and at the end of that same period, an audit shall be conducted for the final one-quarter period for retention of education increment, except that for the Milton Catamount/Husky district and the Burlington Waterfront district only a final audit shall be conducted to cover the period from the effective date of the rules pursuant to subdivision (j)(1) of this section to the end of the retention period.~~

(B) Notwithstanding subdivision (1)(A) of this subsection, the audit schedule for the Burlington Waterfront Tax Increment Financing District shall be as follows:

(i) an audit shall be conducted on or after January 1, 2022;

(ii) an audit shall be conducted not more than three years from the date debt is incurred as allowed by 2020 Acts and Resolves No. 175, Sec. 29



(4):

(iii) a final audit shall be conducted at the end of the retention period for the District.

\* \* \*

Sec. 26a. 2020 Acts and Resolves No. 175, Sec. 29 is amended to read:

Sec. 29. TAX INCREMENT FINANCING DISTRICTS; DEBT  
INCURRENCE PERIODS; EXTENSIONS

(a) Notwithstanding any other provision of law, the period to incur indebtedness is extended for the following tax increment financing districts:

(1) The Barre City Downtown Tax Increment Financing District is extended to ~~March 31, 2023~~ March 31, 2024.

(2) The Bennington Downtown Tax Increment Financing District is extended to ~~March 31, 2028~~ March 31, 2029.

(3) The Burlington Downtown Tax Increment Financing District is extended to ~~March 31, 2022~~ March 31, 2023.

(4) The three properties located within the Burlington Waterfront Tax Increment Financing District at 49 Church Street and 75 Cherry Street, as designated on the City of Burlington's Tax Parcel Maps as Parcel ID# 044-4-004-000, Parcel ID# 044-4-004-001, and Parcel ID# 044-4-033-000, is extended to ~~June 30, 2022~~ June 30, 2023; provided, however, that the extension of the period to incur indebtedness is subject to the City of Burlington's submission to the Vermont Economic Progress Council on or before ~~June 30, 2022~~ June 30, 2023 of an executed construction contract with a completion guarantee by the owner of the parcels evidencing commitment to construct not less than \$50 million of private development on the parcels.

(5) The Montpelier Tax Increment Financing District is extended to ~~March 31, 2029~~ March 31, 2030.

(6) The South Burlington Tax Increment Financing District is extended to ~~March 31, 2023~~ March 31, 2024.

(7) The St. Albans City Downtown Tax Increment Financing District is extended to ~~March 31, 2023~~ March 31, 2024.

(b) This section does not:

(1) extend any period that the municipal or education tax increment may be retained by the tax increment financing districts listed in subsection (a) of this section; or

(2) amend any other tax increment financing requirements set forth in 24 V.S.A. chapter 53, subchapter 5; 32 V.S.A. § 5404a; or the TIF District Rule adopted in May 2015, applicable to the tax increment financing districts listed in subsection (a) of this section.

Pending the question, Shall the House concur with the Senate proposal of amendment with further amendment thereto?, **Rep. Kornheiser of Brattleboro** moved to amend the proposal of amendment offered by **Reps. Ancel of Calais, Beck of St. Johnsbury, Brennan of Colchester, Canfield of Fair Haven, Durfee of Shaftsbury, Elder of Starksboro, Kornheiser of Brattleboro, Masland of Thetford, Mattos of Milton, Ode of Burlington, and Till of Jericho** in Sec. 26, 32 V.S.A. § 5404a(1), by striking out subdivision (1)(1)(B)(i) in its entirety and inserting in lieu thereof a new subdivision (1)(1)(B)(i) to read as follows:

(i) an audit shall be conducted on or after October 1, 2021;

Which was agreed to. Thereupon, the House concurred in the Senate proposal of amendment with further amendment thereto.

Thereafter, on motion of **Rep. McCoy of Poultney**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

### **Rules Suspended; Senate Proposal of Amendment Concurred in**

#### **H. 431**

Appearing on the Calendar for Notice, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to miscellaneous energy subjects

Was taken up for immediate consideration.

