

Journal of the Senate

THURSDAY, MAY 12, 2022

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 80

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered joint resolution originating in the Senate of the following title:

J.R.S. 53. Joint resolution supporting transgender youth and their parents who seek essential medical care for the treatment of gender dysphoria.

And has adopted the same in concurrence.

The House has considered Senate proposal of amendment to the following House bill:

H. 697. An act relating to eligibility of reserve forestland for enrollment in the Use Value Appraisal Program.

And has severally concurred therein.

The House has considered Senate proposal of amendment to House bill:

H. 716. An act relating to making miscellaneous changes in education law.

And has severally concurred therein with further amendments in the passage of which the concurrence of the Senate is requested.

The House has adopted House concurrent resolutions of the following titles:

H.C.R. 170. House concurrent resolution in memory of former Representative, Commissioner of State Buildings, and Labor Relations Board member John J. Zampieri of Ryegate.

H.C.R. 171. House concurrent resolution congratulating Jayne Barber of Bellows Falls on her 2022 induction into the Vermont Sports Hall of Fame.

In the adoption of which the concurrence of the Senate is requested.

The House has considered concurrent resolutions originating in the Senate of the following titles:

S.C.R. 22. Senate concurrent resolution congratulating Jay and Joan Zwynenburg on the 50th anniversary of Jay's Art Shop & Frame Gallery and for their roles as exemplary downtown Bennington entrepreneurs.

S.C.R. 23. Senate concurrent resolution celebrating the State Partnership Program recently established between the Vermont National Guard and Austria.

And has adopted the same in concurrence.

The House has considered the Governor's veto on House bill of the following title:

H. 708. An act relating to the approval of an amendment to the charter of the City of Burlington.

And has sustained the Governor's veto.

The House has considered the Governor's veto on House bill of the following title:

H. 715. An act relating to the Clean Heat Standard.

And has sustained the Governor's veto.

The Governor has informed the House that on May 11, 2022, he approved and signed bills originating in the House of the following titles:

H. 266. An act relating to health insurance coverage for hearing aids.

H. 293. An act relating to creating the State Youth Council.

H. 411. An act relating to the retrieval and use of covered wild animals.

Proposals of Amendment; Proposal of Amendment Substituted; Third Reading Ordered; Rules Suspended; Bill Passed In Concurrence with Proposal of Amendment; Bill Messaged

H. 737.

Senator Cummings, for the Committee on Finance, to which was referred House bill entitled:

An act relating to setting the homestead property tax yields and the nonhomestead property tax rate.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: By striking out Sec. 1, property dollar equivalent yield, in its entirety and inserting in lieu thereof:

Sec. 1. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME
DOLLAR EQUIVALENT YIELD, AND NONHOMESTEAD
PROPERTY TAX RATE FOR FISCAL YEAR 2023

For fiscal year 2023 only:

(1) Pursuant to 32 V.S.A. § 5402b(b), the property dollar equivalent yield shall be \$13,144.00.

(2) Pursuant to 32 V.S.A. § 5402b(b), the income dollar equivalent yield shall be \$15,736.00.

(3) Notwithstanding 32 V.S.A. § 5402(a)(1) and any other provision of law to the contrary, the nonhomestead property tax rate shall be \$1.485 per \$100.00 of equalized education property value.

Second: By striking out Sec. 2, Education Fund reserve, in its entirety and inserting in lieu thereof:

Sec. 2. EDUCATION FUND RESERVES; FISCAL YEAR 2023;
UNIVERSAL SCHOOL MEALS; POLYCHLORINATED
BIPHENYLS (PCBS) REMEDIATION

(a) In fiscal year 2023, notwithstanding 16 V.S.A. § 4025(d), the following amounts shall be reserved within the Education Fund:

(1) \$29,000,000.00 for purposes of funding universal school breakfast and lunch programs under 16 V.S.A. chapter 27, subchapter 2; and

(2) \$45,000,000.00 for purposes of funding polychlorinated biphenyls (PCBs) testing, assessment, and response efforts.

(b) After satisfying the requirements of 16 V.S.A. § 4026 and after other reserve requirements have been met, notwithstanding 16 V.S.A. § 4025(d), the first \$10,000,000.00 of remaining unreserved and undesignated monies in the Education Fund at the close of fiscal year 2022 shall be reserved for purposes of funding PCBs testing, assessment, and response efforts.

And that the bill ought to pass in concurrence with such proposals of amendment.

Senator Baruth, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Finance with the following amendments thereto:

First: By striking out Sec. 2, Education Fund reserves, in its entirety and inserting in lieu thereof the following:

Sec. 2. EDUCATION FUND RESERVES; POLYCHLORINATED
BIPHENYLS (PCBS) REMEDIATION

(a) At the close of fiscal year 2022, notwithstanding 16 V.S.A. § 4025(d), \$45,000,000.00 shall be reserved within the Education Fund for fiscal year 2023 for purposes of funding polychlorinated biphenyls (PCBs) testing, assessment, and response efforts.

(b) After satisfying the requirements of 16 V.S.A. § 4026 and after other reserve requirements have been met, notwithstanding 16 V.S.A. § 4025(d), the first \$10,000,000.00 of remaining unreserved and undesignated monies in the Education Fund at the close of fiscal year 2022 shall be reserved for fiscal year 2023 for purposes of funding PCBs testing, assessment, and response efforts.

Second: By striking out Sec. 3, effective date, in its entirety and inserting in lieu thereof the following:

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

And that the bill ought to pass in concurrence with such proposals of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee Finance?, Senator Cummings moved to substitute the proposal of amendment of the Committee on Finance as follows:

Sec. 1. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME
DOLLAR EQUIVALENT YIELD, AND NONHOMESTEAD
PROPERTY TAX RATE FOR FISCAL YEAR 2023

For fiscal year 2023 only:

(1) Pursuant to 32 V.S.A. § 5402b(b), the property dollar equivalent yield shall be \$13,314.00.

(2) Pursuant to 32 V.S.A. § 5402b(b), the income dollar equivalent yield shall be \$15,948.00.

(3) Notwithstanding 32 V.S.A. § 5402(a)(1) and any other provision of law to the contrary, the nonhomestead property tax rate shall be \$1.466 per \$100.00 of equalized education property value.

Sec. 2. EDUCATION FUND RESERVES; POLYCHLORINATED
BIPHENYLS (PCBs) IN SCHOOLS

(a) At the close of fiscal year 2022, notwithstanding 16 V.S.A. § 4025(d), \$22,000,000.00 shall be reserved within the Education Fund for purposes of funding the investigation, testing, assessment, remediation, and removal of polychlorinated biphenyls (PCBs) in schools.

(b) After satisfying the requirements of 16 V.S.A. § 4026 and after other reserve requirements have been met, notwithstanding 16 V.S.A. § 4025(d), of the remaining unreserved and undesignated monies in the Education Fund at the close of fiscal year 2022:

(1) the first \$10,000,000.00 shall remain unreserved and undesignated; and

(2) after accounting for the sum in subdivision (1) of this subsection, \$10,000,000.00 shall be reserved for purposes of funding the investigation, testing, assessment, remediation, and removal of PCBs in schools.

(c) No monies reserved under this section shall be expended for the remediation or removal of PCBs in schools except as authorized pursuant to Sec. 3 of this act. This subsection shall not affect the disbursement of monies reserved under this section for investigation, testing, and assessment of PCBs in schools.

(d) The State may recover from a manufacturer of PCBs monies expended from the reserves created under this section for the investigation, testing, assessment, remediation, and removal of PCBs detected in a school above the relevant action level.

Sec. 3. DISBURSEMENT PLAN; POLYCHLORINATED BIPHENYLS
(PCBs); REMEDIATION; SIGNIFICANT HEALTH THREAT

(a) On or before January 15, 2023, the Agencies of Education and of Natural Resources and the Department of Health shall submit a written plan to the General Assembly setting out a process for the disbursement of monies reserved in Sec. 2 of this act. No monies shall be expended from the reserves for purposes of remediation, removal, or other required responses to the presence of PCBs in schools until the General Assembly has adopted legislation implementing or approving the plan. Monies may be expended from the reserves created in Sec. 2 of this act on the investigation, testing, and assessment of PCBs in schools, as necessary.

(b) Notwithstanding subsection (a) of this section, in the event of a significant health threat based on the concentration and location of PCBs in schools from July 1, 2022 through January 15, 2023, the Emergency Board is

authorized to transfer monies in an amount not to exceed \$2,500,000.00 from the adjusted education payment of Sec. B.505 of the fiscal year 2023 act relating to making appropriations for the support of government to the Agency of Education. A transfer under this subsection shall only be made upon request of the Agencies of Education and of Natural Resources and the Department of Health for purposes of remediation, removal, or other required responses to the presence of PCBs in schools. Any amounts transferred under this subsection shall be addressed in the fiscal year 2023 budget adjustment act using the reserves created in Sec 2 of this act.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

Which was agreed to.

Thereupon, pending the question, Shall the Senate propose to the House to amend the recommendation of proposal of amendment of the Committee on Finance as recommended by the Committee on Appropriations?, Senator Baruth requested and was granted leave to withdraw the Appropriations proposal of amendment.

Thereupon, the proposal of amendment recommended by the Committee on Finance, as substituted, was agreed to and third reading of the bill was ordered.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence with proposal of amendment.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Rules Suspended; House Proposals of Amendment to Senate Proposal of Amendment Concurred In; Rules Suspended; Bill Messaged

H. 716.

Pending entry on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to making miscellaneous changes in education law.

Was taken up for immediate consideration.

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

First: By striking out Sec. 3, 16 V.S.A. § 492, and its reader assistance heading in their entirety and inserting in lieu thereof a reader assistance heading and a new Sec. 3 to read:

* * * Special Education Rule Change; Delay * * *

Sec. 3. STATE BOARD OF EDUCATION 2360 RULE SERIES; PARTIAL
DELAY

It is the intent of the General Assembly to allow educators and staff time to adequately prepare for the delivery of special education services as required under the State Board of Education special education rules series 2360, which takes effect on July 1, 2022. Therefore, notwithstanding any provision of law to the contrary under 16 V.S.A. § 164 and 3 V.S.A. § 845(d), the State Board of Education shall suspend the implementation of rules 2362 and 2362.2.5 until July 1, 2023. The remaining rules under the 2360 rule series shall take effect on July 1, 2022.

Second: By striking out Sec. 4, educator workforce development; appropriation; report, and its reader assistance heading in their entirety and inserting in lieu thereof the following:

Sec. 4. [Deleted.]

Thereupon, the question, Shall the Senate concur in the House proposals of amendment to the Senate proposal of amendment?, were severally decided in the affirmative.

Thereupon, on motion of Senator Balint, the rules were suspended, and the bill was ordered messaged to the House forthwith.

Appointments Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator White, the following Gubernatorial appointments were confirmed together as a group by the Senate, without reports given by the Committees to which they were referred and without debate:

The nomination of

Dragon, Jamie of Stowe - Member Fish and Wildlife Board - September 20, 2021 to February 28, 2027.

The nomination of

Donohu, Michael of Shelburne - Member Vermont Economic Progress Council - April 26, 2021 to March 31, 2025.

The nomination of

Bourgeois, Anita of Middlesex - Member Vermont Educational and Health Buildings Financing Agency - March 28, 2022 to January 31, 2027.

Were collectively confirmed by the Senate.

Appointments Confirmed

The following Gubernatorial appointments were confirmed separately by the Senate, upon full reports given by the Committees to which they were referred:

The nomination of

Hanford, Joshua C. of Randolph Center - Commissioner, Department of Housing and Community Development - March 1, 2021 to February 28, 2023.

Was confirmed by the Senate on a roll call, Yeas 30, Nays 0.

Senator Collamore having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Balint, Baruth, Benning, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Parent, Pearson, Perchlik, Pollina, Ram Hinsdale, Sears, Sirotkin, Starr, Terenzini, Westman, White.

Those Senators who voted in the negative were: None.

The nomination of

Kurrle, Lindsay H. of Middlesex - Secretary, Agency of Commerce and Community Development - March 1, 2021 to February 28, 2023.

Was confirmed by the Senate on a roll call, Yeas 30, Nays 0.

Senator Collamore having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Balint, Baruth, Benning, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Parent, Pearson, Perchlik, Pollina, Ram Hinsdale, Sears, Sirotkin, Starr, Terenzini, Westman, White.

Those Senators who voted in the negative were: None.

The nomination of

Pelham, Heather of Randolph - Commissioner, Department of Tourism and Marketing - March 1, 2021 to February 28, 2023.

Was confirmed by the Senate on a roll call, Yeas 30, Nays 0.

Senator Collamore having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Balint, Baruth, Benning, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Parent, Pearson, Perchlik, Pollina, Ram Hinsdale, Sears, Sirotkin, Starr, Terenzini, Westman, White.

Those Senators who voted in the negative were: None.

The nomination of

Goldstein, Joan of Royalton - Commissioner, Department of Economic Development - March 1, 2021 to February 28, 2023.

Was confirmed by the Senate on a roll call, Yeas 30, Nays 0.

Senator Collamore having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Balint, Baruth, Benning, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Parent, Pearson, Perchlik, Pollina, Ram Hinsdale, Sears, Sirotkin, Starr, Terenzini, Westman, White.

Those Senators who voted in the negative were: None.

**Rules Suspended; House Proposals of Amendment to Senate Proposal of
Amendment Concurred In; Bill Messaged**

H. 572.

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposals of amendment to Senate proposal of amendment to House bill entitled:

An act relating to the retirement allowance for interim educators.

Were taken up for immediate consideration.

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

First: In Sec. 1, FY 2023; restoration of service; Vermont State Teachers' Retirement System, by striking out subdivision (a)(3) in its entirety and inserting a new subdivision (a)(3) to read as follows:

(3) the employer of the beneficiary remits payment to the Vermont Teachers' Retirement Fund, established in 16 V.S.A. § 1944, in an amount equal to the contribution rate established for members of the beneficiary's group for any period that service is resumed.

Second: By adding a new Sec. 2 to read as follows:

Sec. 2. 16 V.S.A. § 1949 is amended to read:

§ 1949. POSTRETIREMENT ADJUSTMENTS TO RETIREMENT ALLOWANCES

~~(a) For all Group A members, as of June 30 in each year, beginning June 30, 1972, the Board shall determine any increase or decrease, to the nearest one-tenth of one percent, in the ratio of the average of the Consumer Price Index for the month ending on that date to the average of the Index for the month ending on June 30, 1971, or the month ending on June 30 of the most recent year thereafter. In the event of an increase, and provided that the net increase following the application of any offset as provided in this subsection equals or exceeds one percent, the retirement allowance of each beneficiary in receipt of an allowance for at least one year on the next following December 31 shall be increased by an equal percentage. Such increase shall begin on the January 1 immediately following that December 31. An equivalent percentage increase shall also be made in the retirement allowance payable to a beneficiary in receipt of an allowance under an optional election, provided the member on whose account the allowance is payable and such other person shall have received a total of at least 12 monthly payments by such December 31. In the event of a decrease of the Consumer Price Index as of June 30 for the preceding year, the retirement allowance of a beneficiary shall not be subject to any adjustment on the next following January 1; provided, however, that:~~

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

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

retirement allowance. On January 1 of each year, the retirement allowance of each beneficiary of the System who is in receipt of a retirement allowance for at least a one-year period as of December 31 in the previous year, and who meets the eligibility criteria set forth in this section, shall be adjusted by the amount described in subsection (d) of this section. In no event shall a beneficiary receive a negative adjustment to the beneficiary's retirement allowance.

~~(b) For Group C members, as of June 30 in each year, commencing June 30, 1981, a determination shall be made of any increase or decrease, to the nearest one-tenth of a percent of the Consumer Price Index for the preceding fiscal year. In the event of an increase, and provided that there exists a net increase following the application of any offset as provided in this subsection, the retirement allowance of each beneficiary in receipt of an allowance for at least one year on the next following December 31 shall be increased by an amount equal to one-half of the net percentage increase. The increase shall commence on the January 1 immediately following that December 31. The increase shall apply to Group C members having attained 57 years of age or completed at least 25 years of creditable service as of June 30, 2010, and receiving an early retirement allowance only in the year following attainment of age 62, and shall apply to Group C members not having attained 57 years of age or having completed at least 25 years of creditable service as of June 30, 2010, and receiving an early retirement allowance only in the year following the member's attainment of 65 years of age, provided the member has received benefits for at least 12 months as of December 31 of the year preceding any January adjustment. In the event of a decrease of the Consumer Price Index as of June 30 for the preceding year, the retirement allowance of a beneficiary shall not be subject to any adjustment on the next following January 1; provided, however, that:~~

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

~~(2) to the extent that such decrease is greater than such subsequent year's increase, such decrease shall be offset in the same manner against two or more years of such increases, for up to but not exceeding five subsequent years of such increases, until fully offset. Calculation of net percentage increase. Each year, a determination shall be made of any increase or decrease, to the nearest one-tenth of a percent, in the Consumer Price Index for the month ending on June 30 of that year to the average of the Consumer Price Index for the month ending on June 30 of the previous year.~~

(1) Consumer Price Index; maximum and minimum amounts. Any increase or decrease in the Consumer Price Index shall be subject to adjustment so as to remain within the following maximum and minimum amounts:

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

(B) For Group C members who are eligible for retirement and leave active service on or after July 1, 2022, the maximum amount of any increase or decrease utilized to determine the net percentage increase shall be four percent.

(2) Consumer Price Index; decreases. In the event of a decrease of the Consumer Price Index as of June 30 for the preceding year, there shall be no adjustment to the retirement allowance of a beneficiary for the subsequent year beginning on January 1; provided, however, that:

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

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

(3) Consumer Price Index; increases. Subject to the maximum and minimum amounts set forth in subdivision (1) of this subsection, in the event of an increase in the Consumer Price Index, and provided there remains an increase following the application of any offset as in subdivision (2) of this subsection, that amount shall be identified as the net percentage increase and used to determine the members' postretirement adjustment as set forth in subsection (d) of this section.

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

(1) for any Group A or Group C member eligible for retirement, or who is vested deferred, on or before June 30, 2022, the member must be in receipt of a retirement allowance for at least 12 months prior to the January 1 effective date of any postretirement adjustment; and

(2) for any Group C member who is eligible for retirement and leaves active service on or after July 1, 2022, the member must be in receipt of a retirement allowance for at least 24 months prior to the January 1 effective date of any postretirement adjustment.

(d) Amount of postretirement adjustment. The postretirement adjustment for each member who meets the eligibility criteria set forth in subsection (c) shall be as follows:

(1) the full amount of the net percentage increase calculated pursuant to subsection (b) of this section for all Group A members; and

(2) one-half of the net percentage increase for all Group C members.

(e) As used in this section, "Consumer Price Index" shall mean the Northeast Region Consumer Price Index for all urban consumers, designated as "CPI-U," in the northeast region, as published by the U.S. Department of Labor, Bureau of Labor Statistics.

and by renumbering the remaining section to be numerically correct.

Thereupon, the question, Shall the Senate concur in the House proposals of amendment to the Senate proposal of amendment?, were severally decided in the affirmative.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Recess

On motion of Senator Balint the Senate recessed until 11:30 A.M..

Called to Order

The Senate was called to order by the President.

Message from the House No. 81

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered Senate proposal of amendment to the following House bills:

H. 446. An act relating to miscellaneous natural resources and development subjects.

H. 709. An act relating to miscellaneous agricultural subjects.

H. 730. An act relating to alcoholic beverages and the Department of Liquor and Lottery.

And has severally concurred therein.

The House has considered Senate proposal of amendment to House bill:

H. 626. An act relating to the sale, use, or application of neonicotinoid pesticides.

And has severally concurred therein with further amendments in the passage of which the concurrence of the Senate is requested.

**Rules Suspended; Report of Committee of Conference Accepted and
Adopted on the Part of the Senate; Bill Messaged**

H. 510.

Pending entry on the Calendar for notice, on motion of Senator Balint, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to a Vermont Child Tax Credit and the Vermont Social Security income exclusion.

Was taken up for immediate consideration.

Senator Cummings, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

H. 510. An act relating to a Vermont Child Tax Credit and the Vermont Social Security income exclusion.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposals of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Child Tax Credit * * *

Sec. 1. 32 V.S.A. § 5830f is added to read:

§ 5830f. VERMONT CHILD TAX CREDIT

(a) A resident individual or part-year resident individual who is entitled to a child tax credit under the laws of the United States shall be entitled to a refundable credit against the tax imposed by section 5822 of this title for the taxable year. The total credit per taxable year shall be in the amount of \$1,000.00 per qualifying child, as defined under 26 U.S.C. § 152(c), who is five years of age or younger as of the close of the calendar year in which the taxable year of the taxpayer begins. For a part-year resident individual, the amount of the credit shall be multiplied by the percentage that the individual's income that is earned or received during the period of the individual's residency in this State bears to the individual's total income.

(b) Notwithstanding subsection (a) of this section, the amount of the credit per child under this section shall be reduced, but not below zero, by \$20.00 for each \$1,000.00, or fraction thereof, by which the individual's adjusted gross income exceeds \$125,000.00, irrespective of the individual's filing status. For purposes of this subsection, spouses filing jointly shall be considered an individual.

(c) Notwithstanding any provision of law to the contrary, the refundable credit and its payment authorized under this section shall be treated in the same manner as the federal Earned Income Tax Credit and shall not be considered as assets, income, or resources to the same extent the credit and its payment would be disregarded pursuant to 26 U.S.C. § 6409 and the general welfare doctrine for purposes of determining eligibility for benefits or assistance, or the amount or extent of those benefits or assistance, under any State or local program, including programs established under 33 V.S.A. § 3512 and chapters 11, 17, 19, 21, 25, and 26. This subsection shall only apply to the extent that it does not conflict with federal law relating to the benefit or assistance program and that any required federal approval or waiver is first obtained for that program.

* * * Child and Dependent Care Tax Credit * * *

Sec. 2. 32 V.S.A. § 5822(d) is amended to read:

(d)(1) A taxpayer shall be entitled to a credit against the tax imposed under this section of 24 percent of each of the credits allowed against the taxpayer's federal income tax for the taxable year as follows: the credit for people who are elderly or permanently totally disabled; and the investment tax credit attributable to the Vermont-property portion of the investment, and child-care and dependent care credits.

* * *

Sec. 3. 32 V.S.A. § 5828c is amended to read:

§ 5828c. ~~LOW-INCOME CHILD AND DEPENDENT CARE CREDIT~~

~~A resident of this State with federal adjusted gross income less than \$30,000.00 (or \$40,000.00 for married, filing jointly) shall be eligible for a refundable credit against the tax imposed under section 5822 of this title. The credit shall be equal to 50 72 percent of the federal child and dependent care credit allowed to the taxpayer for the taxable year for child or dependent care services provided in this State in a registered home or licensed facility certified by the Agency of Human Services as meeting national accreditation or national credential standards endorsed by the Agency. A credit under this section shall be in lieu of any child and dependent care credit available under subsection 5822(d) of this title.~~

* * * Earned Income Tax Credit * * *

Sec. 4. 32 V.S.A. § 5828b(a) is amended to read:

(a) A resident individual or part-year resident individual who is entitled to an earned income tax credit granted under the laws of the United States shall be entitled to a credit against the tax imposed for each year by section 5822 of this title. The credit shall be 36 38 percent of the earned income tax credit granted to the individual under the laws of the United States, multiplied by the percentage that the individual's earned income that is earned or received during the period of the individual's residency in this State bears to the individual's total earned income.

* * * Student Loan Interest Deduction * * *

Sec. 5. 32 V.S.A. § 5811 is amended to read:

§ 5811. DEFINITIONS

~~The following definitions shall apply throughout~~ As used in this chapter unless the context requires otherwise:

* * *

(21) "Taxable income" means, in the case of an individual, federal adjusted gross income determined without regard to 26 U.S.C. § 168(k) and:

* * *

(B) decreased by the following items of income (to the extent such income is included in federal adjusted gross income):

* * *

(iv) the portion of federally taxable benefits received under the federal Social Security Act that is required to be excluded under section 5830e

of this chapter; ~~and~~

* * *

(vi) the amount of interest paid by a qualified resident taxpayer during the taxable year on a qualified education loan for the costs of attendance at an eligible educational institution; and

* * *

(29) As used in subdivision (21)(B)(vi) of this section:

(A) “Qualified education loan” and “eligible educational institution” shall have the same meanings as under 26 U.S.C. § 221(d).

(B) “Qualified resident taxpayer” means an individual qualifying for residency as defined under subdivision (11) of this section and whose adjusted gross income is equal to or less than:

(i) \$120,000.00 if the individual’s filing status is single, head of household, or married filing separately; or

(ii) \$200,000.00 if the individual’s filing status is married filing jointly.

* * * Retirement Income Exclusions * * *

Sec. 6. 32 V.S.A. § 5811(21)(B)(iv) is amended to read:

(iv) the portion of certain retirement income and federally taxable benefits received under the federal Social Security Act that is required to be excluded under section 5830e of this chapter; ~~and~~

Sec. 7. 32 V.S.A. § 5830e is amended to read:

§ 5830e. RETIREMENT INCOME; SOCIAL SECURITY INCOME

(a) Social Security income. The portion of federally taxable Social Security benefits excluded from taxable income under subdivision 5811(21)(B)(iv) of this chapter shall be as follows:

(1) For taxpayers whose filing status is single, married filing separately, head of household, or ~~qualifying widow or widower surviving spouse~~:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to ~~\$45,000.00~~ \$50,000.00, all federally taxable benefits received under the federal Social Security Act shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than ~~\$45,000.00~~ \$50,000.00 but less than ~~\$55,000.00~~ \$60,000.00, the percentage of federally taxable benefits received under the Social Security Act to be excluded shall be proportional to the amount of the taxpayer’s federal

adjusted gross income over ~~\$45,000.00~~ \$50,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from ~~\$55,000.00~~ \$60,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the federally taxable benefits received under the Social Security Act.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than ~~\$55,000.00~~ \$60,000.00, no amount of the federally taxable benefits received under the Social Security Act shall be excluded under this section.

(2) For taxpayers whose filing status is married filing jointly:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to ~~\$60,000.00~~ \$65,000.00, all federally taxable benefits received under the Social Security Act shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than ~~\$60,000.00~~ \$65,000.00 but less than ~~\$70,000.00~~ \$75,000.00, the percentage of federally taxable benefits received under the Social Security Act to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over ~~\$60,000.00~~ \$65,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from ~~\$70,000.00~~ \$75,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the federally taxable benefits received under the Social Security Act.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than ~~\$70,000.00~~ \$75,000.00, no amount of the federally taxable benefits received under the Social Security Act shall be excluded under this section.

(b) Civil Service Retirement System income. The portion of income received from the Civil Service Retirement System excluded from taxable income under subdivision 5811(21)(B)(iv) of this title shall be subject to the limitations under subsection (e) of this section and shall be determined as follows:

(1) For taxpayers whose filing status is single, married filing separately, head of household, or surviving spouse:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to \$50,000.00, the first \$10,000.00 of income received from the Civil Service Retirement System shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$50,000.00 but less than \$60,000.00, the percentage of the first \$10,000.00 of income received from the Civil Service Retirement System to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$50,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$60,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the income received from the Civil Service Retirement System.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than \$60,000.00, no amount of the income received from the Civil Service Retirement System shall be excluded under this section.

(2) For taxpayers whose filing status is married filing jointly:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to \$65,000.00, the first \$10,000.00 of income received from the Civil Service Retirement System shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$65,000.00 but less than \$75,000.00, the percentage of the first \$10,000.00 of income received from the Civil Service Retirement System to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$65,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$75,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the income received from the Civil Service Retirement System.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than \$75,000.00, no amount of the income received from the Civil Service Retirement System shall be excluded under this section.

(c) Other contributory retirement systems; earnings not covered by Social Security. Other retirement income, except U.S. military retirement income pursuant to subsection (d) of this section, received by a taxpayer of this State shall be excluded pursuant to subsection (b) of this section as though the income were received from the Civil Service Retirement System and shall be subject to the limitations under subsection (e) of this section, provided that:

(1) the income is received from a contributory annuity, pension, endowment, or retirement system of:

(A) the U.S. government or a political subdivision or instrumentality of the U.S. government;

(B) this State or a political subdivision or instrumentality of this State; or

(C) another state or a political subdivision or instrumentality of another state; and

(2) the contributory system from which the income is received was based on earnings that were not covered by the Social Security Act.

(d) U.S. military retirement income. U.S. military retirement income received by a taxpayer of this State shall be excluded pursuant to subsection (b) of this section as though the income were received from the Civil Service Retirement System and shall be subject to the limitations under subsection (e) of this section.

(e) Requirement to elect one exclusion. A taxpayer of this State who is eligible during the taxable year for the Social Security income exclusion under subsection (a) of this section and any of the exclusions under subsections (b)–(d) of this section shall elect either one of the exclusions for which the taxpayer is eligible under subsections (b)–(d) of this section or the Social Security income exclusion under subsection (a) of this section, but not both, for the taxable year. A taxpayer of this State who is eligible during the taxable year for more than one of the exclusions under subsections (b)–(d) of this section shall elect only one of the exclusions for which the taxpayer is eligible for the taxable year.

* * * Statutory Purposes for Tax Expenditures * * *

Sec. 8. 32 V.S.A. § 5813 is amended to read:

§ 5813. STATUTORY PURPOSES

* * *

(c) ~~The statutory purpose of the Vermont credit for child and dependent care in subsection 5822(d) of this title is to provide financial assistance to employees who must incur dependent care expenses to stay in the workforce in the absence of prekindergarten programming. [Repealed.]~~

* * *

(r) The statutory purpose of the Vermont ~~low-income~~ child and dependent care tax credit in section 5828c of this title is to provide cash relief to ~~lower-income~~ employees who incur dependent care expenses ~~in certified centers~~ to enable them to remain in the workforce.

* * *

(w) The statutory purpose of the partial exemption of federally taxable benefits under the Social Security Act and certain retirement income in section 5830e of this title is to lessen the tax burden on Vermonters with low to moderate income who derive part of their income from Social Security benefits and certain retirement income.

* * *

(y) The statutory purpose of the Vermont child tax credit in section 5830f of this title is to provide financial support to families with young children.

(z) The statutory purpose of the exclusion from income of student loan interest paid in subdivision 5811(21)(B)(vi) of this title is to lessen the financial impact of higher education debt on Vermonters.

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

Sec. 9. 32 V.S.A. § 5930u(g) is amended to read:

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

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

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

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

* * * Appropriations * * *

Sec. 10. APPROPRIATION; AID FOR THE AGED, BLIND, AND DISABLED

(a) In fiscal year 2023, in addition to other funds provided to the Department for Children and Families, a total of \$750,000.00 in Global Commitment funds is appropriated to increase the payments to eligible individuals in the Aid for the Aged, Blind, and Disabled program. It is the intent of the General Assembly that this increase should be incorporated into the annual budget funding for the Aid for the Aged, Blind, and Disabled program in fiscal year 2024 and after.

(b) In fiscal year 2023, to fund the Global Commitment investment authorized under subsection (a) of this section, there is appropriated to the Secretary's Office of the Agency of Human Services:

(1) the sum of \$330,000.00 from the General Fund; and

(2) the sum of \$420,000.00 from federal funds.

(c) To the extent permitted under federal law, any increase in payments provided under subsection (a) of this section is intended to be retained by recipients in residential care settings by increasing the individuals' personal needs allowance.

Sec. 11. FY 2023 APPROPRIATION; CHILD CARE WORKER RETENTION GRANT PROGRAM

In fiscal year 2023, the sum of \$1,000,000.00 is appropriated from the General Fund to the Department for Children and Families for the early childhood staff and home-based provider retention grant program established in 2021 Acts and Resolves No. 74, Sec. G.300(a)(30), as added by 2022 Acts and Resolves No. 83, Sec. 68 and as may be further amended by the fiscal year 2023 budget act.

* * * Fees * * *

Sec. 12. 9 V.S.A. § 5302(f) is amended to read:

(f) Investment companies subject to 15 U.S.C. § 80a-1 et seq. shall pay to the Commissioner an initial notice filing fee of \$2,000.00 and an annual renewal fee of ~~\$1,500.00~~ \$1,650.00 for each portfolio or class of investment company securities for which a notice filing is submitted.

* * * Effective Dates * * *

Sec. 13. EFFECTIVE DATES

(a) This section shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Secs. 1–8 (income tax credits, deduction and exclusions) shall take effect retroactively on January 1, 2022 and shall apply to taxable years beginning on and after January 1, 2022.

(c) Secs. 9–12 (affordable housing tax credit, appropriations, and fees) shall take effect on July 1, 2022.

And that after passage the title of the bill be amended to read:

An act relating to tax reductions and other aid for Vermonters.

ANN E. CUMMINGS
CHRISTOPHER A. PEARSON
RICHARD A. WESTMAN

Committee on the part of the Senate

JANET ANCEL
EMILIE K. KORNHEISER
SCOTT L. BECK

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Consideration Postponed by Adjournment

S. 234.

House proposal of amendment to Senate bill entitled:

An act relating to changes to Act 250.

Was taken up.

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

* * * Municipal Zoning * * *

Sec. 1. 24 V.S.A. § 2793e is amended to read:

§ 2793e. NEIGHBORHOOD PLANNING AREAS; DESIGNATION OF
NEIGHBORHOOD DEVELOPMENT AREAS

(a) Purpose. This section is intended to encourage a municipality to plan for new and infill housing in the area including and immediately encircling its designated downtown, village center, new town center, or within its designated growth center in order to provide needed housing and to further support the commercial establishments in the designated center. To support this goal, this section sets out a two-component process.

* * *

(b) Definitions.

(1) “Neighborhood planning area” means an automatically delineated area including and encircling a downtown, village center, or new town center designated under this chapter or within a growth center designated under this chapter. A neighborhood planning area is used for the purpose of identifying locations suitable for new and infill housing that will support a development pattern that is compact, oriented to pedestrians, and consistent with smart growth principles. To ensure a compact settlement pattern, the outer boundary of a neighborhood planning area shall be located entirely within the boundaries of the applicant municipality, unless a joint application is submitted by more than one municipality, and shall be determined:

* * *

(c) Application for designation of a neighborhood development area. The State Board shall approve a neighborhood development area if the application demonstrates and includes all of the following elements:

* * *

(5) The proposed neighborhood development area consists of those portions of the neighborhood planning area that are appropriate for new and infill housing, excluding identified flood hazard and fluvial erosion areas, except those areas containing preexisting development in areas suitable for infill development as defined in § 29-201 of the Vermont Flood Hazard Area and River Corridor Rule. In determining what areas are most suitable for new and infill housing, the municipality shall balance local goals for future land use, the availability of land for housing within the neighborhood planning area, and the smart growth principles. Based on those considerations, the municipality shall select an area for neighborhood development area designation that:

(A) Avoids or ~~that~~ minimizes to the extent feasible the inclusion of “important natural resources” as defined in subdivision 2791(14) of this title. If an “important natural resource” is included within a proposed neighborhood development area, the applicant shall identify the resource, explain why the resource was included, describe any anticipated disturbance to such resource,

and describe why the disturbance cannot be avoided or minimized. If the neighborhood development area includes flood hazard areas or river corridors, the local bylaws shall contain provisions consistent with the Agency of Natural Resources' rules required under 10 V.S.A. § 754(a) to ensure that new infill development within a neighborhood development area occurs outside the floodway and will not cause or contribute to fluvial erosion hazards within the river corridor. If the neighborhood development area includes flood hazard areas or river corridors, local bylaws shall also contain provisions to protect river corridors outside the neighborhood development area consistent with the Agency of Natural Resources' rules required under 10 V.S.A. § 754(a).

* * *

(6) ~~The neighborhood development area is served by:~~

~~(A) municipal sewer infrastructure; or~~

~~(B) a community or alternative wastewater system approved by the Agency of Natural Resources. [Repealed.]~~

(7) The municipal bylaws allow minimum net residential densities within the neighborhood development area greater than or equal to four ~~single-family detached~~ dwelling units per acre for all identified residential uses or residential building types, exclusive of accessory dwelling units, or ~~no~~ not fewer than the average existing density of the surrounding neighborhood, whichever is greater. The methodology for calculating density shall be established in the guidelines developed by the Department pursuant to subsection 2792(d) of this title.

* * *

Sec. 2. 24 V.S.A. § 2793b is amended to read:

§ 2793b. DESIGNATION OF NEW TOWN CENTER DEVELOPMENT DISTRICTS

* * *

(b) Within 45 days of receipt of a completed application, the State Board shall designate a new town center development district if the State Board finds, with respect to that district, the municipality has:

* * *

(2) Provided a community investment agreement that has been executed by authorized representatives of the municipal government, businesses and property owners within the district, and community groups with an articulated purpose of supporting downtown interests, and contains the following:

* * *

(B) Regulations enabling ~~high~~ densities that are ~~greater~~ not less than four dwelling units, including all identified residential uses or residential building types, per acre and not less than those allowed in any other part of the municipality not within an area designated under this chapter.

* * *

Sec. 3. 24 V.S.A. § 4449 is amended to read:

§ 4449. ZONING PERMIT, CERTIFICATE OF OCCUPANCY, AND

MUNICIPAL LAND USE PERMIT

(a) Within any municipality in which any bylaws have been adopted:

* * *

(4) No municipal land use permit issued by an appropriate municipal panel or administrative officer, as applicable, for a site plan or conditional use shall be considered abandoned or expired unless more than two years has passed since the permit approval was issued.

* * * Municipal Bylaw Grants * * *

Sec. 4. 24 V.S.A. § 4306 is amended to read:

§ 4306. MUNICIPAL AND REGIONAL PLANNING FUND

(a)(1) The Municipal and Regional Planning Fund for the purpose of assisting municipal and regional planning commissions to carry out the intent of this chapter is hereby created in the State Treasury.

(2) The Fund shall be composed of 17 percent of the revenue from the property transfer tax under 32 V.S.A. chapter 231 and any monies from time to time appropriated to the Fund by the General Assembly or received from any other source, private or public. All balances at the end of any fiscal year shall be carried forward and remain in the Fund. Interest earned by the Fund shall be deposited in the Fund.

(3) Of the revenues in the Fund, each year:

(A) 10 percent shall be disbursed to the Vermont Center for Geographic Information;

(B) 70 percent shall be disbursed to the Secretary of Commerce and Community Development for performance contracts with regional planning commissions to provide regional planning services pursuant to section 4341a of this title; and

(C) 20 percent shall be disbursed to municipalities.

* * *

(c) Funds allocated to municipalities shall be used for the purposes of:

* * *

(4) reasonable and necessary costs of administering the Fund by the Department of Housing and Community Development, not to exceed six percent of the municipality allocation.

(d) New funds allocated to municipalities under this section may take the form of municipal bylaw modernization grants in accordance with section 4307 of this title.

Sec. 5. 24 V.S.A. § 4307 is added to read:

§ 4307. MUNICIPAL BYLAW MODERNIZATION GRANTS

(a) There are created Municipal Bylaw Modernization Grants to assist municipalities in updating their land use and development bylaws. Bylaws updated under this section shall increase housing choice, affordability, and opportunity in areas planned for smart growth. The Grants shall be funded by monies allocated from the municipality allocation of the Municipal and Regional Planning Funds established in subdivision 4306(a)(3)(C) of this title and any other monies appropriated for this purpose.

(b) Disbursement to municipalities shall be administered by the Department of Housing and Community Development through a competitive process providing the opportunity for all regions and any eligible municipality to compete regardless of size.

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

(d) Funding may be used for the cost of regional planning commission staff or consultant time and any other purpose approved by the Department.

(e) A municipality grantee shall use the funds to prepare amendments to bylaws to increase housing choice, affordability, and opportunity and that support a neighborhood development pattern that is pedestrian oriented in areas planned for smart growth consistent with the smart growth principles established in section 2791 of this title and that prioritize projects in designated areas in accordance with chapter 76A of this title.

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

(1) identify municipal water and wastewater disposal infrastructure, municipal water and sewer service areas, and the constraints on that infrastructure based on the best available data;

(2) increase allowed housing types and uses, which may include duplexes to the same extent as single-family homes;

(3) include parking waiver provisions in areas planned for smart growth consistent with smart growth principles as defined in section 2791 of this title and appropriate situations;

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

(5) reduce nonconformities by making the allowed standards principally conform to the existing settlement within any area designated under chapter 76A of this title and increase allowed lot/building/dwelling unit density by adopting dimensional, use, parking, and other standards that allow compact neighborhood form and support walkable lot and dwelling unit density, which may be achieved with a standard allowing at least four units per acre or allowing the receipt of a State or municipal water and wastewater permit to determine allowable density or by other means established in guidelines issued by the Department;

(6) restrict development of and minimize impact to important natural resources, including new development in flood hazard areas, undeveloped floodplains, and river corridor areas, unless lawfully allowed for infill development in §29-201 of the Vermont Flood Hazard Area and River Corridor Rule;

(7) update the municipal plan's housing element as provided in subdivision 4382(a)(10) of this title related to addressing lower- and moderate-income housing needs, implement that element of the plan including through the bylaw amendments, and demonstrate how those bylaws support the implementation of the housing element; and

(8) comply with State and Federal Fair Housing Act, including the fair housing provisions of Vermont's Planning and Development Act.

(g) On or before September 1, 2022, the Department shall adopt guidelines to assist municipalities applying for grants under this section.

Sec. 6. MUNICIPAL BYLAW MODERNIZATION GRANT FUNDING

Of the funds appropriated in fiscal year 2023 to the municipality allocation of the Municipal and Regional Planning Fund, up to \$650,000.00 shall be used for Municipal Bylaw Modernization Grants as established in 24 V.S.A. § 4307.

* * * Accessory Dwelling Units * * *

Sec. 7. 24 V.S.A. § 4414 is amended to read:

§ 4414. ZONING; PERMISSIBLE TYPES OF REGULATIONS

* * *

(4) Parking and loading facilities. A municipality may adopt provisions setting forth standards for permitted and required facilities for off-street parking and loading which may vary by district and by uses within each district. These bylaws may also include provisions covering the location, size, design, access, landscaping, and screening of those facilities. In determining the number and size of parking spaces required under these regulations, the appropriate municipal panel may take into account the existence or availability of employer “transit pass” and rideshare programs, public transit routes, and public parking spaces in the vicinity of the development. However, a municipality shall not require an accessory dwelling unit to have more than one parking space per bedroom.

* * *

* * * Act 250 * * *

Sec. 8. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

* * *

(3)(A) “Development” means each of the following:

* * *

(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. However:

(I) A priority housing project shall constitute a development under this subdivision (iv) only if the number of housing units in the project is:

(aa) [Repealed.]

(bb) [Repealed.]

(cc) 75 or more, in a municipality with a population of 6,000 or more but less than 10,000.

(dd) 50 or more, in a municipality with a population of 3,000 or more but less than 6,000.

(ee) 25 or more, in a municipality with a population of less than 3,000. [Repealed.]

(ff) Notwithstanding subdivisions (cc) through (ee) of this subdivision (3)(A)(iv)(I), 10 or more if the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision (ff) if the Division for Historic Preservation has determined that the proposed demolition will have no adverse effect, will have no adverse effect if specified conditions are met, or will have an adverse effect that will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.

* * *

(D) The word “development” does not include:

* * *

(6) “Floodway” means the channel of a watercourse that is expected to flood on an average of at least once every 100 years and the adjacent land areas that are required to carry and discharge the flood of the watercourse, as determined by the Secretary of Natural Resources with full consideration given to upstream impoundments and flood control projects “Flood hazard area” has the same meaning as under section 752 of this title.

(7) “Floodway fringe” means an area that is outside a floodway and is flooded with an average frequency of once or more in each 100 years, as determined by the Secretary of Natural Resources with full consideration given to upstream impoundments and flood control projects “River corridor” has the same meaning as under section 752 of this title.

* * *

(27) “Mixed income housing” means a housing project in which the following apply:

(A) Owner-occupied housing. At the option of the applicant, owner-occupied housing may be characterized by either of the following:

(i) at least 15 percent of the housing units have a purchase price that at the time of first sale does not exceed 85 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency; or

~~(ii) at least 20 percent of the housing units have a purchase price that at the time of first sale does not exceed 90 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency meet the requirements of affordable owner-occupied housing under subdivision (29)(A) of this section, adjusted for the number of bedrooms, as established and published annually by the Vermont Housing Finance Agency.~~

~~(B) Rental housing. At least 20 percent of the housing units that are rented constitute affordable housing and have a duration of affordability of For not less than 15 years following the date that rental housing is initially placed in service, at least 20 percent of the housing units meet the requirements of affordable rental housing under subdivision (29)(B) of this section, adjusted for the number of bedrooms, as established and published annually by the Vermont Housing Finance Agency.~~

* * *

(35) “Priority housing project” means a discrete project located on a single tract or multiple contiguous tracts of land that consists exclusively of:

~~(A) mixed income housing or mixed use, or any combination thereof, and is located entirely within a designated downtown development district, designated new town center, designated growth center, or designated village center that is also a designated neighborhood development area under 24 V.S.A. chapter 76A; or~~

~~(B) mixed income housing and is located entirely within a designated Vermont neighborhood or designated neighborhood development area under 24 V.S.A. chapter 76A.~~

* * *

Sec. 9. 10 V.S.A. § 6081(p) is amended to read:

~~(p)(1) No permit or permit amendment is required for any change to a project that is located entirely within a downtown development district designated pursuant to 24 V.S.A. § 2793, if the change consists exclusively of any combination of mixed use and mixed income housing, and the cumulative changes within any continuous period of five years, commencing on or after May 28, 2002, remain below any applicable jurisdictional threshold specified in subdivision 6001(3)(A)(iv)(I) of this title.~~

~~(2) No permit or permit amendment is required for a priority housing project in a designated center other than a downtown development district if the project remains below any applicable jurisdictional threshold specified in subdivision 6001(3)(A)(iv)(I) of this title and will comply with all conditions~~

~~of any existing permit or permit amendment issued under this chapter that applies to the tract or tracts on which the project will be located. If such a priority housing project will not comply with one or more of these conditions, an application may be filed pursuant to section 6084 of this title.~~

Sec. 10. 10 V.S.A. § 6084(f) is amended to read:

~~(f) This subsection concerns an application for a new permit amendment to change the conditions of an existing permit or existing permit amendment in order to authorize the construction of a priority housing project described in subdivision 6081(p)(2) of this title.~~

~~(1) The District Commission may authorize a district coordinator to issue such an amendment, without notice and a hearing, if the applicant demonstrates that all parties to the existing permit or existing permit amendment, which contains the condition or conditions proposed to be changed, or their successors in interest have consented to the proposed changes to conditions relative to the criteria for which the party obtained party status.~~

~~(2) If the applicant is not able to obtain the consent of a party or parties or their successors in interest with respect to one or more of the conditions in the existing permit or permit amendment proposed to be changed, the applicant shall file a permit application pursuant to this section. However, review by the District Commission shall be limited to whether the changes to conditions not consented to by the party or parties or their successors in interest enable positive findings to be made under subsection 6086(a) and are authorized under subsection 6086(e) of this title. [Repealed.]~~

* * * Criterion 1(D) * * *

Sec. 11. 10 V.S.A. § 6086 is amended to read:

§ 6086. ISSUANCE OF PERMIT; CONDITIONS AND CRITERIA

(a) Before granting a permit, the District Commission shall find that the subdivision or development:

* * *

(D) Floodways Flood hazard areas; river corridors. A permit will be granted whenever it is demonstrated by the applicant that, in addition to all other applicable criteria:

(i) the development or subdivision of lands within a floodway flood hazard area or river corridor will not restrict or divert the flow of flood waters floodwaters, cause or contribute to fluvial erosion, and endanger the health, safety, and welfare of the public or of riparian owners during flooding; and

~~(ii) the development or subdivision of lands within a floodway fringe will not significantly increase the peak discharge of the river or stream within or downstream from the area of development and endanger the health, safety, or welfare of the public or riparian owners during flooding.~~

* * *

* * * Municipal Response to Act 250 Requests * * *

Sec. 12. 10 V.S.A. 6086(g) is added to read:

(g) If a municipality fails to respond to a request by the applicant within 90 days as to the impacts related to subdivision (a)(6) or (7) of this section, the application will be presumed not to have an unreasonable burden on educational, municipal, or governmental services.

* * * Forest Blocks * * *

Sec. 13. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

* * *

(43) “Connecting habitat” means land or water, or both, that links patches of habitat within a landscape, allowing the movement, migration, and dispersal of wildlife and plants and the functioning of ecological processes. A connecting habitat may include features including recreational trails and improvements constructed for farming, logging, or forestry purposes.

(44) “Forest block” means a contiguous area of forest in any stage of succession and not currently developed for nonforest use. A forest block may include features including recreational trails, wetlands, or other natural features that do not themselves possess tree cover and improvements constructed for farming, logging, or forestry purposes.

(45) “Habitat” means the physical and biological environment in which a particular species of plant or wildlife lives.

Sec. 14. 10 V.S.A. § 6086(a)(8) is amended to read:

(8) Ecosystem protection; scenic beauty; historic sites.

(A) Aesthetics. Will not have an undue adverse effect on the scenic or natural beauty of the area, aesthetics, or historic sites ~~or rare and irreplaceable natural areas.~~

~~(A)~~(B) Necessary wildlife habitat and endangered species. A permit will not be granted if it is demonstrated by any party opposing the applicant

that a development or subdivision will destroy or significantly imperil necessary wildlife habitat or any endangered species; and:

(i) the economic, social, cultural, recreational, or other benefit to the public from the development or subdivision will not outweigh the economic, environmental, or recreational loss to the public from the destruction or imperilment of the habitat or species; or

(ii) all feasible and reasonable means of preventing or lessening the destruction, diminution, or imperilment of the habitat or species have not been or will not continue to be applied; or

(iii) a reasonably acceptable alternative site is owned or controlled by the applicant ~~which~~ that would allow the development or subdivision to fulfill its intended purpose.

(C) Forest blocks and connecting habitat. Will not result in an undue adverse impact on forest blocks, connecting habitat, or rare and irreplaceable natural areas. If a project as proposed would result in an undue adverse impact, a permit may only be granted if effects are avoided or minimized and mitigated in accordance with rules adopted by the Board.

Sec. 15. CRITERION 8(C) RULEMAKING

(a) The Natural Resources Board (Board), in collaboration with the Agency of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6086(a)(8)(C). Rules adopted by the Board shall include:

(1) How forest blocks and connecting habitat are further defined, including their size, location, and function, which may include:

(A) information that will be available to the public to determine where forest blocks and connecting habitat are located; or

(B) advisory mapping resources, how they will be made available, how they will be used, and how they will be updated.