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

\* \* \* Occupational Safety and Health \* \* \*

Sec. 1. 30 V.S.A. § 207 is amended to read:

#### § 207. REPORT OF ACCIDENTS; INVESTIGATION

The superintendent or manager of any line or plant, subject to supervision under this chapter, shall, immediately after its occurrence, notify the Department in writing of any accident that occurs within this State ~~immediately after its occurrence~~, upon such line or plant ~~resulting that results~~ in loss of life or injury to any person that ~~shall incapacitate~~ incapacitates him

or her from engaging in his or her usual vocations. ~~The~~ If the accident is subject to investigation by VOSHA pursuant to 21 V.S.A. chapter 3, subchapters 4 and 5, the Department shall provide support as requested by VOSHA, and VOSHA shall, to the extent permitted by law, provide the Department with any information pertaining to the investigation that is requested by the Department. If the accident it not subject to investigation by VOSHA, the Department shall inquire into the cause of every such the accident, and if, in its judgment, a public investigation is necessary, it shall fix a time and place of holding the same, and shall thereupon proceed as provided in 5 V.S.A. § 3454 relating to investigation of accidents upon railroads shall make any recommendations to the company and to the Public Utility Commission as appropriate.

\* \* \* Public Records Act \* \* \*

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:

\* \* \*

(43) Records relating to a regulated utility’s cybersecurity program, assessments, and plans, including all reports, summaries, compilations, analyses, notes, or other cybersecurity information.

\* \* \*

\* \* \* Energy Storage \* \* \*

Sec. 3. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

~~As~~ As used in this chapter:

\* \* \*

(3)(A) “Development” means each of the following:

\* \* \*

(D) The word “development” does not include:

\* \* \*

(ii) The construction of improvements for an electric generation,

energy storage, or transmission facility that requires a certificate of public good under 30 V.S.A. § 248, or is subject to regulation under 30 V.S.A. § 8011, a natural gas facility as defined in 30 V.S.A. § 248(a)(3), or a telecommunications facility issued a certificate of public good under 30 V.S.A. § 248a.

\* \* \*

Sec. 4. 24 V.S.A. § 4413 is amended to read:

§ 4413. LIMITATIONS ON MUNICIPAL BYLAWS

\* \* \*

(b) A bylaw under this chapter shall not regulate ~~public utility power generating plants~~ electric generation facilities, energy storage facilities, and transmission facilities regulated under 30 V.S.A. § 248 or subject to regulation under 30 V.S.A. § 8011.

\* \* \*

Sec. 5. 30 V.S.A. § 201 is amended to read:

§ 201. DEFINITIONS

As used in this chapter:

\* \* \*

(4) “Energy storage facility” means a stationary device or system that captures energy produced at one time, stores that energy for a period of time, and delivers or may deliver that energy as electricity to the grid for use at a future time ~~uses mechanical, chemical, or thermal processes to store energy for export to the grid.~~

(5) “Energy storage aggregation” means a virtual resource formed by combining multiple stationary energy storage devices at different points of interconnection on the distribution system.

(6) “Energy storage aggregator” means an entity other than a distribution utility that is operating an energy storage aggregation of 100 kW or greater aggregate nameplate capacity.

Sec. 6. 30 V.S.A. § 203 is amended to read:

§ 203. JURISDICTION OF CERTAIN PUBLIC UTILITIES

\* \* \*

(1) A company engaged in the manufacture, transmission, distribution, storage, or sale of gas or electricity directly to the public or to be used ultimately by the public for lighting, heating, or power and so far as relates to

their use or occupancy of the public highways.

(2) That part of the business of a company that consists of the manufacture, transmission, distribution, storage, or sale of gas or electricity directly to the public or to be used ultimately by the public for lighting, heating, or power and so far as relates to their use or occupancy of the public highways.

\* \* \*

(8) For purposes of this section, “storage” has the same meaning as “energy storage facility” as defined in section 201 of this title.

Sec. 7. 30 V.S.A. § 209 is amended to read:

§ 209. JURISDICTION; GENERAL SCOPE

\* \* \*

(k) Energy storage facilities. Except when owned by a retail distribution utility, an energy efficiency utility, or the Vermont Electric Power Company, Inc., competitive suppliers of energy storage services that do not serve retail customers shall be exempt from sections 107, 108, and 109 of this title.

Sec. 8. 30 V.S.A. § 231 is amended to read:

§ 231. CERTIFICATE OF PUBLIC GOOD; ABANDONMENT OF SERVICE; HEARING

\* \* \*

(c) An energy storage aggregator that operates an energy storage facility is subject to this section only if the aggregator is not a retail electric provider.

Sec. 9. 30 V.S.A. § 248 is amended to read:

§ 248. NEW GAS AND ELECTRIC PURCHASES, INVESTMENTS, AND FACILITIES; CERTIFICATE OF PUBLIC GOOD

(a)(1) No company, as defined in section 201 of this title, may:

\* \* \*

(4)(A) With respect to a facility located in the State, in response to a request from one or more members of the public or a party, the Public Utility Commission shall hold a nonevidentiary public hearing on a petition for such finding and certificate in at least one county in which any portion of the construction of the facility is proposed to be located. The Commission in its discretion may hold a nonevidentiary public hearing in the absence of any request from a member of the public or a party. From the comments made at a public hearing, the Commission shall derive areas of inquiry that are relevant

to the findings to be made under this section and shall address each such area in its decision. Prior to making findings, if the record does not contain evidence on such an area, the Commission shall direct the parties to provide evidence on the area. This subdivision does not require the Commission to respond to each individual comment.

\* \* \*

(F) The following shall apply to the participation of the Agency of Agriculture, Food and Markets in proceedings held under this subsection:

(i) In any proceeding regarding an electric generation facility that will have a capacity greater than 500 kilowatts or an energy storage facility that will have a capacity greater than 1 megawatt and will be sited on a tract containing primary agricultural soils as defined in 10 V.S.A. § 6001, the Agency shall appear as a party and provide evidence and recommendations concerning any findings to be made under subdivision (b)(5) of this section on those soils, and may provide evidence and recommendations concerning any other matters to be determined by the Commission in such a proceeding.

\* \* \*

(J) This subdivision (J) applies to an application for an electric generation facility with a capacity that is greater than 50 kilowatts and to an application for an energy storage facility that is greater than 1 megawatt, unless the facility is located on a new or existing structure the primary purpose of which is not the generation of electricity. In addition to any other information required by the Commission, the application for such a facility shall include information that delineates:

\* \* \*

(k)(1) Notwithstanding any other provisions of this section, the Commission may waive, for a specified and limited time, the prohibitions contained in this section upon site preparation for or construction of an electric transmission facility, ~~or a generation facility,~~ or an energy storage facility as necessary to ensure the stability or reliability of the electric system or a natural gas facility, pending full review under this section.

\* \* \*

(l) Notwithstanding other provisions of this section, and without limiting any existing authority of the Governor, and pursuant to 20 V.S.A. § 9(10) and (11), when the Governor has proclaimed a state of emergency pursuant to 20 V.S.A. § 9, the Governor, in consultation with the Chair of the Public Utility Commission and the Commissioner of Public Service or their designees, may waive the prohibitions contained in this section upon site

preparation for or construction of an electric transmission facility, ~~or~~ a generation facility, or an energy storage facility as necessary to ensure the stability or reliability of the electric system or a natural gas facility. Waivers issued under this subsection shall be subject to such conditions as are required by the Governor, and shall be valid for the duration of the declared emergency plus 180 days, or such lesser overall term as determined by the Governor. Upon the expiration of a waiver under this subsection, if a certificate of public good has not been issued under this section, the Commission shall require the removal, relocation, or alteration of the facilities, subject to the waiver, as the Commission finds will best promote the general good of the State.