(2) Standards establishing how impacts can be avoided or minimized, including how fragmentation of forest blocks or connecting habitat is avoided or minimized, which may include steps to promote proactive site design of buildings, roadways and driveways, utility location, and location relative to existing features such as roads, tree lines, and fence lines.

(3)(A) As used in this section “fragmentation” generally means dividing land that has naturally occurring vegetation and ecological processes into smaller and smaller areas as a result of land uses that remove vegetation and create physical barriers that limit species’ movement and interrupt ecological

processes between previously connected natural vegetation. However, the rules shall further define “fragmentation” for purposes of avoiding, minimizing, and mitigating undue adverse impacts on forest blocks and connecting habitat. “Fragmentation” does not include the division or conversion of a forest block or connecting habitat by an unpaved recreational trail or by improvements constructed for farming, logging, or forestry purposes below the elevation of 2,500 feet.

(B) As used in this subsection, “recreational trail” has the same meaning as “trails” in 10 V.S.A. § 442.

(4) Criteria to identify the circumstances when a forest block or connecting habitat is eligible for mitigation.

(5) Standards for how impacts to a forest block or connecting habitat may be mitigated. Standards may include:

(A) appropriate ratios for compensation;

(B) appropriate forms of compensation such as conservation easements, fee interests in land, and other forms of compensation; and

(C) appropriate uses of on-site and off-site mitigation.

(b) The Board shall convene a working group of stakeholders to provide input to the rule prior to prefilings with the Interagency Committee on Administrative Rules. The Board shall convene the working group on or before June 1, 2023.

(c) The Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules on or before June 15, 2024.

Sec. 16. 10 V.S.A. § 127 is amended to read:

§ 127. RESOURCE MAPPING

(a) ~~On or before January 15, 2013, the~~ The Secretary of Natural Resources shall complete and maintain resource mapping based on the Geographic Information System (GIS) or other technology. The mapping shall identify natural resources throughout the State, including forest blocks and connecting habitat, that may be relevant to the consideration of energy projects and projects subject to chapter 151 of this title. The Center for Geographic Information shall be available to provide assistance to the Secretary in carrying out the ~~GIS-based~~ resource mapping.

(b) The Secretary of ~~Natural Resources~~ shall consider the ~~GIS-based~~ resource maps developed under subsection (a) of this section when providing evidence and recommendations to the Public Utility Commission under

30 V.S.A. § 248(b)(5) and when commenting on or providing recommendations under chapter 151 of this title to District Commissions on other projects.

(c) The Secretary shall establish and maintain written procedures that include a process and science-based criteria for updating resource maps developed under subsection (a) of this section. Before establishing or revising these procedures, the Secretary shall provide opportunities for affected parties and the public to submit relevant information and recommendations.

* * * Wood Products Manufacturers * * *

Sec. 17. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

* * *

(47) “Wood products manufacturer” means a manufacturer that aggregates wood products from forestry operations and adds value through processing or marketing in the wood products supply chain or directly to consumers through retail sales. “Wood products manufacturer” includes sawmills; veneer mills; pulp mills; pellet mills; producers of firewood, woodchips, mulch, and fuel wood; and log and pulp concentration yards. “Wood products manufacturer” does not include facilities that purchase, market, and resell finished goods, such as wood furniture, wood pellets, and milled lumber, without first receiving wood products from forestry operations.

(48) “Wood product” means logs, pulpwood, veneer wood, bolt wood, wood chips, stud wood, poles, pilings, biomass, fuel wood, maple sap, and bark.

Sec. 18. 10 V.S.A. § 6086(c) is amended to read:

(c)(1) Permit conditions. A permit may contain such requirements and conditions as are allowable proper exercise of the police power and ~~which that~~ are appropriate within the respect to subdivisions (a)(1) through (10) of this section, including those set forth in 24 V.S.A. §§ 4414(4), 4424(a)(2), 4414(1)(D)(i), 4463(b), and 4464, the dedication of lands for public use, and the filing of bonds to ensure compliance. The requirements and conditions incorporated from Title 24 may be applied whether or not a local plan has been adopted. General requirements and conditions may be established by rule of the Natural Resources Board.

(2) Permit conditions on a wood products manufacturer.

(A) When issuing a permit with conditions on wood products manufacturing and delivery, the District Commission shall account for the

seasonal, weather-dependent, land-dependent, and varied conditions unique to the industry.

(B) A permit condition that sets hours of operation for a wood products manufacturer shall only be imposed to mitigate an impact under subdivision (a)(1), (5), or (8) of this section. If an adverse impact under would result, a permit with conditions shall allow the manufacturer to operate while allowing for flexible timing of deliveries of wood products from forestry operations to the manufacturer outside permitted hours of operation, including nights, weekends, and holidays, for the number of days demonstrated by the manufacturer as necessary to enable deliveries, not to exceed 90 days per year.

(C) Permit with conditions on the delivery of wood heat fuels. A permit with conditions issued to a wood products manufacturer that produces wood chips, pellets, cord wood, or other fuel wood used for heat shall allow for flexible delivery of that fuel wood from the manufacturer to the end user outside permitted hours of operation, including nights, weekends, and holidays, from October 1 through April 30 of each year. Permits with conditions shall mitigate the undue adverse impacts while enabling deliveries by the manufacturer.

(D) Permit amendments. A wood products manufacturer holding a permit may request an amendment to existing permit conditions related to hours of operation and seasonal restrictions to be consistent with subdivisions (2) and (3) of this subsection. Requests for condition amendments under this subsection shall not be subject to Act 250 Rule 34(E).

Sec. 19. 10 V.S.A. § 6093 is amended to read:

§ 6093. MITIGATION OF PRIMARY AGRICULTURAL SOILS

(a) Mitigation for loss of primary agricultural soils. Suitable mitigation for the conversion of primary agricultural soils necessary to satisfy subdivision 6086(a)(9)(B)(iv) of this title shall depend on where the project tract is located.

* * *

(5) Wood products manufacturers. Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils by a wood products manufacturer shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection, except that it shall be entitled to a ratio of 1:1 protected acres to acres of affected primary agricultural soil.

* * * One-acre towns * * *

Sec. 20. INTENT; AMENDMENT OF 10 V.S.A. § 6001(3)(A)(ii)

The General Assembly's intent in the amendments to 10 V.S.A. §6001(3)(A)(ii) set forth in Sec. 21 of this act is to clarify the text to reflect the way jurisdiction over commercial and industrial development in towns without permanent zoning and subdivision bylaws has been determined since the passage of Act 250 in 1970. The General Assembly does not intend any provision of this act to be interpreted as a substantive change to determining jurisdiction under 10 V.S.A. § 6001(3)(A)(ii).

Sec. 21. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

* * *

(3)(A) "Development" means each of the following:

(i) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than 10 acres of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes in a municipality that has adopted permanent zoning and subdivision bylaws.

(ii) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than one acre of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes ~~on more than one acre of land within~~ in a municipality that has not adopted permanent zoning and subdivision bylaws.

* * *

* * * Reports * * *

Sec. 22. REPORT; ACT 250 JURISDICTION OVER AGRICULTURAL BUSINESSES

On or before January 15, 2023, the Natural Resources Board shall submit to the General Assembly a report with recommendations on how Act 250 jurisdiction should be applied to agricultural businesses, including those located on properties already operating as farms. The Board shall consult with the Agency of Agriculture, Food and Markets, the Vermont Planners Association, the regional planning commissions, and other interested stakeholders. The report shall include recommendations as to how to clarify what is and what is not an accessory on-farm business. The report shall address the current land use planning requirements for farms and farms with accessory on-farm businesses and whether different types of businesses

associated with farms and farming require different levels of review. The report may consider whether or not the location of such businesses is relevant and may consider the designation or adoption of agricultural business innovation zones with different levels of review.

Sec. 23. DESIGNATED AREA REPORT; APPROPRIATION

(a) The sum of \$150,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2023 for the purpose of hiring a consultant to evaluate the State designation programs established in 24 V.S.A. chapter 76A pursuant to subsection (b) of this section.

(b)(1) The Department of Housing and Community Development shall hire an independent consultant to:

(A) review and assess the State designation programs and incentives established in 24 V.S.A. chapter 76A that recognize and invest in the vitality of Vermont's compact settlement areas; and

(B) conduct statewide stakeholder outreach to support the evaluation of and future improvements to the programs, including participation by State, regional, municipal, and advocacy and non-governmental organizations.

(2) The consultant shall make recommendations on how to:

(A) objectively define and map existing compact settlements as a basis for broader recognition;

(B) improve the consistency between and among regional plans and future land use maps;

(C) modernize these programs, including consideration of program reform or consolidation;

(D) make the designation programs and associated benefits more accessible to municipalities;

(E) apply regulatory and non-regulatory benefits;

(F) strengthen designation and incentives as a platform for place-based economic development, climate-action, complete streets, and equity and efficiency of public investment and service delivery;

(G) implement the smart growth principles established by 24 V.S.A. § 2791; and

(H) achieve the goals established in 24 V.S.A. § 4302.

(3) On or before July 15, 2023, the consultant shall submit a written report to the General Assembly with its findings and any recommendations for legislative action.

Sec. 24. REPORT; NATURAL RESOURCES BOARD

(a) On or before December 31, 2023, the Chair of the Natural Resources Board shall report to the House Committees on Natural Resources, Fish, and Wildlife and on Ways and Means and the Senate Committees on Finance and on Natural Resources and Energy on necessary updates to the Act 250 program.

(b) The report shall include:

(1) How to transition to a system in which Act 250 jurisdiction is based on location, which shall encourage development in designated areas, the maintenance of intact rural working lands, and the protection of natural resources of statewide significance, including biodiversity. Location-based jurisdiction would adjust the threshold for Act 250 jurisdiction based on the characteristics of the location. This section of the report shall consider whether to develop thresholds and tiers of jurisdiction as recommended in the Commission on Act 250: the Next 50 Years Report.

(2) How to use the Capability and Development Plan to meet the statewide planning goals.

(3) An assessment of the current level of staffing of the Board and District Commissions, including whether there should be a district coordinator located in every district.

(4) Whether the permit fees are sufficient to cover the costs of the program and, if not, a recommendation for a source of revenue to supplement the fees.

(5) Whether the permit fees are effective in providing appropriate incentives.

(6) Whether the Board should be able to assess their costs on applicants.

* * * Natural Resources Board * * *

Sec. 25. PURPOSE

The purpose of this act is to strengthen the administration of the Act 250 program by changing the structure, function, and name of the Natural Resources Board. This act requires that appeals of Act 250 permit decisions be heard by a five-member board called the Environmental Review Board. The Environmental Division of the Superior Court would continue to hear the other types of cases within its jurisdiction. The Environmental Review Board would keep the current duties of the Natural Resources Board in addition to hearing appeals. This change would allow the Act 250 program to return to how it was originally envisioned when enacted by being a citizen-friendly

process. The Board would provide oversight, management, and training to the Act 250 program staff and District Commissions and develop Act 250 program policy through permit decisions and rulemaking.

Sec. 26. 10 V.S.A. § 6021 is amended to read:

§ 6021. BOARD; VACANCY; REMOVAL

(a) ~~A Natural Resources Board established.~~ The Environmental Review Board is created to administer the Act 250 program and hear appeals.

(1) The Board shall consist of five members appointed by the Governor, after review and approval by the Environmental Review Board Nominating Committee in accordance with subdivision (2) of this section and confirmed with the advice and consent of the Senate, so that one appointment expires in each year. The Chair shall be a full-time position, and the other four members shall be half-time positions. In making these appointments, the Governor and the Senate shall give consideration to candidates who have experience, expertise, or skills relating to the environment or land use one or more of the following areas: environmental science, natural resources law and policy, land use planning, community planning, or environmental justice.

(A) The Governor shall appoint a chair of the Board, a position that shall be a full-time position. The Governor shall ensure Board membership shall reflect, to the extent possible, the racial, ethnic, gender, and geographic diversity of the State. The Board shall not contain two members who reside in the same county.

(B) Following initial appointments, the members, except for the Chair, shall be appointed for terms of four five years. All terms shall begin on July 1 and expire on June 30. A member may continue serving until a successor is appointed. The initial appointments shall be for staggered terms.

(2) ~~The Governor shall appoint up to five persons, with preference given to former Environmental Board, Natural Resources Board, or District Commission members, with the advice and consent of the Senate, to serve as alternates for Board members.~~

(A) ~~Alternates shall be appointed for terms of four years, with initial appointments being staggered~~ The Environmental Review Board Nominating Committee shall advertise the position when a vacancy will occur on the Environmental Review Board.

(B) ~~The Chair of the Board may assign alternates to sit on specific matters before the Board in situations where fewer than five members are available to serve~~ The Nominating Committee shall review the applicants to determine which are well-qualified for appointment to the Board and shall

recommend those candidates to the Governor. The names of candidates shall be confidential.

(C) The Governor shall appoint, with the advice and consent of the Senate, a chair and four members of the Board from the list of well-qualified candidates sent to the Governor by the Committee.

(b) Any vacancy occurring in the membership of the Board shall be filled by the Governor for the unexpired portion of the term Terms; vacancy; succession. The term of each appointment subsequent to the initial appointments described in subsection (a) of this section shall be five years. Any appointment to fill a vacancy shall be for the unexpired portion of the term vacated. A member may seek reappointment by informing the Governor. If the Governor decides not to reappoint the member, the Nominating Committee shall advertise the vacancy.

(c) Removal. Notwithstanding the provisions of 3 V.S.A. § 2004, members shall only be removable for cause only, except the Chair, who shall serve at the pleasure of the Governor by the remaining members of the Board in accordance with the Vermont Administrative Procedures Act. The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for removal.

(d) Disqualified members. The Chair of the Board, upon request of the Chair of a District Commission, may appoint and assign former Commission members to sit on specific Commission cases when some or all of the regular members and alternates of the District Commission are disqualified or otherwise unable to serve.

(e) Retirement from office. When a Board member who hears all or a substantial part of a case retires from office before the case is completed, the member may remain a member of the Board, at the member's discretion, for the purpose of concluding and deciding that case and signing the findings and judgments involved. A retiring Chair shall also remain a member for the purpose of certifying questions of law if a party appeals to the Supreme Court. For the service, the member shall receive a reasonable compensation to be fixed by the remaining members of the Board and necessary expenses while on official business.

Sec. 27. 10 V.S.A. § 6032 is added to read:

§ 6032. ENVIRONMENTAL REVIEW BOARD NOMINATING
COMMITTEE

(a) Creation. The Environmental Review Board Nominating Committee is created for the purpose of assessing the qualifications of applicants for appointment to the Environmental Review Board in accordance with section

6021 of this title.

(b) Members. The Committee shall consist of seven members who shall be appointed as follows:

(1) The Governor shall appoint three members from the Executive Branch, with at least one being an employee of the Department of Human Resources.

(2) The Speaker of the House of Representatives shall appoint two members from the House of Representatives.

(3) The Senate Committee on Committees shall appoint two members from the Senate.

(c) Terms. The members of the Committee shall serve for terms of two years. Members shall serve until their successors are appointed. Members shall serve not more than three consecutive terms in any capacity. A legislative member who is appointed as a member of the Committee shall retain the position for the term appointed to the Committee even if the member is subsequently not reelected to the General Assembly during the member's term on the Committee.

(d) Chair. The members shall elect their own chair.

(e) Quorum. A quorum of the Committee shall consist of four members.

(f) Staff and services. The Committee is authorized to use the staff and services of appropriate State agencies and departments as necessary to conduct investigations of applicants.

(g) Confidentiality. Except as provided in subsection (h) of this section, proceedings of the Committee, including the names of candidates considered by the Committee and information about any candidate submitted to the Governor, shall be confidential. The provisions of 1 V.S.A. § 317(e) (expiration of Public Records Act exemptions) shall not apply to the exemptions or confidentiality provisions in this subsection.

(h) Public information. The following shall be public:

(1) operating procedures of the Committee;

(2) standard application forms and any other forms used by the Committee, provided they do not contain personal information about a candidate or confidential proceedings;

(3) all proceedings of the Committee prior to the receipt of the first candidate's completed application; and

(4) at the time the Committee sends the names of the candidates to the

Governor, the total number of applicants for the vacancies and the total number of candidates sent to the Governor.

(i) Reimbursement. Legislative members of the Committee shall be entitled to per diem compensation and reimbursement for expenses in accordance with 2 V.S.A. § 23. Compensation and reimbursement shall be paid from the legislative appropriation.

(j) Duties.

(1) When a vacancy occurs, the Committee shall review applicants to determine which are well-qualified for the Board and submit those names to the Governor. The Committee shall submit to the Governor a summary of the qualifications and experience of each candidate whose name is submitted to the Governor, together with any further information relevant to the matter.

(2) An applicant for the position of member of the Environmental Review Board shall not be required to be an attorney. If the candidate is admitted to practice law in Vermont or practices a profession requiring licensure, certification, or other professional regulation by the State, the Committee shall submit the candidate's name to the Court Administrator or the applicable State professional regulatory entity, and that entity shall disclose to the Committee any professional disciplinary action taken or pending concerning the candidate.

(3) Candidates shall be sought who have experience, expertise, or skills relating to one or more of the following areas: environmental science, natural resources law and policy, land use planning, community planning, or environmental justice.

(4) The Committee shall ensure a candidate possesses the following attributes:

(A) Integrity. A candidate shall possess a record and reputation for excellent character and integrity.

(B) Impartiality. A candidate shall exhibit an ability to make judicial determinations in a manner free of bias.

(C) Work ethic. A candidate shall demonstrate diligence.

(D) Availability. A candidate shall have adequate time to dedicate to the position.

Sec. 28. 10 V.S.A. § 6025 is amended to read:

§ 6025. RULES

(a) The Board may adopt rules of procedure for itself and the District

Commissions. The Board shall adopt rules of procedure that govern appeals and other contested cases before it that are consistent with this chapter.

* * *

Sec. 29. 10 V.S.A. § 6027 is amended to read:

§ 6027. POWERS

(a) The Board and District Commissions ~~each~~ shall have supervisory authority in environmental matters respecting projects within their jurisdiction and shall apply their independent judgment in determining facts and interpreting law. Each shall have the power, with respect to any matter within its jurisdiction, to:

(1) administer oaths, take depositions, subpoena and compel the attendance of witnesses, and require the production of evidence;

(2) allow parties to enter upon lands of other parties for the purposes of inspecting and investigating conditions related to the matter before the Board or Commission;

(3) enter upon lands for the purpose of conducting inspections, investigations, examinations, tests, and site evaluations as it deems necessary to verify information presented in any matter within its jurisdiction; and

(4) apply for and receive grants from the federal government and from other sources.

(b) The powers granted under this chapter are additional to any other powers ~~which~~ that may be granted by other legislation.

(c) ~~The Natural Resources Board may designate or establish such regional offices as it deems necessary to implement the provisions of this chapter and the rules adopted hereunder.~~ The Natural Resources Board may designate or require a regional planning commission to receive applications, provide administrative assistance, perform investigations, and make recommendations.

(d) At the request of a District Commission, if the Board Chair determines that the workload in the requesting district is likely to result in unreasonable delays or that the requesting District Commission is disqualified to hear a case, the Chair may authorize the District Commission of another district to sit in the requesting district to consider one or more applications.

(e) ~~The Natural Resources Board may by rule allow joint hearings to be conducted with specified State agencies or specified municipalities.~~

(f) The Board shall publish its decisions online. The Board may publish online or contract to publish annotations and indices of its decisions, the

decisions of the Environmental Division of the Superior Court and the Supreme Court, and the text of those decisions. The published product shall be available at a reasonable rate to the general public and at a reduced rate to libraries and governmental bodies within the State.

(g) The ~~Natural Resources~~ Board shall manage the process by which land use permits are issued under section 6086 of this title, may initiate enforcement on related matters under the provisions of chapters 201 and 211 of this title, and may ~~petition the Environmental Division~~ initiate and hear petitions for revocation of land use permits issued under this chapter. Grounds for revocation are:

(1) noncompliance with this chapter, rules adopted under this chapter, or an order that is issued that relates to this chapter;

(2) noncompliance with any permit or permit condition;

(3) failure to disclose all relevant and material facts in the application or during the permitting process;

(4) misrepresentation of any relevant and material fact at any time;

(5) failure to pay a penalty or other sums owed pursuant to, or other failure to comply with, court order, stipulation agreement, schedule of compliance, or other order issued under Vermont statutes and related to the permit; or

(6) failure to provide certification of construction costs, as required under subsection 6083a(a) of this title, or failure to pay supplemental fees as required under that section.

(h) The ~~Natural Resources~~ Board may hear appeals of fee refund requests under section 6083a of this title. The Board shall hear appeals of decisions made by District Commissions and district coordinators.

(i) The Chair, subject to the direction of the Board, shall have general charge of the offices and employees of the Board and the offices and employees of the District Commissions.

(j) ~~The Natural Resources Board may participate as a party in all matters before the Environmental Division that relate to land use permits issued under this chapter.~~ [Repealed.]

* * *

Sec. 30. 10 V.S.A. § 6022 is amended to read:

§ 6022. PERSONNEL

(a) Regular personnel. The Board may appoint legal counsel, scientists,

engineers, experts, investigators, temporary employees, and administrative personnel as it finds necessary in carrying out its duties, unless the Governor shall otherwise provide in providing personnel to assist the District Commissions and in investigating matters within its jurisdiction.

(b) Executive Director. The Board shall appoint an Executive Director. The Director shall be a full-time State employee, shall be exempt from the State classified system, and shall serve at the pleasure of the Board. The Director shall be responsible for:

(1) supervising and administering the operation and implementation of this chapter and the rules adopted by the Board as directed by the Board;

(2) assisting the Board in its duties and administering the requirements of this chapter;

(3) employing such staff as may be required to carry out the functions of the Board; and

(4) preparing an annual budget for submission to the Board.

Sec. 31. 10 V.S.A. § 6084 is amended to read:

§ 6084. NOTICE OF APPLICATION; HEARINGS; COMMENCEMENT OF REVIEW

~~(a) On or before the date of~~ Upon the filing of an application with the District Commission, the ~~applicant~~ District Commission shall send, by electronic means, ~~notice and a copy of the initial application to the owner of the land if the applicant is not the owner; the municipality in which the land is located; the municipal and regional planning commissions for the municipality in which the land is located; the Vermont Agency of Natural Resources; and any adjacent Vermont municipality and municipal and regional planning commission if the land is located on a municipal or regional boundary. The applicant shall furnish to the District Commission the names of those furnished notice by affidavit, and shall post~~ send by electronic means a copy of the notice ~~in to~~ to the town clerk's office of the town or towns in which the project lies. The town clerk shall post the notice in the town office. The applicant shall also provide a list of adjoining landowners to the District Commission. Upon request and for good cause, the District Commission may authorize the applicant to provide a partial list of adjoining landowners in accordance with Board rules.

* * *

(e) Any notice for a major or minor application, as required by this section, shall also be published by the District Commission in a local newspaper generally circulating in the area where the development or subdivision is

located and on the Board's website not more than ten days after receipt of a complete application.

* * *

Sec. 32. 10 V.S.A. § 6086(f) is amended to read:

(f) Prior to any appeal of a permit issued by a District Commission, any aggrieved party may file a request for a stay of construction with the District Commission together with a declaration of intent to appeal the permit. The stay request shall be automatically granted for seven days upon receipt and notice to all parties and pending a ruling on the merits of the stay request pursuant to Board rules. The automatic stay shall not extend beyond the 30-day appeal period unless a valid appeal has been filed with the Environmental Division Board. The automatic stay may be granted only once under this subsection during the 30-day appeal period. Following appeal of the District Commission decision, any stay request must be filed with the Environmental Division pursuant to the provisions of chapter 220 of this title Board. A District Commission shall not stay construction authorized by a permit processed under the Board's minor application procedures.

Sec. 33. 10 V.S.A. § 6089 is amended to read:

§ 6089. APPEALS

~~Appeals of any act or decision of a District Commission under this chapter or a district coordinator under subsection 6007(c) of this title shall be made to the Environmental Division in accordance with chapter 220 of this title. For the purpose of this section, a decision of the Chair of a District Commission under section 6001e of this title on whether action has been taken to circumvent the requirements of this chapter shall be considered an act or decision of the District Commission.~~

(a)(1) An appeal of any act or decision of a District Commission shall be to the Board and shall be accompanied by a fee prescribed by section 6083a of this title.

(2) Participation before District Commission. A person shall not appeal an act or decision that was made by a District Commission unless the person was granted party status by the District Commission pursuant to subdivision 6085(c)(1)(E) of this title, participated in the proceedings before the District Commission, and retained party status at the end of the District Commission proceedings. In addition, the person may only appeal those issues under the criteria with respect to which the person was granted party status. However, notwithstanding these limitations, a person may appeal an act or decision of the District Commission if the Board determines that:

(A) there was a procedural defect that prevented the person from obtaining party status or participating in the proceeding;

(B) the decision being appealed is the grant or denial of party status;
or

(C) some other condition exists that would result in manifest injustice if the person's right to appeal was disallowed.

(3) An appellant to the Board, under this section, shall file with the notice of appeal a statement of the issues to be addressed in the appeal, a summary of the evidence that will be presented, and a preliminary list of witnesses who will testify on behalf of the appellant.

(4) The Board shall hold a de novo hearing on all findings requested by any party that files an appeal or cross appeal, according to the rules of the Board. The hearing shall be held in the municipality where the project subject to the appeal is located, if possible, or as close as possible.

(5) Notice of appeal shall be filed with the Board within 30 days following the act or decision by the District Commission. The Board shall notify the parties who had party status before the District Commission of the filing of any appeal.

(6) Prehearing discovery.

(A) A party may obtain discovery of expert witnesses who may provide testimony relevant to the appeal. Expert witness prefiled testimony shall be in accordance with the Vermont Rules of Evidence. The use of discovery for experts shall comply with the requirements in the Vermont Rules of Civil Procedure 26–37.

(B) Interrogatories served on nonexpert witnesses shall be limited to discovery of the identity of witnesses and a summary of each witness' testimony, except by order of the Board for cause shown. Interrogatories served on expert witnesses shall be in accordance with the Vermont Rules of Civil Procedure.

(C) Parties may submit requests to produce and requests to enter upon land pursuant to the Vermont Rule of Civil Procedure 34.

(D) Parties may not take depositions of witnesses, except by order of the Board for cause shown.

(E) The Board may require a party to supplement, as necessary, any prehearing testimony that is provided.

(b) Prior decisions of the former Environmental Board, Water Resources Board, Waste Facilities Panel, and Environmental Division of the Superior

Court shall be given the same weight and consideration as prior decisions of the Environmental Review Board.

(c) An appeal from a decision of the Board under subsection (a) of this section shall be to the Supreme Court by a party as set forth in subsection 6085(c) of this title.

(d) No objection that has not been raised before the Board may be considered by the Supreme Court, unless the failure or neglect to urge such objection shall be excused because of extraordinary circumstances.

(e) An appeal of a decision by the Board shall be allowed pursuant to 3 V.S.A. § 815, including the unreasonableness or insufficiency of the conditions attached to a permit. An appeal from the District Commission shall be allowed for any reason, except no appeal shall be allowed when an application has been granted and no hearing was requested.

(f) Precedent from the former Environmental Board and of the Environmental Review Board that interpret Act 250 shall be provided the same deference by the Supreme Court as precedents accorded to other Executive Branch agencies charged with administering their enabling act. On appeal to the Supreme Court from the Environmental Review Board, decisions of the Environmental Review Board interpreting this act also shall be accorded that deference.

(g) Upon appeal to the Supreme Court, the Board's findings of fact shall be accepted unless clearly erroneous.

(h) Completion of case. A case shall be deemed completed when the Board enters a final decision even though that decision is appealed to the Supreme Court and remanded by that Court.

(i) Court of record; jurisdiction. The Board shall have the powers of a court of record in the determination and adjudication of all matters within its jurisdiction. It may initiate proceedings on any matter within its jurisdiction. It may render judgments and enforce the same by any suitable process issuable by courts in this State. An order issued by the Board on any matter within its jurisdiction shall have the effect of a judicial order. The Board's jurisdiction shall include:

(1) the issuance of declaratory rulings on the applicability of this chapter and rules or orders issued under this chapter, pursuant to 3 V.S.A. § 808; and

(2) the issuance of decisions on appeals pursuant to sections 6007 and 6089 of this title.

Sec. 34. 10 V.S.A. § 6007 is amended to read:

§ 6007. ACT 250 DISCLOSURE STATEMENT; JURISDICTIONAL
DETERMINATION

* * *

(c) With respect to the partition or division of land, or with respect to an activity that might or might not constitute development, any person may submit to the district coordinator an “Act 250 Disclosure Statement” and other information required by the rules of the Board and may request a jurisdictional opinion from the district coordinator concerning the applicability of this chapter. If a requestor wishes a final determination to be rendered on the question, the district coordinator, at the expense of the requestor and in accordance with rules of the Board, shall publish notice of the issuance of the opinion in a local newspaper generally circulating in the area where the land that is the subject of the opinion is located and shall serve the opinion on all persons listed in subdivisions 6085(c)(1)(A) through (D) of this title. In addition, the requestor who is seeking a final determination shall consult with the district coordinator and obtain approval of a subdivision 6085(c)(1)(E) list of persons who shall be notified by the district coordinator because they are adjoining property owners or other persons who would be likely to be able to demonstrate a particularized interest protected by this chapter that may be affected by an act or decision by a District Commission.

(d) A person who seeks review of a jurisdictional opinion issued by a district coordinator may bring to the Board an appeal of issues addressed in the opinion.

(1) The appellant shall provide notice of the filing of an appeal to each person entitled to notice under subdivisions 6085(c)(1)(A) through (D) of this title and to each person on an approved subdivision 6085(c)(1)(E) list.

(2) Failure to appeal within 30 days following the issuance of the jurisdictional opinion shall render the decision of the district coordinator under subsection (c) of this section the final determination regarding jurisdiction unless the underlying jurisdictional opinion was not properly served on persons listed in subdivisions 6085(c)(1)(A) through (D) of this title and on persons on a subdivision 6085(c)(1)(E) list approved under subsection (c) of this section.

Sec. 35. 10 V.S.A. § 6083a is amended to read:

§ 6083a. ACT 250 FEES

* * *

(i) All persons filing an appeal, cross appeal, or petition from a District

Commission decision or jurisdictional determination shall pay a fee of \$295.00, plus publication costs.

* * * Appeals * * *

Sec. 36. 10 V.S.A. chapter 220 is amended to read:

CHAPTER 220. CONSOLIDATED ENVIRONMENTAL APPEALS

§ 8501. PURPOSE

It is the purpose of this chapter to:

(1) consolidate existing appeal routes for municipal zoning and subdivision decisions and acts or decisions of the Secretary of Natural Resources, ~~district environmental coordinators, and District Commissions,~~ excluding enforcement actions brought pursuant to chapters 201 and 211 of this title and the adoption of rules under 3 V.S.A. chapter 25;

(2) standardize the appeal periods, the parties who may appeal these acts or decisions, and the ability to stay any act or decision upon appeal, taking into account the nature of the different programs affected;

(3) ~~encourage people to get involved in the Act 250 permitting process at the initial stages of review by a District Commission by requiring participation as a prerequisite for an appeal of a District Commission decision to the Environmental Division;~~

(4) ~~assure~~ ensure that clear appeal routes exist for acts and decisions of the Secretary of Natural Resources; and

(5)(4) consolidate appeals of decisions related to renewable energy generation plants and telecommunications facilities with review under, respectively, 30 V.S.A. §§ 248 and 248a, with appeals and consolidation of proceedings pertaining to telecommunications facilities occurring only while 30 V.S.A. § 248a remains in effect.

§ 8502. DEFINITIONS

As used in this chapter:

(1) “~~District Commission~~” means a ~~District Environmental Commission established under chapter 151 of this title.~~ [Repealed.]

(2) “~~District coordinator~~” means a ~~district environmental coordinator attached to a District Commission established under chapter 151 of this title.~~ [Repealed.]

(3) “Environmental Court” or “Environmental Division” means the Environmental Division of the Superior Court established by 4 V.S.A. § 30.

(4) ~~“Natural Resources~~ Environmental Review Board” or “Board” means the Board established under chapter 151 of this title.

(5) “Party by right” means the following:

(A) the applicant;

(B) the landowner, if the applicant is not the landowner;

(C) the municipality in which the project site is located and the municipal and regional planning commissions for that municipality;

(D) if the project site is located on a boundary, any Vermont municipality adjacent to that border and the municipal and regional planning commissions for that municipality;

(E) the solid waste management district in which the land is located, if the development or subdivision constitutes a facility pursuant to subdivision 6602(10) of this title;

(F) any State agency affected by the proposed project.

(6) “Person” means any individual; partnership; company; corporation; association; joint venture; trust; municipality; the State of Vermont or any agency, department, or subdivision of the State; any federal agency; or any other legal or commercial entity.

(7) “Person aggrieved” means a person who alleges an injury to a particularized interest protected by the provisions of law listed in section 8503 of this title, attributable to an act or decision by ~~a district coordinator, District Commission,~~ the Secretary, or the Environmental Division that can be redressed by the Environmental Division or the Supreme Court.

(8) “Secretary” means the Secretary of Natural Resources or the Secretary’s duly authorized representative. As used in this chapter, “Secretary” shall also mean the Commissioner of Environmental Conservation, the Commissioner of Forests, Parks and Recreation, and the Commissioner of Fish and Wildlife, with respect to those statutes that refer to the authority of that commissioner or department.

§ 8503. APPLICABILITY

(a) This chapter shall govern all appeals of an act or decision of the Secretary, excluding enforcement actions under chapters 201 and 211 of this title and rulemaking, under the following authorities and under the rules adopted under those authorities:

* * *

(b) ~~This chapter shall govern:~~

~~(1) all appeals from an act or decision of a District Commission under chapter 151 of this title, excluding appeals of application fee refund requests;~~

~~(2) appeals from an act or decision of a district coordinator under subsection 6007(c) of this title;~~

~~(3) appeals from findings of fact and conclusions of law issued by the Natural Resources Board in its review of a designated growth center for conformance with the criteria of subsection 6086(a) of this title, pursuant to authority granted at 24 V.S.A. § 2793e(f). [Repealed.]~~

(c) This chapter shall govern all appeals arising under 24 V.S.A. chapter 117, the planning and zoning chapter.

(d) This chapter shall govern all appeals from an act or decision of the Environmental Division under this chapter.

(e) This chapter shall not govern appeals from rulemaking decisions by the ~~Natural Resources~~ Environmental Review Board under chapter 151 of this title or enforcement actions under chapters 201 and 211 of this title.

(f) This chapter shall govern all appeals of acts or decisions of the legislative body of a municipality arising under 24 V.S.A. chapter 61, subchapter 10, relating to the municipal certificate of approved location for salvage yards.

(g) This chapter shall govern all appeals of an act or decision of the Secretary of Natural Resources that a solid waste implementation plan for a municipality proposed under 24 V.S.A. § 2202a conforms with the State Solid Waste Implementation Plan adopted pursuant to section 6604 of this title.

§ 8504. APPEALS TO THE ENVIRONMENTAL DIVISION

(a) ~~Act 250 and Agency appeals.~~ Within 30 days of the date of following the act or decision, any person aggrieved by an act or decision of the Secretary, ~~a District Commission, or a district coordinator~~ under the provisions of law listed in section 8503 of this title, or any party by right, may appeal to the Environmental Division, except for an act or decision of the Secretary under subdivision 6086b(3)(E) of this title or governed by section 8506 of this title.

* * *

(c) Notice of the filing of an appeal.

~~(1) Upon filing an appeal from an act or decision of the District Commission, the appellant shall notify all parties who had party status as of the end of the District Commission proceeding, all friends of the Commission, and the Natural Resources Board that an appeal is being filed. In addition, the~~

~~appellant shall publish notice not more than 10 days after providing notice as required under this subsection, at the appellant's expense, in a newspaper of general circulation in the area of the project that is the subject of the decision. [Repealed.]~~

~~* * *~~

~~(d) Requirement to participate before the District Commission or the Secretary.~~

~~(1) Participation before District Commission. An aggrieved person shall not appeal an act or decision that was made by a District Commission unless the person was granted party status by the District Commission pursuant to subdivision 6085(c)(1)(E) of this title, participated in the proceedings before the District Commission, and retained party status at the end of the District Commission proceedings. In addition, the person may only appeal those issues under the criteria with respect to which the person was granted party status. However, notwithstanding these limitations, an aggrieved person may appeal an act or decision of the District Commission if the Environmental judge determines that:~~

~~(A) there was a procedural defect that prevented the person from obtaining party status or participating in the proceeding;~~

~~(B) the decision being appealed is the grant or denial of party status;~~
~~or~~

~~(C) some other condition exists that would result in manifest injustice if the person's right to appeal was disallowed. [Repealed.]~~

~~(2) Participation before the Secretary.~~

~~* * *~~

~~(e) Act 250 jurisdictional determinations by a district coordinator.~~

~~(1) The appellant shall provide notice of the filing of an appeal to each person entitled to notice under subdivisions 6085(c)(1)(A) through (D) of this title, to each person on an approved subdivision 6085(c)(1)(E) list, and to the Natural Resources Board.~~

~~(2) Failure to appeal within the time required under subsection (a) of this section shall render the decision of the district coordinator under subsection 6007(c) of this title the final determination regarding jurisdiction under chapter 151 of this title unless the underlying jurisdictional opinion was not properly served on persons listed in subdivisions 6085(c)(1)(A) through (D) of this title and on persons on a subdivision 6085(c)(1)(E) list approved under subsection 6007(c) of this title. [Repealed.]~~

* * *

(g) Consolidated appeals. The Environmental Division may consolidate or coordinate different appeals where those appeals all relate to the same project.

* * *

~~(i) Deference to Agency technical determinations. In the adjudication of appeals relating to land use permits under chapter 151 of this title, technical determinations of the Secretary shall be accorded the same deference as they are accorded by a District Commission under subsection 6086(d) of this title. [Repealed.]~~

* * *

(k) Limitations on appeals. Notwithstanding any other provision of this section:

~~(1) there shall be no appeal from a District Commission decision when the Commission has issued a permit and no hearing was requested or held, or no motion to alter was filed following the issuance of an administrative amendment;~~

(2) a municipal decision regarding whether a particular application qualifies for a recorded hearing under 24 V.S.A. § 4471(b) shall not be subject to appeal;

~~(3) if a District Commission issues a partial decision under subsection 6086(b) of this title, any appeal of that decision must be taken within 30 days of the date of that decision.~~

(l) Representation. The Secretary may represent the Agency of Natural Resources in all appeals under this section. ~~The Chair of the Natural Resources Board may represent the Board in any appeal under this section, unless the Board directs otherwise. If more than one State agency, other than the Board, either appeals or seeks to intervene in an appeal under this section, only the Attorney General may represent the interests of those agencies of the State in the appeal.~~

(m) Precedent. Prior decisions of the Environmental Board, Water Resources Board, and Waste Facilities Panel shall be given the same weight and consideration as prior decisions of the Environmental Division.

(n) Intervention. Any person may intervene in a pending appeal if that person:

(1) appeared as a party in the action appealed from and retained party status;

- (2) is a party by right;
- (3) ~~is the Natural Resources Board; [Repealed.]~~
- (4) is a person aggrieved, as defined in this chapter;
- (5) qualifies as an “interested person,” as established in 24 V.S.A. § 4465, with respect to appeals under 24 V.S.A. chapter 117; or
- (6) meets the standard for intervention established in the Vermont Rules of Civil Procedure.

(o) With respect to review of an act or decision of the Secretary pursuant to 3 V.S.A. § 2809, the Division may reverse the act or decision or amend an allocation of costs to an applicant only if the Division determines that the act, decision, or allocation was arbitrary, capricious, or an abuse of discretion. In the absence of such a determination, the Division shall require the applicant to pay the Secretary all costs assessed pursuant to 3 V.S.A. § 2809.

(p) Administrative record. The Secretary shall certify the administrative record as defined in chapter 170 of this title and shall transfer a certified copy of that record to the Environmental Division when:

~~(1) there is an appeal of an act or decision of the Secretary that is based on that record; or~~

~~(2) there is an appeal of a decision of a District Commission, and the applicant used a decision of the Secretary based on that record to create a presumption under a criterion of subsection 6086(a) of this title that is at issue in the appeal.~~

§ 8505. APPEALS TO THE SUPREME COURT

(a) Any person aggrieved by a decision of the Environmental Division pursuant to this subchapter, any party by right, or any person aggrieved by a decision of the Environmental Review Board may appeal to the Supreme Court within 30 days ~~of~~ following the date of the entry of the order or judgment appealed from, provided that:

(1) the person was a party to the proceeding before the Environmental Division; ~~or~~

(2) the decision being appealed is the denial of party status; or

(3) the Supreme Court determines that:

(A) there was a procedural defect that prevented the person from participating in the proceeding; or

(B) some other condition exists that would result in manifest injustice if the person’s right to appeal were disallowed.

* * *

* * * Environmental Division * * *

Sec. 37. 4 V.S.A. § 34 is amended to read:

§ 34. JURISDICTION; ENVIRONMENTAL DIVISION

The Environmental Division shall have:

- (1) jurisdiction of matters arising under 10 V.S.A. chapters 201 and 220;
and
- (2) jurisdiction of matters arising under 24 V.S.A. chapter 61,
subchapter 12 and 24 V.S.A. chapter 117; and
- (3) ~~original jurisdiction to revoke permits under 10 V.S.A. chapter 151.~~

* * * Appropriation; Transition; Revision Authority * * *

Sec. 38. ENVIRONMENTAL REVIEW BOARD POSITIONS;
APPROPRIATION

(a) The following new positions are created at the Environmental Review Board for the purposes of carrying out this act:

- (1) one Staff Attorney 1; and
- (2) four half-time Environmental Review Board members.

(b) The sum of \$384,000.00 is appropriated to the Environmental Review Board from the General Fund in fiscal year 2023 for the positions established in subsection (a) of this section and for additional operating costs required to implement the appeals process established in this act.

Sec. 39. NATURAL RESOURCES BOARD TRANSITION

(a) The Governor shall appoint the members of Environmental Review Board on or before July 1, 2023, and the terms of any Natural Resources Board member not appointed consistent with the requirements of 10 V.S.A. § 6021(a)(1)(A) or (B) shall expire on that day.

(b) As of July 1, 2023, all appropriations and employee positions of the Natural Resources Board are transferred to the Environmental Review Board.

(c) The Environmental Review Board shall adopt rules of procedure for its hearing process pursuant to 10 V.S.A. § 6025(a) on or before July 1, 2024.

Sec. 40. ENVIRONMENTAL DIVISION; CONTINUED JURISDICTION

Notwithstanding the repeal of its jurisdictional authority to hear appeals relative to land use permits under Sec. 36 of this act, the Environmental Division of the Superior Court shall continue to have jurisdiction to complete

its consideration of any appeal that is pending before it as of July 1, 2024 if the act or appeal has been filed. The Environmental Review Board shall have authority to be a party in any appeals pending under this section until July 1, 2024.

Sec. 41. REVISION AUTHORITY

In preparing the Vermont Statutes Annotated for publication in 2022, the Office of Legislative Counsel shall replace all references to the “Natural Resources Board” with the “Environmental Review Board” in Title 3, Title 10, Title 24, Title 29, Title 30, and Title 32.

* * * Effective Dates * * *

Sec. 42. EFFECTIVE DATES

This act shall take effect on passage except that Sec. 14 (10 V.S.A. § 6086(a)(8)) shall take effect on September 1, 2024 and Secs. 36 and 37 (10 V.S.A. chapter 220; 4 V.S.A. § 34) shall take effect on July 1, 2024.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Chittenden moved that the Senate concur in the House proposal of amendment with amendments as follows:

First: By striking out Secs. 13-16, forest blocks, and their reading assistance heading in their entirety

Second: By striking out Secs. 25–41, Natural Resources Board, and their reader assistance headings in their entirety and by renumbering the remaining sections to be numerically correct

Third: By striking out the newly renumbered Sec. 21, effective dates, in its entirety and inserting in lieu thereof the following:

Sec. 21. EFFECTIVE DATE

This act shall take effect on passage.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment with further proposals of amendment?, Senator Chittenden requested and was granted leave to withdraw the proposal of amendment.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Sears moved that the Senate concur in the House proposal of amendment with an amendment as follows:

In Sec. 25 by striking out the following: “This change would allow the Act 250 program to return to how it was originally envisioned when enacted by being a citizen-friendly process.”

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment with further proposal of amendment, as proposed by Senator Sears?, Senator Balint moved that the Senate adjourn until one o'clock and thirty minutes in the afternoon.

Called to Order

The Senate was called to order by the President.

House Proposal of Amendment Concurred In with Amendment; Point of Order; Rules Suspended; Bill Messaged

S. 226.

House proposal of amendment to Senate bill entitled:

An act relating to expanding access to safe and affordable housing.

Was taken up.

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

* * * First-Generation Homebuyers * * *

Sec. 1. 32 V.S.A. 5930u is amended to read:

§ 5930u. TAX CREDIT FOR AFFORDABLE HOUSING

* * *

(b) Eligible tax credit allocations.

* * *

(3) Down Payment Assistance Program.

(A) The Vermont Housing Finance Agency shall have the authority to allocate affordable housing tax credits to finance down payment assistance loans that meet the following requirements:

(i) the loan is made in connection with a mortgage through an Agency program;

(ii) the borrower is a first-time home buyer of an owner-occupied primary residence; and

(iii) the borrower uses the loan for the borrower's down payment or closing costs, or both.

(B) The Agency shall require the borrower to repay the loan upon the transfer or refinance of the residence.

(C) The Agency shall use the proceeds of loans made under the Program for future down payment assistance.

(D) The Agency may reserve funding and adopt guidelines to provide grants to first-time homebuyers who are also first-generation homebuyers.

* * *

Sec. 2. FIRST-GENERATION HOMEBUYER; IMPLEMENTATION; APPROPRIATION

(a) Guidelines. The Vermont Housing Finance Agency shall adopt guidelines and procedures for the provision of grants to first-generation homebuyers pursuant to 32 V.S.A. § 5930u(b)(3)(D) consistent with the criteria of the Down Payment Assistance Program implemented pursuant to 32 V.S.A. § 5930u(b)(3) and with this section.

(b) As used in this section and 32 V.S.A. § 5930u(b)(3)(D), a “first-generation homebuyer” means an applicant who self-attests that the applicant is an individual:

(1)(A) whose parents or legal guardians do not have any present residential ownership interest in any State; and

(B) whose spouse, or domestic partner, and each member of whose household has not, during the three-year period ending upon acquisition of the eligible home to be acquired, had any present ownership interest in a principal residence in any State; or

(2) is an individual who has at any time been placed in foster care.

(c) 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 Agency shall work with Vermont chapters of the NAACP, AALV, and USCRI; the Executive Director of Racial Equity; the Vermont Commission on Native American Affairs; and local racial justice organizations to develop a plan of active outreach and implementation to ensure that down payment assistance opportunities are effectively communicated, and that funds are equitably available, to communities of Vermonters who have historically suffered housing discrimination.

(d) Of the amounts appropriated to the Department of Housing and Community Development in 2021 Acts and Resolves No. 74, the Department shall transfer \$1,000,000.00 to the Vermont Housing Finance Agency to provide grants pursuant to 32 V.S.A. § 5930u(b)(3)(D) and for the costs of administration and outreach pursuant to this section.

* * * Manufactured Home Relocation Incentives * * *Sec. 3. MANUFACTURED HOME IMPROVEMENT AND
REPLACEMENT PROGRAM

Of the amounts available from federal COVID-19 relief funds, the following amounts are appropriated to the Department of Housing and Community Development for the purposes specified:

(1) \$2,500,000.00 for manufactured home community small-scale capital grants, through which the Department may award not more than \$20,000.00 for owners of manufactured housing communities to complete small-scale capital needs to help infill vacant lots with homes, which may include projects such as disposal of abandoned homes, lot grading/preparation, site electrical box issues/upgrades, E911 safety issues, legal fees, transporting homes out of flood zones, individual septic system, and marketing to help make it easier for home-seekers to find vacant lots around the State.

(2) \$750,000.00 for manufactured home repair grants, through which the Department may award funding for minor rehab or accessibility projects, coordinated as possible with existing programs, for between 250 and 400 existing homes where the home is otherwise in good condition or in situations where the owner is unable to replace the home and the repair will keep them housed.

(3) \$750,000.00 for new manufactured home foundation grants, through which the Department may award not more than \$15,000.00 per grant for a homeowner to pay for a foundation or HUD-approved slab, site preparation, skirting, tie-downs, and utility connections on vacant lots within manufactured home communities.

* * * New Approaches to Creating Housing * * *

Sec. 4. COMMUNITY PARTNERSHIP FOR NEIGHBORHOOD
DEVELOPMENT

(a) The Department of Housing and Community Development shall lead a Community Partnership for Neighborhood Development Program, which shall be a collaborative among municipalities, nonprofit and for-profit developers, State agencies, employers, and other relevant stakeholders to develop a pilot neighborhood and demonstrate how new partnership models for targeted and coordinated investments can support the development of at least 300 homes in inclusive, smart growth neighborhoods.

(b) The Program shall be steered by a Housing Equity Council with representatives from the Vermont Department of Housing Community Development, the Vermont Housing Finance Agency, the Agency of Natural

Resources, the Agency of Transportation, the Department of Public Service, the Vermont Bond Bank, the Vermont Economic Development Authority, the Vermont Housing and Conservation Board, the Vermont Association of Planning and Development Agencies, the Vermont League of Cities and Towns, and the Vermont Regional Development Corporations.

(c) The Council shall consider and recommend to the Department of Housing and Community Development at least three a pilot neighborhood development project in three separate regional planning commission regions using a competitive process to select municipalities a municipality able to demonstrate need, collaboration, preliminary planning, bylaw modernization, and budgetary commitments to support smart growth and housing development in a location within or up to one quarter of a mile from a neighborhood planning area, as defined in 24 V.S.A. § 2791, or a location that otherwise represent a logical extension of an existing compact settlement pattern that is consistent with smart-growth principles.

(d) Through the Program, the Department and the Council shall coordinate with the pilot municipality through 2026 on the strategic use of public resources to create a development-ready framework for new and infill neighborhood development and construction-ready building lots through the integrated coordination of the following:

- (1) State, regional, and municipal planning;
 - (2) State and municipal regulation;
 - (3) land acquisition and land banking;
 - (4) physical improvement planning, design, and scoping;
 - (5) capital investment in infrastructure;
 - (6) financing and funding, including funding from the American Rescue Plan Act and Infrastructure Investment and Jobs Act;
 - (7) lot and building development by private and nonprofit developers;
- and
- (8) the sale or leasing of homes.