\* \* \*

(u) For an energy storage facility, A certificate under this section shall only be required for an energy storage a stationary facility exporting to the grid that has a capacity of 500 100 kW or greater, unless the Commission establishes a larger threshold by rule. The Commission shall establish a simplified application process for energy storage facilities subject to this section with a capacity of up to 1 MW, unless it establishes a larger threshold by rule. For facilities eligible for this simplified application process, a certificate of public good will be issued by the Commission by the forty-sixth day following filing of a complete application, unless a substantive objection is timely filed with the Commission or the Commission itself raises an issue. The Commission may require facilities eligible for the simplified application process to include a letter from the interconnecting utility indicating the absence or resolution of interconnection issues as part of the application.

Sec. 10. 30 V.S.A. § 8002 is amended to read:

§ 8002. DEFINITIONS

As used in this chapter:

\* \* \*

(30) “Energy storage facility” has the same meaning as in section 201 of this title.

Sec. 11. 30 V.S.A. § 8011 is added to read:

§ 8011. ENERGY STORAGE FACILITIES

(a) The Commission may adopt and implement rules that govern the installation and operation of energy storage facilities of all sizes.

(b) The rules may establish a size threshold below which storage facilities need not submit an application for a certificate of public good pursuant to section 248 of this title.

(c) The rules may include provisions that govern:

(1) the respective duties of retail electricity providers and energy storage facility owners or operators;

(2) the electrical and fire safety, power quality, interconnection, metering, and decommissioning of energy storage facilities;

(3) the resolution of disputes between energy storage facility owners, operators, and the interconnecting provider;

(4) energy storage aggregators and the operation of aggregations; and

(5) energy storage facilities paired with other resources, such as net metering and standard offer plants, including retrofits of existing plants.

(d) The rules shall establish standards and procedures governing application for and issuance or revocation of a certificate of public good for certain energy storage facilities under the provisions of section 248 of this title. In establishing these standards and procedures, the rules may:

(1) waive the requirements of section 248 of this title that are not applicable to energy storage facilities, including criteria that are generally applicable to public service companies as defined in this title;

(2) modify notice and hearing requirements of this title as the Commission considers appropriate; and

(3) seek to simplify the application and review process.

Sec. 12. PUBLIC UTILITY COMMISSION RULEMAKING;  
INTERCONNECTION RULE

On or before March 15, 2022, the Public Utility Commission shall propose an updated interconnection rule that:

(1) incorporates energy storage facilities with a capacity of 1 MW or more; and

(2) incorporates a simplified process for energy storage facilities with a capacity of between 100 kW and 1 MW.

\* \* \* Nuclear Decommissioning Citizens Advisory Panel \* \* \*

Sec. 13. 18 V.S.A. § 1700 is amended to read:

§ 1700. CREATION; MEMBERSHIP; OFFICERS; QUORUM

(a) There is created the Nuclear Decommissioning Citizens Advisory Panel that shall consist of the following:

(1) The Secretary of Human Services, ex officio, or designee.