(e) The Department and the Council shall seek to achieve the following goals through the Program:

- (1) The development of a neighborhood that:
 - (A) is compact and human-scaled, with a density of at least eight dwelling units per acre, including modestly sized dwellings on small lots;

(B) is characteristic of Vermont's smart growth principles, as provided in 24 V.S.A. § 2791;

(C) is located in proximity to existing residential, employment, and civic uses;

(D) provides for a mix of housing types, styles, tenure, and sizes to accommodate diverse households of varying composition, age, and income, including not less than 25 percent of the units with perpetual affordability and 35 percent of the homes affordable at 80 percent of the area median income;

(E) provides for a mix of transportation modes with interconnected streets and sidewalks; and

(F) is designed in a manner that enhances historic resources, climate readiness, energy efficiency, environmental quality, resident health, and overall livability.

(2) A successful model for the acquisition or banking of developable- or development-ready land for new neighborhood development or infill development within an existing, developed neighborhood.

(3) A successful model for the integration of planning and implementation for water, sewer, and other public utilities and services with land use planning and transportation investments in new or upgraded streets.

(f) \$1,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) recovery funds to the Department of Housing and Community Development for predevelopment grants that implement this section, which may fund municipal planning, site control, land acquisition, design, scoping, and surveying for the development of a pilot neighborhood.

(g) Of the amounts appropriated in this section, the Department may reserve not more than \$100,000.00 for related administrative expenses through fiscal year 2026.

(h) The Agency of Natural Resources and the Agency of Transportation shall report back to the General Assembly on or before December 15, 2024 on financial contributions the agencies can make to the Program's pilot neighborhood.

(i) The Department of Housing and Community Development shall report back to the General Assembly on the results of the Program on or before December 15, 2026.

* * * Downtown and Village Center Tax Credit Program * * *

Sec. 5. 32 V.S.A. § 5930aa is amended to read:

§ 5930aa. DEFINITIONS

As used in this subchapter:

(1) “Qualified applicant” means an owner or lessee of a qualified building involving a qualified project, but does not include a State or federal agency or a political subdivision of either; or an instrumentality of the United States.

(2) “Qualified building” means a building built at least 30 years before the date of application, located within a designated downtown ~~or~~ village center, or neighborhood development area, which, upon completion of the project supported by the tax credit, will be an income-producing building not used solely as a single-family residence. Churches and other buildings owned by religious organization may be qualified buildings, but in no event shall tax credits be used for religious worship.

(3) “Qualified code improvement project” means a project:

(A) to install or improve platform lifts suitable for transporting personal mobility devices, limited use or limited application elevators, elevators, sprinkler systems, and capital improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the Department of Public Safety;

(B) to abate lead paint conditions or other substances hazardous to human health or safety in a qualified building; or

(C) to redevelop a contaminated property in a designated downtown ~~or~~ village center, or neighborhood development area under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.

(4) “Qualified expenditures” means construction-related expenses of the taxpayer directly related to the project for which the tax credit is sought but excluding any expenses related to a private residence.

(5) “Qualified façade improvement project” means the rehabilitation of the façade of a qualified building that contributes to the integrity of the designated downtown ~~or~~ designated village center, or neighborhood development area. Façade improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places must be

consistent with Secretary of the Interior Standards, as determined by the Vermont Division for Historic Preservation.

(6) “Qualified Flood Mitigation Project” means any combination of structural and nonstructural changes to a building located within the flood hazard area as mapped by the Federal Emergency Management Agency that reduces or eliminates flood damage to the building or its contents. The project shall comply with the municipality’s adopted flood hazard bylaw, if applicable, and a certificate of completion shall be submitted by a registered engineer, architect, qualified contractor, or qualified local official to the State Board. Improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places shall be consistent with Secretary of the Interior’s Standards for Rehabilitation, as determined by the Vermont Division for Historic Preservation.

(7) “Qualified historic rehabilitation project” means an historic rehabilitation project that has received federal certification for the rehabilitation project.

~~(7)~~(8) “Qualified project” means a qualified code improvement, qualified façade improvement, or qualified historic rehabilitation project as defined by this subchapter.

~~(8)~~(9) “State Board” means the Vermont Downtown Development Board established pursuant to 24 V.S.A. chapter 76A.

Sec. 6. 32 V.S.A. § 5930bb is amended to read:

§ 5930bb. ELIGIBILITY AND ADMINISTRATION

* * *

(e) Availability of Neighborhood Development Area tax credits. Beginning on July 1, 2025, under this subchapter no new tax credit may be allocated by the State Board to a qualified building located in a neighborhood development area unless specific funds have been appropriated for that purpose.

Sec. 7. 24 V.S.A. § 2793a is amended to read:

§ 2793a. DESIGNATION OF VILLAGE CENTERS BY STATE BOARD

* * *

(c) A village center designated by the State Board pursuant to subsection (a) of this section is eligible for the following development incentives and benefits:

* * *

(4) ~~The following State tax credits for projects located in a designated village center:~~

~~(A) A State historic rehabilitation tax credit of ten percent under 32 V.S.A. § 5930cc(a) that meets the requirements for the federal rehabilitation tax credit.~~

~~(B) A State façade improvement tax credit of 25 percent under 32 V.S.A. § 5930cc(b).~~

~~(C) A State code improvement tax credit of 50 percent under 32 V.S.A. § 5930ee(e) The Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq.~~

* * *

Sec. 8. 24 V.S.A. § 2793e is amended to read:

§ 2793e. NEIGHBORHOOD PLANNING AREAS; DESIGNATION OF
NEIGHBORHOOD DEVELOPMENT AREAS

* * *

(f) Neighborhood development area incentives for developers. Once a municipality has a designated neighborhood development area or has a Vermont neighborhood designation pursuant to section 2793d of this title, any proposed development within that area shall be eligible for each of the benefits listed in this subsection. These benefits shall accrue upon approval by the district coordinator, who shall review the density requirements set forth in subdivision (c)(7) of this section to determine benefit eligibility and issue a jurisdictional opinion under 10 V.S.A. chapter 151 on whether the density requirements are met. These benefits are:

(1) ~~The the~~ application fee limit for wastewater applications stated in 3 V.S.A. § 2822(j)(4)(D);~~;~~

(2) ~~The the~~ application fee reduction for residential development stated in 10 V.S.A. § 6083a(d);~~;~~

(3) ~~The the~~ exclusion from the land gains tax provided by 32 V.S.A. § 10002(p); and

(4) eligibility for the Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq.

* * *

Sec. 9. 24 V.S.A. § 2794 is amended to read:

§ 2794. INCENTIVES FOR PROGRAM DESIGNEES

(a) Upon designation by the Vermont Downtown Development Board under section 2793 of this title, a downtown development district and projects in a downtown development district shall be eligible for the following:

(1) Priority consideration by any agency of the State administering any State or federal assistance program providing funding or other aid to a municipal downtown area with consideration given to such factors as the costs and benefits provided and the immediacy of those benefits, provided the project is eligible for the assistance program.

(2) ~~The following State tax credits:~~

~~(A) A State historic rehabilitation tax credit of 10 percent under 32 V.S.A. § 5930cc(a) that meets the requirements for the federal rehabilitation tax credit.~~

~~(B) A State façade improvement tax credit of 25 percent under 32 V.S.A. § 5930cc(b).~~

~~(C) A State code improvement tax credit of 50 percent under 32 V.S.A. § 5930cc(e) The Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq.~~

* * *

Sec. 10. 32 V.S.A. § 5930cc is amended to read:

§ 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX CREDITS

* * *

(d) Flood Mitigation Tax Credit. The qualified applicant of a qualified flood mitigation project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$75,000.00.

* * * Missing Middle Housing * * *

Sec. 11. MISSING MIDDLE-INCOME HOMEOWNERSHIP DEVELOPMENT PILOT PROGRAM

(a) The following amounts are appropriated from the America Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Department of Housing and Community Development to grant to the Vermont Housing

Finance Agency to establish the Missing Middle-Income Homeownership Development Pilot Program:

(1) \$5,000,000.00 in fiscal year 2022; and

(2) \$10,000,000.00 in fiscal year 2023.

(b) As used in this section:

(1) “Affordable owner-occupied housing” means owner-occupied housing identified in 26 U.S.C. § 143(c)(1) or that qualifies under Vermont Housing Finance Agency criteria governing owner-occupied housing.

(2) “Income-eligible homebuyer” means a Vermont household with annual income that does not exceed 120 percent of area median income.

(c) The Agency shall use the funds appropriated in this section to provide subsidies for new construction or acquisition and substantial rehabilitation of affordable owner-occupied housing for purchase by income-eligible homebuyers.

(d) The total amount of subsidies for a project shall not exceed 35 percent of eligible development costs, as determined by the Agency, which the Agency may allocate consistent with the following:

(1) Developer subsidy. The Agency may provide a direct subsidy to the developer, which shall not exceed the difference between the cost of development and the market value of the home as completed.

(2) Affordability subsidy. Of any remaining amounts available for the project after the developer subsidy, the Agency may provide a subsidy for the benefit of the homebuyer to reduce the cost of purchasing the home, provided that:

(A) the Agency includes conditions in the subsidy, or uses another legal mechanism, to ensure that, to the extent the home value has risen, the amount of the subsidy remains with the home to offset the cost to future homebuyers; or

(B) the subsidy is subject to a housing subsidy covenant, as defined in 27 V.S.A. § 610, that preserves the affordability of the home for a period of 99 years or longer.

(3) The Agency shall allocate not less than 33 percent of the funds available through the Program to projects that include a housing subsidy covenant consistent with subdivision (2)(B) of this subsection.

(e) The Agency shall adopt a Program plan that establishes application and selection criteria, including:

- (1) project location;
 - (2) geographic distribution;
 - (3) leveraging of other programs;
 - (4) housing market needs;
 - (5) project characteristics, including whether the project includes the use of existing housing as part of a community revitalization plan;
 - (6) construction standards, including considerations for size;
 - (7) priority for plans with deeper affordability and longer duration of affordability requirements;
 - (8) sponsor characteristics;
 - (9) energy efficiency of the development; and
 - (10) historic nature of the project.
- (f) The Agency may assign its rights under any investment or subsidy made under this section to the Vermont Housing and Conservation Board or any State agency or nonprofit organization qualifying under 26 U.S.C. § 501(c)(3), provided such assignee acknowledges and agrees to comply with the provisions of this section.
- (g) The Agency shall ensure that initial investments made under this Program are obligated by December 31, 2024 and expended by December 31, 2026.
- (h) The Department shall report to the House Committee on Housing, General, and Military Affairs and Senate Committee on Economic Development, Housing and General Affairs on the status of the Program annually, on or before January 15, through 2027.

* * * Residential Construction Contractors * * *

Sec. 12. FINDINGS

The General Assembly finds that:

- (1) There is currently no master list of residential construction contractors operating in the State.
- (2) There is no standard process for determining or adjudicating construction contract fraud complaints either on the part of contractors or consumers.
- (3) Public authorities have no mechanism to contact all contractors when necessary to provide updates to public health requirements, safe working

protocols, codes and standards, available trainings and certifications, or building incentives or construction subsidies.

(4) Wide dissemination of information on codes, standards, and trainings is vital to improving construction techniques throughout the State's construction industry. Since building thermal conditioning represents over one-quarter of the State's greenhouse gas emissions, improving energy performance is a key strategy for meeting the requirements of the Global Warming Solutions Act, 2020 Acts and Resolves No. 153.

(5) While registration is not licensure and confers no assurance of competence, consumers have no way of knowing whether a contractor is operating legally or has been subject to civil claims or disciplinary actions.

(6) A noncommercial, standardized public listing will provide contractors an opportunity to include in their record optional third-party, State-sanctioned certifications.

Sec. 13. 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 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:

* * *

(51) Residential Contractors.

Sec. 14. 26 V.S.A. chapter 106 is added to read:

CHAPTER 106. RESIDENTIAL CONTRACTORS

Subchapter 1. General Provisions

§ 5501. REGISTRATION REQUIRED

(a) A person shall register with the Office of Professional Regulation prior to contracting with a homeowner to perform residential construction in exchange for consideration of more than \$10,000.00, including labor and materials.

(b) Unless otherwise exempt under section 5502 of this title, as used in this chapter, "residential construction" means to build, demolish, or alter a residential dwelling unit, or a building or premises with four or fewer residential dwelling units, in this State, and includes interior and exterior

construction, renovation, and repair; painting; paving; roofing; weatherization; installation or repair of heating, plumbing, solar, electrical, water, or wastewater systems; and other activities the Office specifies by rule consistent with this chapter.

§ 5502. EXEMPTIONS

This chapter does not apply to:

(1) an employee acting within the scope of his or her employment for a business organization registered under this chapter;

(2)(A) a professional engineer, licensed architect, or a tradesperson licensed, registered, or certified by the Department of Public Safety acting within the scope of his or her license, registration, or certification; or

(B) a business that performs residential construction if the work is performed primarily by or under the direct supervision of one or more employees who are individually exempt from registration under subdivision (2)(A) of this section;

(3) delivery or installation of consumer appliances, audio-visual equipment, telephone equipment, or computer network equipment;

(4) landscaping;

(5) work on a structure that is not attached to a residential building; or

(6) work that would otherwise require registration that a person performs in response to an emergency, provided the person applies for registration within a reasonable time after performing the work.

§ 5503. MANDATORY REGISTRATION AND VOLUNTARY CERTIFICATION DISTINGUISHED

(a)(1) The system of mandatory registration established by this chapter is intended to protect against fraud, deception, breach of contract, and violations of law, but is not intended to establish standards for professional qualifications or workmanship that is otherwise lawful.

(2) The provisions of 3 V.S.A. § 129a, with respect to a registration, shall be construed in a manner consistent with the limitations of this subsection.

(b) The system of voluntary certification established in this chapter is intended to provide consumers and contractors with a publicly available, noncommercial venue for contractors to list optional approved certifications. The Director of Professional Regulation, in consultation with public safety

officials and recognized associations or boards of builders, remodelers, architects, and engineers, may:

(1) adopt rules providing for the issuance of voluntary certifications, as defined in subdivision 3101a(1) of this title, that signify demonstrated competence in particular subfields and specialties related to residential construction;

(2) establish minimum qualifications, and standards for performance and conduct, necessary for certification; and

(3) discipline a certificant for violating adopted standards or other law, with or without affecting the underlying registration.

Subchapter 2. Administration

§ 5505. DUTIES OF THE DIRECTOR

(a) The Director of Professional Regulation shall:

(1) provide information to the public concerning registration, certification, appeal procedures, and complaint procedures;

(2) administer fees established under this chapter;

(3) receive applications for registration or certification, issue registrations and certifications to applicants qualified under this chapter, deny or renew registrations or certifications, and issue, revoke, suspend, condition, and reinstate registrations and certifications as ordered by an administrative law officer;

(4) prepare and maintain a registry of registrants and certificants; and

(5) use the registry to timely communicate with registrants and certificants concerning issues of health and safety, building codes, environmental and energy issues, and State and federal incentive programs.

(b) The Director, after consultation with an advisor appointed pursuant to section 5506 of this title, may adopt rules to implement this chapter.

§ 5506. ADVISORS

(a) The Secretary of State shall appoint two persons pursuant to 3 V.S.A. § 129b to serve as advisors in matters relating to residential contractors and construction.

(b) To be eligible to serve, an advisor shall:

(1) register under this chapter;

(2) have at least three years' experience in residential construction immediately preceding appointment; and

(3) remain active in the profession during his or her service.

(c) The Director of Professional Regulation shall seek the advice of the advisors in implementing this chapter.

§ 5507. FEES

A person regulated under this chapter shall pay the following fees at initial application and biennial renewal:

(1) Registration, individual: \$75.00.

(2) Registration, business organization: \$250.00.

(3) State certifications: \$75.00 for a first certification and \$25.00 for each additional certification.

Subchapter 3. Registrations

§ 5508. ELIGIBILITY

To be eligible for registration, the Director of Professional Regulation shall find that the applicant is in compliance with the provisions of this chapter and applicable State law and has satisfied any judgment order related to the provision of professional services to a homeowner.

§ 5509. REQUIREMENTS OF REGISTRANTS

(a) Insurance. A person registered under this chapter shall maintain minimum liability insurance coverage in the amount of \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate, evidence of which may be required as a precondition to issuance or renewal of a registration.

(b) Writing.

(1) A person registered under this chapter shall execute a written contract prior to receiving a deposit or commencing residential construction work if the estimated value of the labor and materials exceeds \$10,000.00.

(2) A contract shall specify:

(A) Price. One of the following provisions for the price of the contract:

(i) a maximum price for all work and materials;

(ii) a statement that billing and payment will be made on a time and materials basis, not to exceed a maximum price; or

(iii) a statement that billing and payment will be made on a time and materials basis and that there is no maximum price.

(B) Work dates. Estimated start and completion dates.

(C) Scope of work. A description of the services to be performed and a description of the materials to be used.

(D) Change order provision. A description of how and when amendments to the contract may be approved and documented, as agreed by the parties.

(3) The parties shall document an amendment to the contract in a signed writing.

(c) Down payment.

(1) If a contract specifies a maximum price for all work and materials or a statement that billing and payment will be made on a time and materials basis, not to exceed a maximum price, the contract may require a down payment of up to one-half of the cost of labor to the consumer, or one-half of the price of materials, whichever is greater.

(2) If a contract specifies that billing and payment will be made on a time and materials basis and that there is no maximum price, the contract may require a down payment as negotiated by the parties.

§ 5510. PROHIBITIONS AND REMEDIES

(a) A person who does not register as required pursuant to this chapter may be subject to an injunction or a civil penalty, or both, for unauthorized practice as provided in 3 V.S.A. § 127(b).

(b) The Office of Professional Regulation may discipline a registrant or certificant for unprofessional conduct as provided in 3 V.S.A. § 129a, except that 3 V.S.A. § 129a(b) does not apply to a registrant.

(c) The following conduct by a registrant, certificant, applicant, or person who later becomes an applicant constitutes unprofessional conduct:

(1) failure to enter into a written contract when required by this chapter;

(2) failure to maintain liability or workers' compensation insurance as required by law;

(3) committing a deceptive act in commerce in violation of 9 V.S.A. § 2453;

(4) falsely claiming certification under this chapter, provided that this subdivision does not prevent accurate and nonmisleading advertising or statements related to credentials that are not offered by this State; and

(5) selling or fraudulently obtaining or furnishing a certificate of registration, certification, license, or any other related document or record, or assisting another person in doing so, including by reincorporating or altering a

trade name for the purpose or with the effect of evading or masking revocation, suspension, or discipline against a registration issued under this chapter.

Sec. 15. IMPLEMENTATION

(a) Notwithstanding any contrary provision of 26 V.S.A. chapter 106:

(1) The initial biennial registration term for residential contractors pursuant to 26 V.S.A. chapter 106 shall begin on April 1, 2023.

(2) The Secretary of State may begin receiving applications for the initial registration term on December 1, 2022.

(3)(A) The registration fee for individuals who submit complete registration requests between December 1, 2022 and March 31, 2023 is \$25.00 and between April 1, 2023 and March 31, 2024, the fee is \$50.00.

(B) The registration fee for business organizations that submit complete registration requests between December 1, 2022 and March 31, 2023 is \$175.00 and between April 1, 2023 and March 31, 2024, the fee is \$200.00.

(4) Prior to April 1, 2024, the Office of Professional Regulation shall not take any enforcement action for unauthorized practice under 26 V.S.A. § 5510(a) against a residential contractor who fails to register as required by this act.

(b) On or before July 1, 2023, the Director of Professional Regulation shall establish an initial set of voluntary certifications, to include at minimum OSHA standards on construction projects and components of energy-efficient “green” building for insulators, carpenters, and heating and ventilation installers.

Sec. 16. CREATION OF POSITIONS WITHIN THE OFFICE OF PROFESSIONAL REGULATION; LICENSING

(a) There are created within the Secretary of State’s Office of Professional Regulation one new position in licensing and one new position in enforcement.

(b) In fiscal year 2023, the amount of \$200,000.00 in Office of Professional Regulation special funds is appropriated to the Secretary of State to fund the positions created in subsection (a) of this section.

Sec. 17. ATTORNEY GENERAL; CONSUMER ASSISTANCE PROGRAM; POSITION; APPROPRIATION

(a) The Office of the Attorney General is authorized to create one classified, two-year full-time limited-service position within the Consumer Assistance Program, whose duties shall include:

(1) assisting with consumer complaints concerning residential construction projects with a value of less than \$10,000.00;

(2) providing education, outreach, and mediation to contractors and consumers; and

(3) coordinating and facilitating information sharing concerning complaints with the Office of Professional Regulation.

(b) In fiscal year 2023, the amount of \$200,000.00 is appropriated from the General Fund to the Office of the Attorney General to create the position and perform the duties provided in this section.

Sec. 18. SECRETARY OF STATE; STATUS REPORT

On or before January 15, 2024, the Office of Professional Regulation shall report to the House Committees on General, Housing, and Military Affairs and on Government Operations and to the Senate Committees on Economic Development, Housing and General Affairs and on Government Operations concerning the implementation of 26 V.S.A. chapter 106, including:

(1) the number of registrations and certifications;

(2) the resources necessary to implement the chapter;

(3) the number and nature of any complaints or enforcement actions;

(4) the potential design and implementation of a one-stop portal for contractors and consumers; and

(5) any other issues the Office deems appropriate.

Sec. 19. 9 V.S.A. § 4500 is amended to read:

§ 4500. LEGISLATIVE INTENT

(a) The provisions of this chapter establishing legal standards, duties, and requirements with respect to persons with disabilities in places of public accommodation as defined in this chapter, except those provisions relating to remedies, are intended to implement and to be construed so as to be consistent with the Americans with Disabilities Act, 42 U.S.C. § 12101 et seq. and regulations promulgated under that act ~~Act~~, and are not intended to impose additional or higher standards, duties, or requirements than that ~~act~~ Act.

(b) Subsections 4502(b) and (c) of this title shall not be construed to create or impose on governmental entities additional or higher standards, duties, or requirements than that imposed by Title II of the Americans with Disabilities Act.

(c) The provisions of this chapter shall be construed liberally to accomplish its remedial purposes and any exceptions and exemptions to the provisions of

this chapter shall be construed narrowly in order to maximize the deterrence of discriminatory behavior.

Sec. 20. 9 V.S.A. § 4503 is amended to read:

§ 4503. UNFAIR HOUSING PRACTICES

(a) It shall be unlawful for any person:

* * *

(2) To discriminate against, or to harass, any person in the terms, conditions, privileges, and protections of the sale or rental of a dwelling or other real estate, or in the provision of services or facilities in connection ~~therewith~~ with a dwelling or other real estate, because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

* * *

(d)(1) As used in this section, “harass” means to engage in unwelcome conduct that detracts from, undermines, or interferes with the person’s terms, conditions, privileges, or protections in the sale or rental of a dwelling or other real estate, or in the provision of services or facilities in connection with a dwelling or other real estate, because of the person’s race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability, or because the person intends to occupy a dwelling with one or more minor children, or because the person is a recipient of public assistance, or because the person is a victim of abuse, sexual assault, or stalking.

(2) Notwithstanding any judicial precedent to the contrary, harassing conduct need not be severe or pervasive to be unlawful pursuant to the provisions of this section. In determining whether conduct constitutes unlawful harassment:

(A) The determination shall be made on the basis of the record as a whole, according to the totality of the circumstances, and a single incident may constitute unlawful harassment.

(B) Incidents that may be harassment shall be considered in the aggregate with varying types of conduct and conduct based on multiple characteristics viewed in totality, rather than in isolation.

(C) Conduct may constitute unlawful harassment, regardless of whether:

(i) the complaining person is the person being harassed;

(ii) the complaining person acquiesced or otherwise submitted to or participated in the conduct;

(iii) the conduct is also experienced by others outside the protected class involved in the conduct;

(iv) the complaining person was able to enjoy the benefit of applicable terms, conditions, privileges, or protections in the sale or rental of the dwelling or other real estate, or to obtain services or facilities in connection with the dwelling or other real estate, despite the conduct;

(v) the conduct resulted in a physical or psychological injury; or

(vi) the conduct occurred outside the dwelling or other real estate.

(3) behavior that a reasonable person with the same protected characteristic would consider to be a petty slight or trivial inconvenience shall not constitute unlawful harassment or discrimination pursuant to this section.

Sec. 21. PROHIBITION OF TAX SALE WHILE VHAP APPLICATION PENDING

(a) Not less than 60 days prior to serving a notice of sale on a delinquent taxpayer pursuant to 32 V.S.A. § 5252(a)(3), a town or municipality shall mail to the delinquent taxpayer's last known address a notice in the following, or substantially similar, form:

"If this property is your primary residence, you may be able to get help with delinquent property tax and utility payments through the Vermont Homeowner Assistance Program (VHAP). VHAP can help you avoid tax sale and transfer of your property by paying delinquent property taxes, water and sewer charges, interest, and penalties.

You can apply for VHAP online at vermonthap.vhfa.org. For advice about the program and help completing the application, call Vermont Legal Aid at 1-800-889-2047.

If you apply for VHAP, you must notify your town in writing, and your property will not be sold or transferred while your application is pending."

(b) A notice of sale to a delinquent taxpayer pursuant to 32 V.S.A. § 5252(a)(3) shall include the notice in subsection (a) of this section.

(c) If a town or municipality has sold a delinquent taxpayer's property pursuant to 32 V.S.A. § 5254 prior to the effective date of this section, but the

deed conveying title to the purchaser has not yet been executed pursuant to 32 V.S.A. § 5261, not later than 30 days from the effective date of this section, the town or municipality shall mail to the delinquent taxpayer's last known address the notice in subsection (a) of this section.

(d)(1) A homeowner who has applied for VHAP may request a stay of the tax sale process or extension of the redemption period while the VHAP application is pending by attesting to the municipality that the homeowner has made a good faith application for VHAP funds in connection with the homeowner's primary residence.

(2) Upon notification that a VHAP application is pending, a municipality shall not conduct a tax sale of the property until one of the following occurs:

(A) the applicant is deemed ineligible for VHAP;

(B) the VHAP application is closed due to inaction by the applicant;

or

(C) payment is issued to the municipality on a qualifying application.

(3) If a payment is issued that satisfies the delinquency, the sale shall not proceed.

(e)(1) If a tax sale occurred prior to the delinquent taxpayer's application for VHAP, the redemption period established in 32 V.S.A. § 5260 shall be extended by operation of law until one of the following occurs:

(A) the applicant is deemed ineligible for VHAP;

(B) the VHAP application is closed due to inaction by the applicant;

or

(C) payment is issued to the municipality on a qualifying application.

(2) If payment is issued for the redemption amount, the deed shall not be made to the purchaser, but the sums shall be paid to the purchaser pursuant to 32 V.S.A. § 5260.

(f)(1) This section is repealed on September 30, 2025.

(2) The notice obligations in subsections (a)–(c) of this section shall cease when the Vermont Housing Finance Agency stops accepting VHAP applications because funding is exhausted.

Sec. 22. INTENT

It is the intent of the Vermont General Assembly to acknowledge structural racism and address prevalent wealth disparities by creating new opportunities to improve access to woodlands, farmland, and land and home ownership for

Vermonters from historically marginalized or disadvantaged communities who continue to face barriers to land and home ownership.

Sec. 22a. VERMONT LAND ACCESS AND OPPORTUNITY BOARD;
APPROPRIATION; SUPPORT

(a) As used in this section:

(1) “Board” means the Vermont Land Access and Opportunity Board.

(2) “VHCB” means the Vermont Housing and Conservation Board.

(b) The sum of \$200,000.00 is appropriated from the General Fund to VHCB in fiscal year 2023 to administer and support the Vermont Land Access and Opportunity Board.

(c) In fiscal year 2023, and to the extent that funding is appropriated in fiscal years 2024 and 2025, VHCB shall provide general, accounting, and administrative support to the Board, including support related to the administration of Board meetings, compliance with requirements for records retention and of the Open Meeting Law, processing of per diem compensation and reimbursement of expenses for Board members, contracting, and bookkeeping and financial compliance.

Sec. 22b. 10 V.S.A. chapter 15, subchapter 5 is added to read:

Subchapter 5: Land Access and Opportunity Board

§ 325t. DEFINITIONS

As used in this subchapter:

(1) “Board” means the Vermont Land Access and Opportunity Board.

(2) “Historically marginalized or disadvantaged community” means a community that has historically suffered from discrimination and has not had equal access to public or private economic benefits due to the race, ethnicity, gender, geography, language preference, immigrant or citizen status, sexual orientation, gender identity, socioeconomic status, or disability status of its members.

(3) “LGBTQ” means an individual who identifies as lesbian, gay, bisexual, transgender, queer, or questioning.

(4) “VHCB” means the Vermont Housing and Conservation Board.

§ 325u. VERMONT LAND ACCESS AND OPPORTUNITY BOARD

(a) Creation. There is created the Vermont Land Access and Opportunity Board to promote improvements in access to woodlands, farmland, and land and home ownership for Vermonters from historically marginalized or

disadvantaged communities who continue to face barriers to land and home ownership. The Board shall be attached to the Vermont Housing and Conservation Board for administrative purposes.

(b) Organization of Board. The Board shall be composed of:

- (1) the Executive Director of Racial Equity or designee;
- (2) one member of Indigenous heritage, appointed by the Vermont Commission on Native American Affairs;
- (3) one member, appointed by the Vermont NAACP;
- (4) one member, appointed by the Vermont Racial Justice Alliance;
- (5) one member, appointed by Liberation Ecosystem;
- (6) one member, appointed by the Vermont Every Town project;
- (7) one member, appointed by the National Association of Social Workers, Vermont Chapter, who shall be a social worker with expertise in antiracism;
- (8) one member, appointed by the Pride Center of Vermont, who shall be LGBTQ;
- (9) one member, appointed by the U.S. Committee for Refugees and Immigrants Vermont, who shall be a member of a refugee or immigrant community or shall have experience representing refugee or immigrant communities, or both;
- (10) one member, appointed by the Vermont Developmental Disabilities Council; and
- (11) one member, appointed by Vermont Psychiatric Survivors.

(c) Member terms; priority.

- (1) A member of the Board shall serve a term of three years and until their successor has been appointed.
- (2) In the event of a vacancy occurring during a member's term, the vacancy shall be filled for the balance of the unexpired term in the same manner as the original appointment.
- (3)(A) When selecting members of the Board, appointing authorities shall give priority to, and shall seek to appoint, Vermonters who satisfy one or more of the following:
 - (i) are a member of a historically marginalized or disadvantaged community;

(ii) represent the interests of Vermonters from historically marginalized or disadvantaged communities; or

(iii) have expertise regarding access to housing, land, agriculture, or credit.

(4) A member may serve not more than two full terms. A member who is appointed to fill a vacancy occurring during a term may serve two full terms in addition to the unexpired portion of the term during which the member is first appointed.

(d) Compensation. Board members shall be entitled to per diem compensation and reimbursement of expenses pursuant 32 V.S.A. § 1010 for meetings as deemed appropriate by the Board within the appropriation provided. These payments shall be made from monies appropriated to VHCB for the support and administration of the Board.

(e) Meetings. The Executive Director of Racial Equity or designee shall call the first meeting of the Board to occur on or before September 1, 2022.

(f) Powers and duties of the Board. The Board may do the following:

(1) Advise VHCB, the Vermont Housing Finance Agency, the Vermont Economic Development Authority, the Vermont Agricultural Credit Corporation, and other affordable housing and land access stakeholders regarding policy development and programs to promote racial, social, economic, and climate justice for Vermonters from historically marginalized or disadvantaged communities.

(2) Retain wealth, financial, and real estate advisors who are Vermonters from historically marginalized or disadvantaged communities and use the services of those advisors to provide education and guidance for Vermonters from historically marginalized or disadvantaged communities.

(3) Retain Vermonters from historically marginalized or disadvantaged communities with expertise in agriculture, agronomics, and natural resource and land management to provide regenerative natural resource services to Vermonters from historically marginalized or disadvantaged communities.

(4) Work with VHCB; the Agency of Agriculture, Food and Markets; the Departments of Financial Regulation and of Housing and Community Development; the Vermont Sustainable Jobs Fund; the Vermont Housing Finance Agency; the Vermont State Housing Authority; the Vermont Economic Development Agency; and other State entities to:

(A) develop metrics relevant to historically marginalized or disadvantaged communities to understand disparities and track progress in addressing disparities and improving opportunities; and

(B) develop strategies and plans to more effectively reach out and provide access to resources that can overcome structural barriers to housing and land ownership, including an examination of:

- (i) debt-to-income ratios;
- (ii) impacts from redlining;
- (iii) the impact of algorithmic systems of decision making, including the impact of credit scores and criminal background checks;
- (iv) the impact of shared equity programs and homeownership programs on wealth disparity; and
- (v) other practices that increase discrimination, disparities, and inequities in land access, property ownership, and wealth acquisition.

(5) Work with the Department of Taxes to recommend options and opportunities to provide advantageous tax treatment to properties owned by Vermonters who come from historically marginalized or disadvantaged communities.

(6)(A) Review, monitor, and recommend options and opportunities to redress State policies, procedures, practices, laws, and rules related to racial and social equity in property ownership for the benefit of Vermonters from historically marginalized or disadvantaged communities.

(B) Collaborate with VHCB and other affordable housing stakeholders to recommend programs and related rules to provide loans, grants, and financial assistance to individuals from historically marginalized or disadvantaged communities.

(7) Develop one or more programs with associated rules and procedures to distribute grants, to the extent funds are appropriated for the purpose, for:

(A) community-based groups and programs that will improve land and housing access, safety, and health for historically marginalized or disadvantaged communities; and

(B) individual and collective property and home ownership or housing improvements to support safe and sustainable residences for historically marginalized or disadvantaged communities.

(8) Identify, examine, and make recommendations to redress the limitations and problems associated with existing laws, rules, programs, and services related to property ownership for Vermonters from historically marginalized or disadvantaged communities.

§ 325v. ACCEPTANCE OF GRANTS AND CONTRIBUTIONS

The Board may accept from any governmental department or agency, public or private body, or any other source, grants or contributions to be used in carrying out the provisions of this subchapter.

Sec. 22c. INITIAL REPORT; VERMONT LAND ACCESS AND
OPPORTUNITY BOARD

On or before January 15, 2023, in consultation with the Vermont Housing and Conservation Board and any contractors hired for this purpose, the Vermont Land Access and Opportunity Board shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs with initial recommendations related to the goals set forth in 10 V.S.A. § 325u. The report and recommendations shall primarily address legal, constitutional, and governance questions relevant to the functions of the Board, including grant making and how to fund, organize, and structure the Board as a permanent instrumentality of the State of Vermont.

Sec. 23. EFFECTIVE DATES

This act shall take effect on July 1, 2022, except that Sec. 11 (Missing Middle Pilot Program) and Sec. 21 (tax sales) shall take effect on passage.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Sirotkin and Bray moved that the Senate concur in the House proposal of amendment with further proposal of amendment as follows:

By striking out Sec. 23, effective dates, in its entirety and inserting in lieu thereof the following:

* * * Municipal Zoning * * *

Sec. 23. 24 V.S.A. § 2793e is amended to read:

§ 2793e. NEIGHBORHOOD PLANNING AREAS; DESIGNATION OF
NEIGHBORHOOD DEVELOPMENT AREAS

(a) Purpose. This section is intended to encourage a municipality to plan for new and infill housing in the area including and immediately encircling its designated downtown, village center, new town center, or within its designated growth center in order to provide needed housing and to further support the commercial establishments in the designated center. To support this goal, this section sets out a two-component process.

* * *

(b) Definitions.

(1) “Neighborhood planning area” means an automatically delineated area including and encircling a downtown, village center, or new town center designated under this chapter or within a growth center designated under this chapter. A neighborhood planning area is used for the purpose of identifying locations suitable for new and infill housing that will support a development pattern that is compact, oriented to pedestrians, and consistent with smart growth principles. To ensure a compact settlement pattern, the outer boundary of a neighborhood planning area shall be located entirely within the boundaries of the applicant municipality, unless a joint application is submitted by more than one municipality, and shall be determined:

* * *

(c) Application for designation of a neighborhood development area. The State Board shall approve a neighborhood development area if the application demonstrates and includes all of the following elements:

* * *

(5) The proposed neighborhood development area consists of those portions of the neighborhood planning area that are appropriate for new and infill housing, excluding identified flood hazard and fluvial erosion areas, except those areas containing preexisting development in areas suitable for infill development as defined in § 29-201 of the Vermont Flood Hazard Area and River Corridor Rule. In determining what areas are most suitable for new and infill housing, the municipality shall balance local goals for future land use, the availability of land for housing within the neighborhood planning area, and the smart growth principles. Based on those considerations, the municipality shall select an area for neighborhood development area designation that:

(A) Avoids or ~~that~~ minimizes to the extent feasible the inclusion of “important natural resources” as defined in subdivision 2791(14) of this title. If an “important natural resource” is included within a proposed neighborhood development area, the applicant shall identify the resource, explain why the resource was included, describe any anticipated disturbance to such resource, and describe why the disturbance cannot be avoided or minimized. If the neighborhood development area includes flood hazard areas or river corridors, the local bylaws shall contain provisions consistent with the Agency of Natural Resources’ rules required under 10 V.S.A. § 754(a) to ensure that new infill development within a neighborhood development area occurs outside the floodway and will not cause or contribute to fluvial erosion hazards within the river corridor. If the neighborhood development area includes flood hazard

areas or river corridors, local bylaws shall also contain provisions to protect river corridors outside the neighborhood development area consistent with the Agency of Natural Resources' rules required under 10 V.S.A. § 754(a).

* * *

(6) ~~The neighborhood development area is served by:~~

~~(A) municipal sewer infrastructure; or~~

~~(B) a community or alternative wastewater system approved by the Agency of Natural Resources. [Repealed.]~~

(7) The municipal bylaws allow minimum net residential densities within the neighborhood development area greater than or equal to four ~~single-family detached~~ dwelling units per acre for all identified residential uses or residential building types, exclusive of accessory dwelling units, or ~~no~~ not fewer than the average existing density of the surrounding neighborhood, whichever is greater. The methodology for calculating density shall be established in the guidelines developed by the Department pursuant to subsection 2792(d) of this title.

* * *

Sec. 24. 24 V.S.A. § 2793b is amended to read:

§ 2793b. DESIGNATION OF NEW TOWN CENTER DEVELOPMENT DISTRICTS

* * *

(b) Within 45 days of receipt of a completed application, the State Board shall designate a new town center development district if the State Board finds, with respect to that district, the municipality has:

* * *

(2) Provided a community investment agreement that has been executed by authorized representatives of the municipal government, businesses and property owners within the district, and community groups with an articulated purpose of supporting downtown interests, and contains the following:

* * *

(B) Regulations enabling ~~high~~ densities that are ~~greater~~ not less than four dwelling units, including all identified residential uses or residential building types, per acre and not less than those allowed in any ~~other~~ part of the municipality not within an area designated under this chapter.

* * *

Sec. 25. 24 V.S.A. § 4449 is amended to read:

§ 4449. ZONING PERMIT, CERTIFICATE OF OCCUPANCY, AND
MUNICIPAL LAND USE PERMIT

(a) Within any municipality in which any bylaws have been adopted:

* * *

(4) No municipal land use permit issued by an appropriate municipal panel or administrative officer, as applicable, for a site plan or conditional use shall be considered abandoned or expired unless more than two years have passed since the permit approval was issued.

* * * Municipal Bylaw Grants * * *

Sec. 26. 24 V.S.A. § 4306 is amended to read:

§ 4306. MUNICIPAL AND REGIONAL PLANNING FUND

(a)(1) The Municipal and Regional Planning Fund for the purpose of assisting municipal and regional planning commissions to carry out the intent of this chapter is hereby created in the State Treasury.

(2) The Fund shall be composed of 17 percent of the revenue from the property transfer tax under 32 V.S.A. chapter 231 and any monies from time to time appropriated to the Fund by the General Assembly or received from any other source, private or public. All balances at the end of any fiscal year shall be carried forward and remain in the Fund. Interest earned by the Fund shall be deposited in the Fund.

(3) Of the revenues in the Fund, each year:

(A) 10 percent shall be disbursed to the Vermont Center for Geographic Information;

(B) 70 percent shall be disbursed to the Secretary of Commerce and Community Development for performance contracts with regional planning commissions to provide regional planning services pursuant to section 4341a of this title; and

(C) 20 percent shall be disbursed to municipalities.

* * *

(c) Funds allocated to municipalities shall be used for the purposes of:

* * *

(4) reasonable and necessary costs of administering the Fund by the Department of Housing and Community Development, not to exceed six percent of the municipality allocation.

(d) New funds allocated to municipalities under this section may take the form of Municipal Bylaw Modernization Grants in accordance with section 4307 of this title.

Sec. 27. 24 V.S.A. § 4307 is added to read:

§ 4307. MUNICIPAL BYLAW MODERNIZATION GRANTS

(a) There are created Municipal Bylaw Modernization Grants to assist municipalities in updating their land use and development bylaws. Bylaws updated under this section shall increase housing choice, affordability, and opportunity in areas planned for smart growth. The Grants shall be funded by monies allocated from the municipality allocation of the Municipal and Regional Planning Funds established in subdivision 4306(a)(3)(C) of this title and any other monies appropriated for this purpose.

(b) Disbursement to municipalities shall be administered by the Department of Housing and Community Development through a competitive process providing the opportunity for all regions and any eligible municipality to compete regardless of size.

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

(d) Funding may be used for the cost of regional planning commission staff or consultant time and any other purpose approved by the Department.

(e) A municipality grantee shall use the funds to prepare amendments to bylaws to increase housing choice, affordability, and opportunity and that support a neighborhood development pattern that is pedestrian oriented in areas planned for smart growth consistent with the smart growth principles established in section 2791 of this title and that prioritize projects in designated areas in accordance with chapter 76A of this title.

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

(1) identify municipal water and wastewater disposal infrastructure, municipal water and sewer service areas, and the constraints on that infrastructure based on the best available data;

(2) increase allowed housing types and uses, which may include duplexes, to the same extent as single-family homes;

(3) include parking waiver provisions in areas planned for smart growth consistent with smart growth principles as defined in section 2791 of this title and appropriate situations;

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

pedestrians;

(5) reduce nonconformities by making the allowed standards principally conform to the existing settlement within any area designated under chapter 76A of this title and increase allowed lot, building, and dwelling unit density by adopting dimensional, use, parking, and other standards that allow compact neighborhood form and support walkable lot and dwelling unit density, which may be achieved with a standard allowing at least four units per acre or allowing the receipt of a State or municipal water and wastewater permit to determine allowable density or by other means established in guidelines issued by the Department;

(6) restrict development of and minimize impact to important natural resources, including new development in flood hazard areas, undeveloped floodplains, and river corridor areas, unless lawfully allowed for infill development in §29-201 of the Vermont Flood Hazard Area and River Corridor Rule;

(7) update the municipal plan's housing element as provided in subdivision 4382(a)(10) of this title related to addressing lower- and moderate-income housing needs, implement that element of the plan including through the bylaw amendments, and demonstrate how those bylaws support the implementation of the housing element; and

(8) comply with State and Federal Fair Housing Act, including the fair housing provisions of Vermont's Planning and Development Act.

(g) On or before September 1, 2022, the Department shall adopt guidelines to assist municipalities applying for grants under this section.

Sec. 28. APPROPRIATION

To the extent that increased funding is provided in fiscal year 2023 to the Municipal and Regional Planning Fund, \$650,000.00 shall be used for Municipal Bylaw Modernization Grants established in 24 V.S.A. § 4307.

* * * Accessory Dwelling Units * * *

Sec. 29. 24 V.S.A. § 4414 amended to read:

§ 4414. ZONING; PERMISSIBLE TYPES OF REGULATIONS

* * *

(4) Parking and loading facilities. A municipality may adopt provisions setting forth standards for permitted and required facilities for off-street parking and loading, which may vary by district and by uses within each district. These bylaws may also include provisions covering the location, size, design, access, landscaping, and screening of those facilities. In determining

the number and size of parking spaces required under these regulations, the appropriate municipal panel may take into account the existence or availability of employer “transit pass” and rideshare programs, public transit routes, and public parking spaces in the vicinity of the development. However, a municipality shall not require an accessory dwelling unit to have more than one parking space per bedroom.

* * *

* * * Act 250 * * *

Sec. 30. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

* * *

(3)(A) “Development” means each of the following:

* * *

(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. However:

(I) A priority housing project shall constitute a development under this subdivision (iv) only if the number of housing units in the project is:

(aa) [Repealed.]

(bb) [Repealed.]

(cc) 75 or more, in a municipality with a population of 6,000 or more but less than 10,000.

(dd) 50 or more, in a municipality with a population of 3,000 or more but less than 6,000.

(ee) ~~25 or more, in a municipality with a population of less than 3,000.~~ [Repealed.]

(ff) Notwithstanding subdivisions (cc) through (ee) of this subdivision (3)(A)(iv)(I), 10 or more if the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision (ff) if the

Division for Historic Preservation has determined that the proposed demolition will have no adverse effect, will have no adverse effect if specified conditions are met, or will have an adverse effect that will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.

* * *

(6) ~~“Floodway” means the channel of a watercourse that is expected to flood on an average of at least once every 100 years and the adjacent land areas that are required to carry and discharge the flood of the watercourse, as determined by the Secretary of Natural Resources with full consideration given to upstream impoundments and flood control projects~~ “Flood hazard area” has the same meaning as under section 752 of this title.

(7) ~~“Floodway fringe” means an area that is outside a floodway and is flooded with an average frequency of once or more in each 100 years, as determined by the Secretary of Natural Resources with full consideration given to upstream impoundments and flood control projects~~ “River corridor” has the same meaning as under section 752 of this title.

* * *

(27) “Mixed income housing” means a housing project in which the following apply:

(A) Owner-occupied housing. ~~At the option of the applicant, owner-occupied housing may be characterized by either of the following:~~

(i) ~~at least 15 percent of the housing units have a purchase price that at the time of first sale does not exceed 85 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency; or~~

(ii) ~~at least 20 percent of the housing units have a purchase price that at the time of first sale does not exceed 90 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency~~ meet the requirements of affordable owner-occupied housing under subdivision (29)(A) of this section, adjusted for the number of bedrooms, as established and published annually by the Vermont Housing Finance Agency.

(B) Rental housing. ~~At least 20 percent of the housing units that are rented constitute affordable housing and have a duration of affordability of For not less than 15 years~~ following the date that rental housing is initially placed in service, at least 20 percent of the housing units meet the requirements of affordable rental housing under subdivision (29)(B) of this section, adjusted

for the number of bedrooms, as established and published annually by the Vermont Housing Finance Agency.

* * *

(35) "Priority housing project" means a discrete project located on a single tract or multiple contiguous tracts of land that consists exclusively of:

(A) mixed income housing or mixed use, or any combination thereof, and is located entirely within a designated downtown development district, designated new town center, designated growth center, or designated village center ~~that is also a designated neighborhood development area under 24 V.S.A. chapter 76A; or~~

~~(B) mixed income housing and is located entirely within a designated Vermont neighborhood or designated neighborhood development area under 24 V.S.A. chapter 76A.~~

* * *

Sec. 31. 10 V.S.A. § 6081(p) is amended to read:

~~(p)(1) No permit or permit amendment is required for any change to a project that is located entirely within a downtown development district designated pursuant to 24 V.S.A. § 2793, if the change consists exclusively of any combination of mixed use and mixed income housing, and the cumulative changes within any continuous period of five years, commencing on or after May 28, 2002, remain below any applicable jurisdictional threshold specified in subdivision 6001(3)(A)(iv)(I) of this title.~~

(2) No permit or permit amendment is required for a priority housing project in a designated center ~~other than a downtown development district~~ if the project remains below any applicable jurisdictional threshold specified in subdivision 6001(3)(A)(iv)(I) of this title ~~and will comply with all conditions of any existing permit or permit amendment issued under this chapter that applies to the tract or tracts on which the project will be located. If such a priority housing project will not comply with one or more of these conditions, an application may be filed pursuant to section 6084 of this title.~~

Sec. 32. 10 V.S.A. § 6084(f) is amended to read:

~~(f) This subsection concerns an application for a new permit amendment to change the conditions of an existing permit or existing permit amendment in order to authorize the construction of a priority housing project described in subdivision 6081(p)(2) of this title.~~

~~(1) The District Commission may authorize a district coordinator to issue such an amendment, without notice and a hearing, if the applicant~~

~~demonstrates that all parties to the existing permit or existing permit amendment, which contains the condition or conditions proposed to be changed, or their successors in interest have consented to the proposed changes to conditions relative to the criteria for which the party obtained party status.~~

~~(2) If the applicant is not able to obtain the consent of a party or parties or their successors in interest with respect to one or more of the conditions in the existing permit or permit amendment proposed to be changed, the applicant shall file a permit application pursuant to this section. However, review by the District Commission shall be limited to whether the changes to conditions not consented to by the party or parties or their successors in interest enable positive findings to be made under subsection 6086(a) and are authorized under subsection 6086(c) of this title. [Repealed.]~~

* * * Criterion 1(D) * * *

Sec. 33. 10 V.S.A. § 6086 is amended to read:

§ 6086. ISSUANCE OF PERMIT; CONDITIONS AND CRITERIA

(a) Before granting a permit, the District Commission shall find that the subdivision or development:

* * *

(D) ~~Floodways~~ Flood hazard areas; river corridors. A permit will be granted whenever it is demonstrated by the applicant that, in addition to all other applicable criteria~~;~~,

(i) the development or subdivision of lands within a ~~floodway~~ flood hazard area or river corridor will not restrict or divert the flow of ~~flood waters; floodwaters; cause or contribute to fluvial erosion;~~ and endanger the health, safety, and welfare of the public or of riparian owners during flooding; ~~and~~

(ii) ~~the development or subdivision of lands within a floodway fringe will not significantly increase the peak discharge of the river or stream within or downstream from the area of development and endanger the health, safety, or welfare of the public or riparian owners during flooding.~~

* * *

* * * Municipal Response to Act 250 Requests * * *

Sec. 34. 10 V.S.A. 6086(g) is added to read:

(g) If a municipality fails to respond to a request by the applicant within 90 days as to the impacts related to subdivision (a)(6) or (7) of this section, the application will be presumed not to have an unreasonable burden on

educational, municipal, or governmental services.