- 
- (2) The Secretary of Natural Resources, ex officio, or designee.
  - (3) The Commissioner of Public Service, ex officio, or designee.
  - (4) The Secretary of Commerce and Community Development, ex officio, or designee.
  - (5) One member of the House Committee on Energy and Technology, chosen by the Speaker of the House.
  - (6) One member of the Senate Committee on Natural Resources and Energy, chosen by the Committee on Committees.
  - (7) One representative of the Windham Regional Commission or designee, selected by the Regional Commission.
  - (8) ~~One representative~~ Two representatives of the Town of Vernon or ~~designee~~ designees, selected by the legislative body of that town.
  - (9) Six members of the public, two each selected by the Governor, the Speaker of the House, and the President Pro Tempore of the Senate. Under this subdivision, each appointing authority initially shall appoint a member for a three-year term and a member for a four-year term. Subsequent appointments under this subdivision shall be for terms of four years.
  - (10) Two representatives of the owners of the Vermont Yankee Nuclear Power Station (~~VYNPS or Station~~) selected by the owner of the Station site.
  - (11) ~~A representative of the International Brotherhood of Electric Workers (IBEW) selected by the IBEW who shall be a present or former employee at the VYNPS.~~
  - (12) One optional member who will represent collectively the Towns of Chesterfield, Hinsdale, Richmond, Swanzey, and Winchester, New Hampshire, when selected by the Governor of New Hampshire at the invitation of the Commissioner of Public Service.
  - (13)(12) One optional member who will represent collectively the Towns of Bernardston, Colrain, Gill, Greenfield, Leyden, Northfield, and Warwick, Massachusetts, when selected by the Governor of Massachusetts at the invitation of the Commissioner of Public Service.
- (b) Ex officio members shall serve for the duration of their time in office or until a successor has been appointed. Members of the General Assembly shall be appointed for two years or until their successors are appointed, beginning on or before January 15 in the first year of the biennium. Representatives designated by ex officio members shall serve at the direction of the designating authority.

\* \* \*

(f) Members of the panel who are not ex officio members, employees of the State of Vermont, representatives of the ~~VYNPS~~ owners of the Vermont Yankee site, or members representing towns outside Vermont, and who are not otherwise compensated or reimbursed for their attendance, shall be entitled to \$50.00 per diem and their necessary and actual expenses. Funds for this purpose shall come from the monies collected under 30 V.S.A. § 22 for the purpose of maintaining the Department of Public Service. Legislative members shall not be entitled to a per diem under this section for meetings while the General Assembly is in session.

(g) The Commissioner of Public Service shall:

\* \* \*

(6) hire experts, contract for services, and provide for materials and other reasonable and necessary expenses of the Panel as the Commissioner may consider appropriate on request of the Panel from time to time. Funds for this purpose shall come from the ~~monies collected under 30 V.S.A. § 22 for the purpose of maintaining the Department of Public Service and such other sources as may be or become available.~~ owners of the Vermont Yankee site as the Commissioner of Public Service may consider appropriate, not to exceed \$35,000.00 annually. The obligation to support the Panel's activities shall cease upon the submission of the application for Partial License Termination by the owners of the Vermont Yankee site to the U.S. Nuclear Regulatory Commission. On or before June 30 annually, the Commissioner of Public Service shall render to the owners of the Vermont Yankee site a statement detailing the amount of money expended or contracted for under this subdivision (6), which shall be paid within 30 days by the owners of the Vermont Yankee site into the special fund established pursuant to 30 V.S.A. § 22 for the purpose of maintaining the Department of Public Service and Public Utility Commission. The funds paid into the special fund by the owners of the Vermont Yankee site shall be paid solely to the Department. Within 30 days after receiving the statement of funds due, the owners of the Vermont Yankee site may petition the Public Utility Commission for a hearing to review and determine the necessity and reasonableness of such expenses. Following the review, the Public Utility Commission may amend or revise the cost assessments as it deems appropriate.

Sec. 14. 18 V.S.A. § 1701 is amended to read:

§ 1701. DUTIES

The Panel shall serve in an advisory capacity only and shall not have authority to direct decommissioning of the ~~VYNPS~~ Vermont Yankee site. The

duties of the Panel shall be:

(1) To hold a minimum of ~~four~~ three public meetings each year for the purpose of discussing issues relating to the decommissioning of ~~the VYNPS Vermont Yankee~~. The Panel may hold additional meetings.

(2) To advise the Governor, the General Assembly, the agencies of the State, and the public on issues related to the decommissioning of ~~the VYNPS Vermont Yankee~~, with a written report being provided annually to the Governor and to the energy committees of the General Assembly. The provisions of 2 V.S.A. § 20(d) (expiration of reports) shall not apply to this report.

(3) To serve as a conduit for public information and education on and to encourage community involvement in matters related to the decommissioning of ~~the VYNPS Vermont Yankee~~ and to receive written reports and presentations on the decommissioning of the ~~Station~~ site at its regular meetings.