* * * Wood Products Manufacturers * * *

Sec. 35. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

* * *

(43) “Wood product” means logs, pulpwood, veneer wood, bolt wood, wood chips, stud wood, poles, pilings, biomass, fuel wood, maple sap, and bark.

(44) “Wood products manufacturer” means a manufacturer that aggregates wood products from forestry operations and adds value through processing or marketing in the wood products supply chain or directly to consumers through retail sales. “Wood products manufacturer” includes sawmills; veneer mills; pulp mills; pellet mills; producers of firewood, woodchips, mulch, and fuel wood; and log and pulp concentration yards. “Wood products manufacturer” does not include facilities that purchase, market, and resell finished goods, such as wood furniture, wood pellets, and milled lumber, without first receiving wood products from forestry operations.

Sec. 36. 10 V.S.A. § 6086(c) is amended to read:

(c)(1) Permit conditions. A permit may contain such requirements and conditions as are allowable proper exercise of the police power and ~~which that~~ are appropriate within the respect to subdivisions (a)(1) through (10) of this section, including those set forth in 24 V.S.A. §§ 4414(4), 4424(a)(2), 4414(1)(D)(i), 4463(b), and 4464, the dedication of lands for public use, and the filing of bonds to ensure compliance. The requirements and conditions incorporated from Title 24 may be applied whether or not a local plan has been adopted. General requirements and conditions may be established by rule of the Natural Resources Board.

(2) Permit conditions on a wood products manufacturer.

(A) When issuing a permit with conditions on wood products manufacturing and delivery, the District Commission shall account for the seasonal, weather-dependent, land-dependent, and varied conditions unique to the industry.

(B) A permit condition that sets hours of operation for a wood products manufacturer shall only be imposed to mitigate an impact under subdivision (a)(1), (5), or (8) of this section. If an adverse impact would result, a permit with conditions shall allow the manufacturer to operate while allowing for flexible timing of deliveries of wood products from forestry

operations to the manufacturer outside permitted hours of operation, including nights, weekends, and holidays, for the number of days demonstrated by the manufacturer as necessary to enable deliveries, not to exceed 90 days per year.

(C) Permit with conditions on the delivery of wood heat fuels. A permit with conditions issued to a wood products manufacturer that produces wood chips, pellets, cord wood, or other fuel wood used for heat shall allow for flexible delivery of that fuel wood from the manufacturer to the end user outside permitted hours of operation, including nights, weekends, and holidays, from October 1 through April 30 of each year. Permits with conditions shall mitigate the undue adverse impacts while enabling deliveries by the manufacturer.

(D) Permit amendments. A wood products manufacturer holding a permit may request an amendment to existing permit conditions related to hours of operation and seasonal restrictions to be consistent with subdivisions (B) and (C) of this subsection (c). Requests for condition amendments under this subsection shall not be subject to Act 250 Rule 34(E).

* * * One-acre towns * * *

Sec. 37. INTENT; AMENDMENT OF 10 V.S.A. § 6001(3)(A)(ii)

The General Assembly's intent in the amendments to 10 V.S.A. § 6001(3)(A)(ii) set forth in Sec. 38 of this act is to clarify the text to reflect the way jurisdiction over commercial and industrial development in towns without permanent zoning and subdivision bylaws has been determined since the passage of Act 250 in 1970. The General Assembly does not intend any provision of this act to be interpreted as a substantive change to determining jurisdiction under 10 V.S.A. § 6001(3)(A)(ii).

Sec. 38. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

* * *

(3)(A) "Development" means each of the following:

(i) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than 10 acres of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes in a municipality that has adopted permanent zoning and subdivision bylaws.

(ii) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than one acre of land within a radius of five miles of any point on any involved land, for commercial or

industrial purposes ~~on more than one acre of land within~~ in a municipality that has not adopted permanent zoning and subdivision bylaws.

* * *

* * * Reports * * *

Sec. 39. REPORT; ACT 250 JURISDICTION OVER AGRICULTURAL BUSINESSES

On or before January 15, 2023, the Natural Resources Board shall submit to the General Assembly a report with recommendations on how Act 250 jurisdiction should be applied to agricultural businesses, including those located on properties already operating as farms. The Board shall consult with the Agency of Agriculture, Food and Markets, the Vermont Planners Association, the regional planning commissions, and other interested stakeholders. The report shall include recommendations as to how to clarify what is and what is not an accessory on-farm business. The report shall address the current land use planning requirements for farms and farms with accessory on-farm businesses and whether different types of businesses associated with farms and farming require different levels of review. The report may consider whether or not the location of such businesses is relevant and may consider the designation or adoption of agricultural business innovation zones with different levels of review.

Sec. 40. DESIGNATED AREA REPORT; APPROPRIATION

(a) The sum of \$150,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2023 for the purpose of hiring a consultant to evaluate the State designation programs established in 24 V.S.A. chapter 76A pursuant to subsection (b) of this section.

(b)(1) The Department of Housing and Community Development shall hire an independent consultant to:

(A) review and assess the State designation programs and incentives established in 24 V.S.A. chapter 76A that recognize and invest in the vitality of Vermont's compact settlement areas; and

(B) conduct statewide stakeholder outreach to support the evaluation of and future improvements to the programs, including participation by State, regional, municipal, and advocacy and nongovernmental organizations.

(2) The consultant shall make recommendations on how to:

(A) objectively define and map existing compact settlements as a basis for broader recognition;

(B) improve the consistency between and among regional plans and

future land use maps;

(C) modernize these programs, including consideration of program reform or consolidation;

(D) make the designation programs and associated benefits more accessible to municipalities;

(E) apply regulatory and nonregulatory benefits;

(F) strengthen designation and incentives as a platform for place-based economic development, climate action, complete streets, and equity and efficiency of public investment and service delivery;

(G) implement the smart growth principles established by 24 V.S.A. § 2791; and

(H) achieve the goals established in 24 V.S.A. § 4302.

(3) On or before July 15, 2023, the consultant shall submit a written report to the General Assembly with its findings and any recommendations for legislative action.

Sec. 41. REPORT; NATURAL RESOURCES BOARD

(a) On or before December 31, 2023, the Chair of the Natural Resources Board shall report to the House Committees on Natural Resources, Fish, and Wildlife and on Ways and Means and the Senate Committees on Finance and on Natural Resources and Energy on necessary updates to the Act 250 program.

(b) The report shall include:

(1) How to transition to a system in which Act 250 jurisdiction is based on location, which shall encourage development in designated areas, the maintenance of intact rural working lands, and the protection of natural resources of statewide significance, including biodiversity. Location-based jurisdiction would adjust the threshold for Act 250 jurisdiction based on the characteristics of the location. This section of the report shall consider whether to develop thresholds and tiers of jurisdiction as recommended in the Commission on Act 250: the Next 50 Years Report.

(2) How to use the Capability and Development Plan to meet the statewide planning goals.

(3) An assessment of the current level of staffing of the Board and District Commissions, including whether there should be a district coordinator located in every district.

(4) Whether the permit fees are sufficient to cover the costs of the

program and, if not, a recommendation for a source of revenue to supplement the fees.

(5) Whether the permit fees are effective in providing appropriate incentives.

(6) Whether the Board should be able to assess its costs on applicants.

* * * Effective Dates * * *

Sec. 42. EFFECTIVE DATES

This act shall take effect on July 1, 2022, except that Sec. 11 (Missing Middle Pilot Program) and Sec. 21 (tax sales) shall take effect on passage.

Thereupon, the question, Shall the Senate concur in the House of amendment with further proposal of amendment by Senators Sirotkin and Bray? Senator McCormack raised a *point of order* under Sec. 402 of Mason's Manual of Legislative Procedure on the grounds that the proposal of amendment offered by Senators Sirotkin and Bray in Sec. 35 and 36 were *not germane* to the bill and therefore could not be considered by the Senate.

In order for an amendment to be considered, it must be germane. Mason's Manual of Legislative Procedure, Sec. 402.

The President explained that in considering whether a proposed amendment is germane the following factors are considered:

1. Is the proposed amendment relevant, appropriate, and in a natural or logical sequence to the subject matter of the original proposal?
2. Does the proposed amendment introduce an independent question?
3. Does the proposed amendment unreasonably or unduly expand the subject matter of the bill?
4. Does the proposed amendment deal with a different topic or subject?
5. Does the proposed amendment change the purpose, scope or object of the original bill?

And indeed, in deciding a question of germaneness, the threshold determination must be that of the subject matter of the bill or amendment under consideration and its scope.

Thereupon, after weighing the above factors the President *sustained* the point of order and ruled that the proposal of amendment in Secs. 35 and 36 offered by Senators Sirotkin and Bray was *not germane* to the bill.

The President thereupon declared that the proposal of amendment offered by Senators Sirotkin and Bray in Secs. 35 and 36 could *not* be considered by

the Senate and Secs. 35 and 36 of the proposal of amendment where ordered stricken.

Thereupon, Senator Starr moved that the rules be suspended in order to permit consideration of Secs. 35 and 36 of the proposal of amendment on their merits, despite being not germane pursuant to Sec. 402 of Manson's Manual of Legislative procedure.

Which was agreed to.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment with further proposal of amendment?, Senator McCormack moved to amend the proposal of amendment of Senators Sirotkin and Bray by striking out Sec. 42, effective dates, in its entirety and inserting in lieu thereof the following:

* * * Forest Blocks * * *

Sec. 42. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

* * *

(43) “Connecting habitat” means land or water, or both, that links patches of habitat within a landscape, allowing the movement, migration, and dispersal of wildlife and plants and the functioning of ecological processes. A connecting habitat may include features including recreational trails and improvements constructed for farming, logging, or forestry purposes.

(44) “Forest block” means a contiguous area of forest in any stage of succession and not currently developed for nonforest use. A forest block may include features including recreational trails, wetlands, or other natural features that do not themselves possess tree cover and improvements constructed for farming, logging, or forestry purposes.

(45) “Habitat” means the physical and biological environment in which a particular species of plant or wildlife lives.

Sec. 43. 10 V.S.A. § 6086(a)(8) is amended to read:

(8) Ecosystem protection; scenic beauty; historic sites.

(A) Aesthetics. Will not have an undue adverse effect on the scenic or natural beauty of the area, aesthetics, or historic sites ~~or rare and irreplaceable natural areas.~~

~~(A)~~(B) Necessary wildlife habitat and endangered species. A permit will not be granted if it is demonstrated by any party opposing the applicant

that a development or subdivision will destroy or significantly imperil necessary wildlife habitat or any endangered species; and:

(i) the economic, social, cultural, recreational, or other benefit to the public from the development or subdivision will not outweigh the economic, environmental, or recreational loss to the public from the destruction or imperilment of the habitat or species; or

(ii) all feasible and reasonable means of preventing or lessening the destruction, diminution, or imperilment of the habitat or species have not been or will not continue to be applied; or

(iii) a reasonably acceptable alternative site is owned or controlled by the applicant ~~which~~ that would allow the development or subdivision to fulfill its intended purpose.

(C) Forest blocks and connecting habitat. Will not result in an undue adverse impact on forest blocks, connecting habitat, or rare and irreplaceable natural areas. If a project as proposed would result in an undue adverse impact, a permit may only be granted if effects are avoided or minimized and mitigated in accordance with rules adopted by the Board.

Sec. 44. CRITERION 8(C) RULEMAKING

(a) The Natural Resources Board (Board), in collaboration with the Agency of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6086(a)(8)(C). Rules adopted by the Board shall include:

(1) How forest blocks and connecting habitat are further defined, including their size, location, and function, which may include:

(A) information that will be available to the public to determine where forest blocks and connecting habitat are located; or

(B) advisory mapping resources, how they will be made available, how they will be used, and how they will be updated.

(2) Standards establishing how impacts can be avoided or minimized, including how fragmentation of forest blocks or connecting habitat is avoided or minimized, which may include steps to promote proactive site design of buildings, roadways and driveways, utility location, and location relative to existing features such as roads, tree lines, and fence lines.

(3)(A) As used in this section “fragmentation” generally means dividing land that has naturally occurring vegetation and ecological processes into smaller and smaller areas as a result of land uses that remove vegetation and create physical barriers that limit species’ movement and interrupt ecological

processes between previously connected natural vegetation. However, the rules shall further define “fragmentation” for purposes of avoiding, minimizing, and mitigating undue adverse impacts on forest blocks and connecting habitat. “Fragmentation” does not include the division or conversion of a forest block or connecting habitat by an unpaved recreational trail or by improvements constructed for farming, logging, or forestry purposes below the elevation of 2,500 feet.

(B) As used in this subsection, “recreational trail” has the same meaning as “trails” in 10 V.S.A. § 442.

(4) Criteria to identify the circumstances when a forest block or connecting habitat is eligible for mitigation.

(5) Standards for how impacts to a forest block or connecting habitat may be mitigated. Standards may include:

(A) appropriate ratios for compensation;

(B) appropriate forms of compensation such as conservation easements, fee interests in land, and other forms of compensation; and

(C) appropriate uses of on-site and off-site mitigation.

(b) The Board shall convene a working group of stakeholders to provide input to the rule prior to prefilings with the Interagency Committee on Administrative Rules. The Board shall convene the working group on or before June 1, 2023.

(c) The Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules on or before June 15, 2024.

Sec. 45. 10 V.S.A. § 127 is amended to read:

§ 127. RESOURCE MAPPING

~~(a) On or before January 15, 2013, the~~ The Secretary of Natural Resources shall complete and maintain resource mapping based on the Geographic Information System (GIS) or other technology. The mapping shall identify natural resources throughout the State, including forest blocks and connecting habitat, that may be relevant to the consideration of energy projects and projects subject to chapter 151 of this title. The Center for Geographic Information shall be available to provide assistance to the Secretary in carrying out the ~~GIS-based~~ resource mapping.

(b) The Secretary of ~~Natural Resources~~ shall consider the ~~GIS-based~~ resource maps developed under subsection (a) of this section when providing evidence and recommendations to the Public Utility Commission under

30 V.S.A. § 248(b)(5) and when commenting on or providing recommendations under chapter 151 of this title to District Commissions on other projects.

(c) The Secretary shall establish and maintain written procedures that include a process and science-based criteria for updating resource maps developed under subsection (a) of this section. Before establishing or revising these procedures, the Secretary shall provide opportunities for affected parties and the public to submit relevant information and recommendations.

* * * Effective Dates * * *

Sec. 46. EFFECTIVE DATES

This act shall take effect on July 1, 2022, except that Sec. 11 (Missing Middle Pilot Program) and Sec. 21 (tax sales) shall take effect on passage and Sec. Sec. 43 (10 V.S.A. § 6086(a)(8)) shall take effect on September 1, 2024.

Thereupon, pending the question, Shall the Senate further proposal of amendment by Senators Sirotkin and Bray be amended as moved by Senator McCormack? Senator Brock raised a *point of order* under Sec. 402 of Mason's Manual of Legislative Procedure on the grounds that the proposal of amendment offered by Senator McCormack was *not germane* to the bill and therefore could not be considered by the Senate.

Thereupon, the President *sustained* the point of order and ruled that the proposal of amendment offered by Senator McCormack was *not germane* to the bill as it did not satisfy the criteria of Mason's Rule 402 regarding germaneness the subject matter of the original proposal.

The President thereupon declared that the proposal of amendment offered by Senator McCormack could *not* be considered by the Senate and the proposal of amendment was ordered stricken.

Thereupon, Senator McCormack moved that the rules be suspended in order to permit consideration of the proposal of amendment on its merits, despite being not germane pursuant to Sec. 402 of Manson's Manual of Legislative procedure.

Which was disagreed to.

Thereupon, the pending question, Shall the Senate concur in the House proposal of amendment with further proposal of amendment?, was decided in the affirmative on a roll call, Yeas 30, Nays 0.

Senator Sirotkin having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Balint, Baruth, Benning, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Parent, Pearson, Perchlik, Pollina, Ram Hinsdale, Sears, Sirotkin, Starr, Terenzini, Westman, White.

Those Senators who voted in the negative were: None.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Rules Suspended; House Proposal of Amendment Concurred in With an Amendment; Bill Messaged

S. 250.

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to law enforcement data collection and interrogation.

Was taken up for immediate consideration.

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

Sec. 1. 20 V.S.A. § 2366 is amended to read:

§ 2366. LAW ENFORCEMENT AGENCIES; FAIR AND IMPARTIAL
POLICING POLICY; ~~RACE~~ DATA COLLECTION

* * *

(e)(1) On or before September 1, 2014 2022, every State, county, and municipal law enforcement agency shall collect all data concerning law enforcement encounters, including roadside stop data consisting of the following:

- (A) the age, gender, and race of the ~~driver~~ individual;
- (B) the grounds for the stop;
- (C) the grounds for the search and the type of search conducted, if any;
- (D) the evidence located, if any;

(E) the outcome of the stop, including whether physical force was employed or threatened during the stop, and if so, the type of force employed and whether the force resulted in bodily injury or death, and whether:

- (i) a written warning was issued;
- (ii) a citation for a civil violation was issued;
- (iii) a citation or arrest for a misdemeanor or a felony occurred; or
- (iv) no subsequent action was taken.

(2) Law enforcement agencies shall work with the Executive Director of Racial Equity, the Criminal Justice Council, and a vendor chosen by the Council with the goals of collecting uniform data, adopting uniform storage methods and periods, and ensuring that data can be analyzed. Roadside stop data, as well as reports and analysis of roadside stop data, shall be public.

(3) On or before ~~September~~ July 1, 2016 2023 and annually thereafter, law enforcement agencies shall provide all data collected by the agency, including the data collected under this subsection, to the Executive Director of Racial Equity and the vendor chosen by the Criminal Justice Council under subdivision (2) of this subsection or, in the event the vendor is unable to continue receiving data under this section, to the Council. Law enforcement agencies shall provide the data collected under this subsection in an electronic format specified by the receiving entity.

(4) The data provided pursuant to subdivision (3) of this subsection shall be posted electronically in a manner that is analyzable and accessible to the public on the receiving agency's website and clear and understandable. ~~The receiving agency shall also report the data annually to the General Assembly.~~

(5) Annually, on or before July 1, all law enforcement agencies shall report the data collected pursuant to subdivision (3) of this subsection to the House and Senate Committees on Government Operations and on Judiciary. The report shall detail how the data is collected, how the data is accessible, how the data is used by the law enforcement agency, a review of the data to determine if additional data criteria is needed, and any recommendations to improve data collection and use.

(6) As used in this subsection, "physical force" shall refer to the force employed by a law enforcement officer to compel a person's compliance with the officer's instructions that constitutes a greater amount of force than handcuffing a compliant person.

* * *

Sec. 2. GIGLIO DATABASE; STUDY COMMITTEE; REPORT

(a) Creation. There is created the Giglio Database Study Committee to study the appropriate structure and process to administer a database designed to catalogue potential impeachment information concerning law enforcement agency witnesses or affiants to enable a prosecutor to disclose such information consistently and appropriately under the obligations of *Giglio v. United States*, 405 U.S. 150 (1972), and its progeny.

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

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

(2) two current members of the Senate, not from the same political party, who shall be appointed by the President Pro Tempore;

(3) the Commissioner of the Department of Public Safety or designee;

(4) the Executive Director of the Vermont Criminal Justice Council or designee;

(5) the President of the Vermont Sheriffs' Association or designee;

(6) the President of the Vermont Association of Chiefs of Police or designee;

(7) the Executive Director of the Vermont Office of Racial Equity;

(8) the Attorney General or designee;

(9) the Executive Director of the Department of State's Attorneys and Sheriffs or designee; and

(10) the Defender General or designee.

(c) Powers and duties. The Giglio Database Study Committee shall study the appropriate structure and process to administer a law enforcement officer information database designed to facilitate the disclosure of potential impeachment information by prosecutors pursuant to legal obligations. The Committee shall study the following:

(1) the appropriate department or agency to manage and administer the database;

(2) the type and scope of information maintained in the database;

(3) any gatekeeping functions used to review information before it is entered into the database;

(4) any due process procedures to dispute information entered into the database;

(5) how to securely maintain the database;

(6) the appropriate access to the database;

(7) the confidentiality of the information maintained in, or accessed from, the database; and

(8) the resources necessary to effectively administer and maintain the database.

(d) Report. On or before December 1, 2022, the Giglio Database Study Committee shall submit a written report with legislative recommendations to the House and Senate Committees on Government Operations.

(e) Assistance. The Giglio Database Study Committee shall have the administrative, technical, and legal assistance of the Vermont Criminal Justice Council and any other stakeholders interested in assisting with the report.

(f) Meetings.

(1) The Executive Director of the Office of Racial Equity or designee shall call the first meeting of the Committee to occur on or before July 15, 2022.

(2) The Executive Director of the Office of Racial Equity shall select a chair from among its members at the first meeting.

(3) The Committee shall meet six times.

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

(5) The Giglio Database Study Committee shall cease to exist on December 15, 2022.

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

Sec. 3. 13 V.S.A. § 5585 is amended to read as follows:

§ 5585. ELECTRONIC RECORDING OF A CUSTODIAL
INTERROGATION

(a) As used in this section:

(1) “Custodial interrogation” means any interrogation:

(A) involving questioning by a law enforcement officer that is reasonably likely to elicit an incriminating response from the subject; and

(B) in which a reasonable person in the subject's position would consider ~~himself or herself~~ the person to be in custody, starting from the moment a person should have been advised of ~~his or her~~ the person's Miranda rights and ending when the questioning has concluded.

* * *

(3) "Place of detention" means a building or a police station that is a place of operation for the State police, a municipal police department, county sheriff department, or other law enforcement agency that is owned or operated by a law enforcement agency at which persons are or may be questioned in connection with criminal offenses or detained temporarily in connection with criminal charges pending a potential arrest or citation.

(4) "Statement" means an oral, written, sign language, or nonverbal communication.

(b)(1) A custodial interrogation that occurs in a place of detention concerning the investigation of a felony or misdemeanor violation ~~of chapter 53 (homicide) or 72 (sexual assault)~~ of this title shall be electronically recorded in its entirety. Unless impracticable, a custodial interrogation occurring outside a place of detention concerning the investigation of a felony or misdemeanor violation of this title shall be electronically recorded in its entirety.

(2) In consideration of best practices, law enforcement shall strive to record simultaneously both the interrogator and the person being interrogated.

(c)(1) The following are exceptions to the recording requirement in subsection (b) of this section:

(A) exigent circumstances;

(B) a person's refusal to be electronically recorded;

(C) interrogations conducted by other jurisdictions;

(D) a reasonable belief that the person being interrogated did not commit a felony or misdemeanor violation ~~of chapter 53 (homicide) or 72 (sexual assault)~~ of this title and, therefore, an electronic recording of the interrogation was not required;

(E) the safety of a person or protection of ~~his or her~~ the person's identity; and

(F) equipment malfunction.

* * *

Sec. 4. STUDY ON DECEPTIVE AND COERCIVE METHODS OF LAW ENFORCEMENT INTERROGATION; REPORT

(a) The Joint Legislative Justice Oversight Committee shall study the use of deceptive and coercive interrogation tactics employed by law enforcement in the State of Vermont. In particular, the study shall consider:

(1) when providing false facts about evidence to a suspect during an interview conducted after the commission of a crime results in an involuntary confession or admission to the crime;

(2) when confessions or admissions to crimes procured by providing a defendant with false facts should be inadmissible;

(3) the appropriate age and circumstances to prohibit coercive techniques in cases involving juveniles;

(4) the use of the interrogation and interviewing techniques, including the Reid Technique of Investigative Interviews and Advanced Interrogation Techniques, by law enforcement; and

(5) legislation, initiatives, or programs for the General Assembly and law enforcement to consider to improve current practices.

(b) The Committee shall have the administrative, technical, and legal assistance of the Office of Legislative Counsel. The Committee may have the assistance of the Vermont Criminal Justice Council in drafting the report, along with any other stakeholders interested in assisting. On or before December 1, 2022, the Committee shall submit a report in the form of proposed legislation.

Sec. 5. 20 V.S.A. § 2222 is amended to read:

§ 2222. FEDERAL LAW ENFORCEMENT OFFICERS; POWER OF ARREST FOR VERMONT CRIMES

(a) For purposes of this section, “a certified federal law enforcement officer” means a federal law enforcement officer who:

(1) is employed as a law enforcement officer of the federal government as:

(A) a special agent, border patrol agent, or immigration inspector of the Immigration and Naturalization Service, U.S. Department of Justice; ~~or~~

(B) an officer or inspector of the U.S. Customs Service of the Department of the Treasury; ~~and or~~

(C) a special agent, inspector, or member of the police service of the U.S. Department of Veterans Affairs;

(2) has satisfactorily completed a course of study in Vermont laws and criminal procedures approved by the Vermont Criminal Justice Council, at the expense of the officer's agency;

(3) has been certified by the Commissioner of Public Safety pursuant to subsection (b) of this section; and

(4) has taken an oath administered by the Commissioner of Public Safety or by the Commissioner's designee to uphold the Constitution of the State of Vermont.

* * *

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2022.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment? Senator Ram Hinsdale moved that the Senate concur in the House proposal of amendment with further proposals of amendment, as follows:

First: By striking out Sec. 1, 20 V.S.A. § 2366, in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 20 V.S.A. § 2366 is amended to read:

§ 2366. LAW ENFORCEMENT AGENCIES; FAIR AND IMPARTIAL
POLICING POLICY; RACE DATA COLLECTION

* * *

(4) The data provided pursuant to subdivision (3) of this subsection shall be posted electronically in a manner that is analyzable and accessible to the public on the receiving agency's website and clear and understandable. The receiving agency shall also report the data annually ~~to the General Assembly, on or before December 1, to the House and Senate Committees on Government Operations and on Judiciary and the Executive Director of Racial Equity.~~ The report shall detail how the data is collected, how the data is accessible, how the data is used by the law enforcement agency, a review of the data to determine if additional data criteria is needed, and any recommendations to improve data collection and use.