(4) To periodically receive reports, including those required by the Public Utility Commission Docket No. 8880 Order, on the Decommissioning Trust Fund and other funds associated with decommissioning of or site restoration at ~~the VYNPS Vermont Yankee~~, including fund balances, expenditures made, and reimbursements received.

(5) To receive reports and presentations at regular meetings regarding the decommissioning progress and plans for the VYNPS Vermont Yankee, including any site assessments and post-shutdown decommissioning assessment reports; provide a forum for receiving public comment on these plans and reports; and ~~to~~ provide comment on these plans and reports as the Panel may consider appropriate to State agencies and the owner of ~~the VYNPS Vermont Yankee~~ and in the annual report described in subdivision (2) of this subsection.

Sec. 15. 18 V.S.A. § 1702 is amended to read:

§ 1702. ASSISTANCE

The Department of Public Service, the Agency of Human Services, and the Agency of Natural Resources shall furnish administrative support to the Panel, with assistance from the owners of the ~~VYNPS Vermont Yankee site~~ as the Commissioner of Public Service may consider appropriate.

\* \* \* Energy Storage; Uniform Capacity Tax \* \* \*

Sec. 16. 32 V.S.A. § 8701 is amended to read:

§ 8701. UNIFORM CAPACITY TAX

(a) As used in this section, the terms “energy storage facility,” “kW,” “kWh,” “plant,” “plant capacity,” and “renewable energy” shall be as defined in 30 V.S.A. §§ 201(4) and 8002; provided, however, that any tax or exemption under this chapter shall only apply to the fixtures and personal property of a plant, and not to the underlying land.

(b)(1) There is assessed on any renewable energy plant in Vermont commissioned to generate solar power an annual tax of \$4.00 per kW of plant capacity.

(2) There is assessed on any stationary grid-connected energy storage facility in Vermont that has a plant energy rating of 600 kWh or larger and that is not connected to a renewable energy plant an annual tax of \$0.50 per kWh of plant energy rating.

(3) The tax imposed under this section shall be paid to the Department of Taxes ~~no~~ not later than April 15 of each year and accompanied by a return with such information as the Department of Taxes may require. The Department of Taxes shall deposit the taxes collected under this section into the Education Fund. The Department of Taxes may adopt procedures and rules necessary to implement the tax in this section.

(c) A renewable energy plant that generates electricity from solar power shall be exempt from taxation under this section if it has a plant capacity of less than 50kW. An energy storage facility shall be exempt from taxation under this section if it has a plant energy rating of less than 600 kWh.

(d) The existence of a renewable energy plant or energy storage facility subject to tax under subsection (b) of this section shall not:

(1) alter the exempt status of any underlying property under section 3802 or subdivision 5401(10)(F) of this title; or

(2) alter the taxation of the underlying property under chapter 135 of this title.

\* \* \* Property Tax \* \* \*

Sec. 17. 32 V.S.A. § 3800(n) is added to read:

(n) The statutory purpose of the exemptions for renewable energy plants generating electricity from solar power in subdivision 3802(17) of this title and for energy storage facilities in subdivision 3802(19) of this title is to lower the cost of generating and storing electricity from solar power for smaller plants and facilities.

Sec. 18. 32 V.S.A. § 3802 is amended to read:

§ 3802. PROPERTY TAX

The following property shall be exempt from taxation:

\* \* \*

(17) Real and personal property, except land, ~~composing~~ comprising a renewable energy plant generating electricity from solar power ~~which~~ that has a plant capacity of less than 50 kW and is either:

(A) operated on a net-metered system; or

(B) not connected to the electric grid and provides power only on the property on which the plant is located.

(18) [Repealed.]

(19) Real and personal property, except land, comprising an energy storage facility that has a plant energy rating of less than 600 kWh.

Sec. 19. 32 V.S.A. § 3481(1)(E) is added to read:

(E) For real and personal property comprising an energy storage facility, except land and property that is exempt under subdivision 3802(19) of this title, the appraisal value shall be \$0.25 per kWh of plant energy rating.

Sec. 20. 32 V.S.A. § 5401(10) is amended to read:

(10) “Nonhomestead property” means all property except:

\* \* \*

(J) Buildings and fixtures of:

(i) wind-powered electric generating facilities taxed under section 5402c of this title; and

(ii) renewable energy plants generating electricity from solar power and energy storage facilities that are taxed under section 8701 of this title.

\* \* \* Tax exemption; Fuels \* \* \*

Sec. 21. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title.:

\* \* \*

(26) Sales of electricity, oil, gas, and other fuels used in a residence for all domestic use, including heating, but not including fuel sold at retail in free-

standing containers, or sold as part of a transaction where a free-standing container is exchanged without a separate charge. Wood pellets sold to an individual on the vendor's premises or delivered to an individual's residence shall be presumed to be purchased for residential use and shall be exempt sales under this subdivision unless the vendor knew or ought reasonably to have known that the wood pellets were not purchased for residential use. A certificate of exemption shall not be required for exempt retail sales of wood pellets to an individual. The Commissioner shall by rule determine that portion of the sales attributable to domestic use where fuels are used for purposes in addition to domestic use.

\* \* \*

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

#### Sec. 22. EFFECTIVE DATES

This act shall take effect on July 1, 2021, except that Sec. 9 (30 V.S.A. § 248) shall take effect on December 31, 2022 and Sec. 21 (32 V.S.A. § 9741) shall take effect on passage.

Which proposal of amendment was considered and concurred in.

**Rules Suspended; Senate Proposal of Amendment to House Proposal of Amendment Concurred in; Rules Suspended; Bill Messaged to Senate Forthwith**

#### S. 97

Pending appearance on the Calendar for Notice, on motion of **Rep. McCoy of Poultney**, the rules were suspended and Senate bill, entitled

An act relating to miscellaneous judiciary procedures

Was taken up for immediate consideration.

The Senate concurs in the House proposal of amendment with the following proposal of amendment thereto:

By striking out Sec. 18, 13 V.S.A. § 1455, and its reader assistance in their entireties

And by renumbering the remaining sections to be numerically correct.

Which proposal of amendment was considered and concurred in.

Thereupon, on motion of **Rep. McCoy of Poultney**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

**Message from the Senate No. 67**

A message was received from the Senate by Mr. Marshall, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Senate has considered joint resolution originating in the House of the following title:

**J.R.H. 6.** Joint resolution relating to racism as a public health emergency.

And has adopted the same in concurrence.

The Senate has considered House proposals of amendment to Senate bills of the following titles:

**S. 7.** An act relating to expanding access to expungement and sealing of criminal history records.

**S. 25.** An act relating to miscellaneous cannabis regulation procedures.

**S. 47.** An act relating to motor vehicle manufacturers, dealers, and warranty or service facilities.

**S. 48.** An act relating to Vermont's adoption of the interstate Nurse Licensure Compact.

And has concurred therein.

**Message from the Senate No. 68**

A message was received from the Senate by Mr. Marshall, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Senate has considered House proposal of amendment to Senate bill of the following title:

**S. 97.** An act relating to miscellaneous judiciary procedures.

And has concurred therein with an amendment in the passage of which the concurrence of the House is requested.

The Senate has considered House proposal of amendment to Senate bill of the following title:

**S. 62.** An act relating to creating incentives for new remote and relocating workers.

And has concurred therein.

The Senate has considered House proposal of amendment to Senate proposal of amendment to House bill of the following title:

**H. 313.** An act relating to miscellaneous amendments to alcoholic beverage laws.

And has concurred therein.

### **Adjournment**

At five o'clock and thirty-three minutes in the evening, on motion of **Rep. McCoy of Poultney**, the House adjourned until tomorrow at ten o'clock in the forenoon.