* * *

Second: By adding a Sec. 1a to read as follows:

Sec. 1a. DEPARTMENT OF PUBLIC SAFETY; LAW ENFORCEMENT
DATA COLLECTION; REPORT

(a) On or before November 1, 2023, the Department of Public Safety shall submit a report concerning the ability of law enforcement agencies to collect data during law enforcement encounters. The report shall specify:

(1) the data currently collected, including law enforcement's capabilities and methods of collection;

(2) any suggested data collection criteria;

(3) any impediments to collecting data;

(4) proposed remedies to resolve any impediments; and

(5) a recommended definition of "law enforcement encounter."

(b) The report shall be submitted to the House and Senate Committees on Government Operations and on Judiciary and the Executive Director of Racial Equity.

(c) It is the intent of the General Assembly that the report's definition of "law enforcement encounter" and data criteria suggestions should be considered for codification into law by the General Assembly during the 2024 legislative session.

Third: In Sec. 4, study on deceptive and coercive methods of law enforcement interrogation; report, in subsection (b), in the third sentence, following "legislation" by inserting , if any

Thereupon, the question, Shall the Senate concur in the House proposal of amendment with further proposals of amendment?, was decided in the affirmative.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Consideration Resumed; House Proposal of Amendment Concurred In

S. 234.

Consideration was resumed on Senate bill entitled:

An act relating to changes to Act 250.

Thereupon, the pending question, Shall the Senate concur in the House proposal of amendment with further proposal of amendment as offered by Senator Sears?, Senator Sears requested and was granted leave to withdraw the further proposal of amendment.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative on a division of the Senate, Yeas 17, Nays 13.

**Rules Suspended; House Proposal of Amendment to Senate Proposal of
Amendment Concurred In; Bill Messaged**

H. 626.

Pending entry on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to the sale, use, or application of neonicotinoid pesticides.

Was taken up for immediate consideration.

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

By adding a Sec. 5a to read as follows:

**Sec. 5a. AGENCY OF AGRICULTURE, FOOD AND MARKETS;
RESIDUALS MANAGEMENT POSITIONS**

Two new permanent classified positions at the Agency of Agriculture, Food and Markets are authorized in fiscal year 2023 for the purpose of staffing the Agency's Residuals Management Program, supporting the Agricultural Innovation Board, and enforcing and reviewing the use of treated article pesticides in the State. In fiscal year 2023, \$181,190.00 is appropriated to the Agency of Agriculture, Food and Markets for the purpose of hiring the two new positions in the Agency's Residuals Management Program. The two positions shall be funded from the revenue raised from the registration of soil amendments under 6 V.S.A. chapter 28 and the registration of dosage form animal health products and feed supplements under 6 V.S.A. chapter 26.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Appointments Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator White, the following Gubernatorial appointments were confirmed together as a group by the Senate, without reports given by the Committees to which they were referred and without debate:

The nomination of

Chase, Heather of Chester - Member Vermont Economic Progress Council - May 24, 2021 to March 31, 2025.

The nomination of

Flanagan, Ed of Montpelier - Member Liquor and Lottery, Board of - July 19, 2021 to January 31, 2024.

The nomination of

Guy, Sam of Morrisville - Member Liquor and Lottery, Board of - July 19, 2021 to January 31, 2024.

The nomination of

Trombly, Christopher of South Burlington - Member Vermont State Housing Authority - July 19, 2021 to February 29, 2024.

The nomination of

Jones, Aaron of Rutland - Member Vermont State Housing Authority - July 19, 2021 to February 28, 2026.

The nomination of

Keane, Michael of North Bennington - Member Vermont Economic Progress Council - April 1, 2021 to March 31, 2025.

The nomination of

McQuesten, Gary of Plainfield - Chair Vermont Occupational Safety and Health Review Board - March 3, 2022 to February 28, 2025.

Were collectively confirmed by the Senate.

Appointment of Senate Members to Joint Fiscal Committee

Pursuant to the provisions of 2 V.S.A. § 501, the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Joint Fiscal Committee for terms of two years ending February 1, 2023:

Senator Cummings, *ex officio*

Senator Sears

Senator Kitchel, *ex officio*

[Senator Balint]

Senator Westman

Senator Baruth

Appointment of Senate Member to the Building Bright Futures Council

Pursuant to the provisions of 33 V.S.A. § 4602, the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Building Bright Futures Council during this biennium:

[Senator Westman]

Senator Hardy

Message from the House No. 82

A message was received from the House of Representatives by Ms. Melissa Kucserik, its First Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered Senate proposal of amendment to House bill:

H. 738. An act relating to technical and administrative changes to Vermont's tax laws.

And has severally concurred therein with further amendments in the passage of which the concurrence of the Senate is requested.

Message from the House No. 83

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 510. An act relating to a Vermont Child Tax Credit and the Vermont Social Security income exclusion.

And has adopted the same on its part.

The House has considered Senate proposal of amendment to the following House bill:

H. 737. An act relating to setting the homestead property tax yields and the nonhomestead property tax rate.

And has severally concurred therein.

Recess

On motion of Senator Balint the Senate recessed until 4:45 p.m..

Called to Order

The Senate was called to order by the President.

**Rules Suspended; House Proposals of Amendment to Senate Proposal of
Amendment Concurred In****H. 738.**

Pending entry on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposals of amendment to Senate proposal of amendment to House bill entitled:

An act relating to technical and administrative changes to Vermont's tax laws.

Were taken up for immediate consideration.

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

First: By striking out Secs. 6 and 7, 32 V.S.A. §§ 5824 and 7402(8), and their reader assistance heading in their entireties and inserting in lieu thereof the following:

Sec. 6. [Deleted.]

Sec. 7. [Deleted.]

Second: By adding a new section to be Sec. 19a to read as follows:

Sec. 19a. REPORT; GRANT-FUNDED BROADBAND NETWORK
ASSETS

On or before January 15, 2023, the Vermont Community Broadband Board shall submit a written report to the Senate Committees on Finance, on Appropriations, and on Economic Development, Housing and General Affairs and the House Committees on Commerce and Economic Development, on Ways and Means, on Energy and Technology, and on Appropriations that analyzes 30 V.S.A. § 8086(c)(3), particularly with regard to the removal of the requirement that ownership of grant-funded network assets be transferred to the State if a grantee materially fails to comply with the terms and conditions of a grant. The Board shall review all financing contracts or agreements entered into by a communications union district on or after May 11, 2022 and make a determination as to whether publicly funded network assets are at risk of privatization due to financial insolvency or default under the terms and conditions of such contracts or agreements and whether additional statutory requirements should be enacted to protect the State's broadband investments.

Third: In Sec. 20, 30 V.S.A. § 8086(h), by striking out subdivision (h)(1) in its entirety and inserting in lieu thereof a new subdivision (h)(1) to read as follows:

(h)(1) The Board shall require a communications union district that borrows funds for the purpose of financing a broadband project to immediately provide written notice to the Board in the event the communications union district becomes aware that it is at risk of financial insolvency or of defaulting on the payment of principal or interest on a loan when due. The Board, in turn, shall promptly provide written notice to the Governor, the Treasurer, and the Joint Fiscal Committee of such risk of insolvency or default and shall include in its notification a description of any potential ramifications of the insolvency or default under the terms and conditions of the applicable loan.

Fourth: In Sec. 28, effective dates, in subsection (j), by striking out “19 and 20” and inserting lieu thereof “19–20”

Fifth: In Sec. 28, effective dates, by striking out subsection (c) in its entirety and by relettering the remaining subsections to be alphabetically correct.

Thereupon, the question, Shall the Senate concur in the House proposals of amendment to the Senate proposal of amendment?, were severally decided in the affirmative.

Report of Committee of Conference Accepted and Adopted on the Part of the Senate

H. 740.

Senator Kitchel, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

H. 740. An act relating to making appropriations for the support of government.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. A.100 SHORT TITLE

This bill may be referred to as the BIG BILL – Fiscal Year 2023 Appropriations Act.

Sec. A.101 PURPOSE

(a) The purpose of this act is to provide appropriations for the operations of State government during fiscal year 2023. It is the express intent of the General Assembly that activities of the various agencies, departments, divisions, boards, and commissions be limited to those that can be supported by funds appropriated in this act or other acts passed prior to June 30, 2022. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2023 to meet this condition unless otherwise directed by specific language in this act or other acts of the General Assembly.

Sec. A.102 APPROPRIATIONS

(a) It is the intent of the General Assembly that this act serves as the primary source and reference for appropriations for fiscal year 2023.

(b) The sums herein stated are appropriated for the purposes specified in the following sections of this act. When no time is expressly stated during which any of the appropriations are to continue, the appropriations are single-year appropriations and only for the purpose indicated and shall be paid from funds shown as the source of funds. If in this act there is an error in either addition or subtraction, the totals shall be adjusted accordingly. Apparent errors in referring to section numbers of statutory titles within this act may be disregarded by the Commissioner of Finance and Management.

(c) Unless codified or otherwise specified, all narrative portions of this act apply only to the fiscal year ending on June 30, 2023.

Sec. A.103 DEFINITIONS

(a) As used in this act:

(1) "Encumbrances" means a portion of an appropriation reserved for the subsequent payment of existing purchase orders or contracts. The Commissioner of Finance and Management shall make final decisions on the appropriateness of encumbrances.

(2) "Grants" means subsidies, aid, or payments to local governments, to community and quasi-public agencies for providing local services, and to persons who are not wards of the State for services or supplies and means cash or other direct assistance, including pension contributions.

(3) "Operating expenses" means property management; repair and maintenance; rental expenses; insurance; postage; travel; energy and utilities; office and other supplies; equipment, including motor vehicles, highway materials, and construction; expenditures for the purchase of land and construction of new buildings and permanent improvements; and similar items.

(4) “Personal services” means wages and salaries, fringe benefits, per diems, contracted third-party services, and similar items.

Sec. A.104 RELATIONSHIP TO EXISTING LAWS

(a) Except as specifically provided, this act shall not be construed in any way to negate or impair the full force and effect of existing laws.

Sec. A.105 OFFSETTING APPROPRIATIONS

(a) In the absence of specific provisions to the contrary in this act, when total appropriations are offset by estimated receipts, the State appropriations shall control, notwithstanding receipts being greater or less than anticipated.

Sec. A.106 FEDERAL FUNDS

(a) In fiscal year 2023, the Governor, with the approval of the General Assembly or the Joint Fiscal Committee if the General Assembly is not in session, may accept federal funds available to the State of Vermont, including block grants in lieu of or in addition to funds herein designated as federal. The Governor, with the approval of the General Assembly or the Joint Fiscal Committee if the General Assembly is not in session, may allocate all or any portion of such federal funds for any purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during fiscal year 2023, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2022 session of the Vermont General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for not more than 45 days prior to Legislative or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor’s request for approval.

Sec. A.107 NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary positions as defined in 3 V.S.A. § 311(11), shall not be increased during fiscal year 2023 except for new positions authorized by the 2022 session. Limited-service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction.

Sec. A.108 LEGEND

(a) The bill is organized by functions of government. The sections between B.100 and B.9999 contain appropriations of funds for the upcoming budget year. The sections between E.100 and E.9999 contain language that relates to specific appropriations or government functions, or both. The function areas by section numbers are as follows:

<u>B.100–B.199 and E.100–E.199</u>	<u>General Government</u>
<u>B.200–B.299 and E.200–E.299</u>	<u>Protection to Persons and Property</u>
<u>B.300–B.399 and E.300–E.399</u>	<u>Human Services</u>
<u>B.400–B.499 and E.400–E.499</u>	<u>Labor</u>
<u>B.500–B.599 and E.500–E.599</u>	<u>General Education</u>
<u>B.600–B.699 and E.600–E.699</u>	<u>Higher Education</u>
<u>B.700–B.799 and E.700–E.799</u>	<u>Natural Resources</u>
<u>B.800–B.899 and E.800–E.899</u>	<u>Commerce and Community Development</u>
<u>B.900–B.999 and E.900–E.999</u>	<u>Transportation</u>
<u>B.1000–B.1099 and E.1000–E.1099</u>	<u>Debt Service</u>
<u>B.1100–B.1199 and E.1100–E.1199</u>	<u>One-time and other appropriation actions</u>

(b) The C sections contain amendments to the current fiscal year, the D sections contain fund transfers and reserve allocations for the upcoming budget year, the F sections contain Pay Act appropriations, and the G sections contain provisions relating to the American Rescue Plan Act of 2021, Pub. L. No 117-2 (ARPA) – Coronavirus State Fiscal Recovery Fund expenditures and other related funding.

Sec. B.100 Secretary of administration - secretary's office

Personal services	1,652,252
Operating expenses	111,750
Grants	<u>25,000</u>
Total	1,789,002
Source of funds	
General fund	1,092,614
Special funds	25,000
Internal service funds	440,610
Interdepartmental transfers	<u>230,778</u>
Total	1,789,002

Sec. B.101 Secretary of administration - finance

Personal services	1,256,805
Operating expenses	<u>113,453</u>
Total	1,370,258
Source of funds	
Interdepartmental transfers	<u>1,370,258</u>
Total	1,370,258
Sec. B.102 Secretary of administration - workers' compensation insurance	
Personal services	831,338
Operating expenses	<u>115,218</u>
Total	946,556
Source of funds	
Internal service funds	<u>946,556</u>
Total	946,556
Sec. B.103 Secretary of administration - general liability insurance	
Personal services	507,371
Operating expenses	<u>38,155</u>
Total	545,526
Source of funds	
Internal service funds	<u>545,526</u>
Total	545,526
Sec. B.104 Secretary of administration - all other insurance	
Personal services	192,702
Operating expenses	<u>17,643</u>
Total	210,345
Source of funds	
Internal service funds	<u>210,345</u>
Total	210,345
Sec. B.105 Agency of digital services - communications and information technology	
Personal services	99,364,395
Operating expenses	<u>34,833,539</u>
Total	134,197,934
Source of funds	
General fund	179,572
Special funds	17,159,341
Internal service funds	<u>116,859,021</u>
Total	134,197,934
Sec. B.106 Finance and management - budget and management	

Personal services	1,560,869
Operating expenses	<u>328,431</u>
Total	1,889,300
Source of funds	
General fund	1,287,210
Internal service funds	<u>602,090</u>
Total	1,889,300
Sec. B.107 Finance and management - financial operations	
Personal services	2,258,652
Operating expenses	<u>729,477</u>
Total	2,988,129
Source of funds	
Internal service funds	<u>2,988,129</u>
Total	2,988,129
Sec. B.108 Human resources - operations	
Personal services	9,623,786
Operating expenses	<u>1,337,649</u>
Total	10,961,435
Source of funds	
General fund	1,645,579
Special funds	263,589
Internal service funds	8,582,668
Interdepartmental transfers	<u>469,599</u>
Total	10,961,435
Sec. B.108.1 Human resources - VTHR operations	
Personal services	1,795,870
Operating expenses	<u>712,551</u>
Total	2,508,421
Source of funds	
Internal service funds	<u>2,508,421</u>
Total	2,508,421
Sec. B.109 Human resources - employee benefits & wellness	
Personal services	1,109,145
Operating expenses	<u>601,415</u>
Total	1,710,560
Source of funds	
Internal service funds	<u>1,710,560</u>
Total	1,710,560

Sec. B.110 Libraries

Personal services	2,362,959
Operating expenses	892,587
Grants	<u>201,900</u>
Total	3,457,446
Source of funds	
General fund	2,004,119
Special funds	35,276
Federal funds	1,308,858
Interdepartmental transfers	<u>109,193</u>
Total	3,457,446

Sec. B.111 Tax - administration/collection

Personal services	17,831,398
Operating expenses	<u>5,790,925</u>
Total	23,622,323
Source of funds	
General fund	21,409,826
Special funds	2,178,388
Interdepartmental transfers	<u>34,109</u>
Total	23,622,323

Sec. B.112 Buildings and general services - administration

Personal services	1,080,924
Operating expenses	<u>153,965</u>
Total	1,234,889
Source of funds	
Interdepartmental transfers	<u>1,234,889</u>
Total	1,234,889

Sec. B.113 Buildings and general services - engineering

Personal services	96,274
Operating expenses	<u>1,535,829</u>
Total	1,632,103
Source of funds	
General fund	1,132,103
Interdepartmental transfers	<u>500,000</u>
Total	1,632,103

Sec. B.113.1 Buildings and General Services Engineering - Capital Projects

Personal services	<u>2,756,153</u>
Total	2,756,153

Source of funds	
General fund	<u>2,756,153</u>
Total	2,756,153
Sec. B.114 Buildings and general services - information centers	
Personal services	3,320,126
Operating expenses	<u>1,821,549</u>
Total	5,141,675
Source of funds	
General fund	649,572
Transportation fund	4,059,343
Special funds	<u>432,760</u>
Total	5,141,675
Sec. B.115 Buildings and general services - purchasing	
Personal services	1,134,262
Operating expenses	<u>222,957</u>
Total	1,357,219
Source of funds	
General fund	<u>1,357,219</u>
Total	1,357,219
Sec. B.116 Buildings and general services - postal services	
Personal services	757,054
Operating expenses	<u>249,683</u>
Total	1,006,737
Source of funds	
General fund	84,986
Internal service funds	<u>921,751</u>
Total	1,006,737
Sec. B.117 Buildings and general services - copy center	
Personal services	853,534
Operating expenses	<u>171,957</u>
Total	1,025,491
Source of funds	
Internal service funds	<u>1,025,491</u>
Total	1,025,491
Sec. B.118 Buildings and general services - fleet management services	
Personal services	777,083
Operating expenses	<u>250,909</u>
Total	1,027,992

Source of funds	
Internal service funds	<u>1,027,992</u>
Total	1,027,992
Sec. B.119 Buildings and general services - federal surplus property	
Operating expenses	<u>6,979</u>
Total	6,979
Source of funds	
Enterprise funds	<u>6,979</u>
Total	6,979
Sec. B.120 Buildings and general services - state surplus property	
Personal services	343,550
Operating expenses	<u>125,259</u>
Total	468,809
Source of funds	
Internal service funds	<u>468,809</u>
Total	468,809
Sec. B.121 Buildings and general services - property management	
Personal services	1,467,576
Operating expenses	<u>508,707</u>
Total	1,976,283
Source of funds	
Internal service funds	<u>1,976,283</u>
Total	1,976,283
Sec. B.122 Buildings and general services - fee for space	
Personal services	18,711,733
Operating expenses	<u>14,636,007</u>
Total	33,347,740
Source of funds	
Internal service funds	<u>33,347,740</u>
Total	33,347,740
Sec. B.124 Executive office - governor's office	
Personal services	1,487,507
Operating expenses	<u>459,623</u>
Total	1,947,130
Source of funds	
General fund	1,716,379
Interdepartmental transfers	<u>230,751</u>
Total	1,947,130

Sec. B.125 Legislative counsel

Personal services	3,554,623
Operating expenses	<u>255,108</u>
Total	3,809,731
Source of funds	
General fund	<u>3,809,731</u>
Total	3,809,731

Sec. B.126 Legislature

Personal services	5,411,855
Operating expenses	<u>4,510,892</u>
Total	9,922,747
Source of funds	
General fund	<u>9,922,747</u>
Total	9,922,747

Sec. B.126.1 Legislative information technology

Personal services	1,191,177
Operating expenses	<u>564,119</u>
Total	1,755,296
Source of funds	
General fund	<u>1,755,296</u>
Total	1,755,296

Sec. B.127 Joint fiscal committee

Personal services	2,595,286
Operating expenses	<u>170,638</u>
Total	2,765,924
Source of funds	
General fund	<u>2,765,924</u>
Total	2,765,924

Sec. B.128 Sergeant at arms

Personal services	1,194,932
Operating expenses	<u>109,829</u>
Total	1,304,761
Source of funds	
General fund	<u>1,304,761</u>
Total	1,304,761

Sec. B.129 Lieutenant governor

Personal services	206,253
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Operating expenses	<u>42,999</u>
Total	249,252
Source of funds	
General fund	<u>249,252</u>
Total	249,252
Sec. B.130 Auditor of accounts	
Personal services	3,985,879
Operating expenses	<u>179,191</u>
Total	4,165,070
Source of funds	
General fund	357,074
Special funds	53,145
Internal service funds	<u>3,754,851</u>
Total	4,165,070
Sec. B.131 State treasurer	
Personal services	4,615,443
Operating expenses	<u>214,594</u>
Total	4,830,037
Source of funds	
General fund	1,809,658
Special funds	2,803,034
Interdepartmental transfers	<u>217,345</u>
Total	4,830,037
Sec. B.132 State treasurer - unclaimed property	
Personal services	829,638
Operating expenses	<u>326,937</u>
Total	1,156,575
Source of funds	
Private purpose trust funds	<u>1,156,575</u>
Total	1,156,575
Sec. B.133 Vermont state retirement system	
Personal services	180,911
Operating expenses	<u>1,399,555</u>
Total	1,580,466
Source of funds	
Pension trust funds	<u>1,580,466</u>
Total	1,580,466
Sec. B.134 Municipal employees' retirement system	

Personal services	198,399
Operating expenses	<u>890,207</u>
Total	1,088,606
Source of funds	
Pension trust funds	<u>1,088,606</u>
Total	1,088,606
Sec. B.134.1 Vermont Pension Investment Commission	
Personal services	1,909,994
Operating expenses	<u>226,691</u>
Total	2,136,685
Source of funds	
Special funds	<u>2,136,685</u>
Total	2,136,685
Sec. B.135 State labor relations board	
Personal services	236,763
Operating expenses	<u>58,324</u>
Total	295,087
Source of funds	
General fund	285,511
Special funds	6,788
Interdepartmental transfers	<u>2,788</u>
Total	295,087
Sec. B.136 VOSHA review board	
Personal services	81,139
Operating expenses	<u>14,783</u>
Total	95,922
Source of funds	
General fund	47,961
Interdepartmental transfers	<u>47,961</u>
Total	95,922
Sec. B.136.1 Ethics Commission	
Personal services	89,979
Operating expenses	<u>26,596</u>
Total	116,575
Source of funds	
Internal service funds	<u>116,575</u>
Total	116,575
Sec. B.137 Homeowner rebate	

Grants	<u>16,500,000</u>
Total	16,500,000
Source of funds	
General fund	<u>16,500,000</u>
Total	16,500,000
Sec. B.138 Renter rebate	
Grants	<u>9,500,000</u>
Total	9,500,000
Source of funds	
General fund	<u>9,500,000</u>
Total	9,500,000
Sec. B.139 Tax department - reappraisal and listing payments	
Grants	<u>3,388,000</u>
Total	3,388,000
Source of funds	
General fund	<u>3,388,000</u>
Total	3,388,000
Sec. B.140 Municipal current use	
Grants	<u>17,800,000</u>
Total	17,800,000
Source of funds	
General fund	<u>17,800,000</u>
Total	17,800,000
Sec. B.142 Payments in lieu of taxes	
Grants	<u>10,575,000</u>
Total	10,575,000
Source of funds	
Special funds	<u>10,575,000</u>
Total	10,575,000
Sec. B.143 Payments in lieu of taxes - Montpelier	
Grants	<u>184,000</u>
Total	184,000
Source of funds	
Special funds	<u>184,000</u>
Total	184,000
Sec. B.144 Payments in lieu of taxes - correctional facilities	
Grants	<u>40,000</u>

Total	40,000
Source of funds	
Special funds	<u>40,000</u>
Total	40,000
Sec. B.145 Total general government	
Source of funds	
General fund	104,811,247
Transportation fund	4,059,343
Special funds	35,893,006
Federal funds	1,308,858
Internal service funds	178,033,418
Interdepartmental transfers	4,447,671
Enterprise funds	6,979
Pension trust funds	2,669,072
Private purpose trust funds	<u>1,156,575</u>
Total	332,386,169
Sec. B.200 Attorney general	
Personal services	12,222,872
Operating expenses	1,615,595
Grants	<u>20,000</u>
Total	13,858,467
Source of funds	
General fund	6,533,053
Special funds	2,030,838
Tobacco fund	348,000
Federal funds	1,490,970
Interdepartmental transfers	<u>3,455,606</u>
Total	13,858,467
Sec. B.201 Vermont court diversion	
Personal services	1,250
Grants	<u>3,006,479</u>
Total	3,007,729
Source of funds	
General fund	2,749,732
Special funds	<u>257,997</u>
Total	3,007,729
Sec. B.202 Defender general - public defense	
Personal services	13,536,180
Operating expenses	<u>1,168,458</u>

Total	14,704,638
Source of funds	
General fund	14,114,985
Special funds	<u>589,653</u>
Total	14,704,638
Sec. B.203 Defender general - assigned counsel	
Personal services	6,337,191
Operating expenses	<u>49,500</u>
Total	6,386,691
Source of funds	
General fund	<u>6,386,691</u>
Total	6,386,691
Sec. B.204 Judiciary	
Personal services	47,987,874
Operating expenses	11,198,662
Grants	<u>121,030</u>
Total	59,307,566
Source of funds	
General fund	52,997,805
Special funds	3,260,434
Federal funds	953,928
Interdepartmental transfers	<u>2,095,399</u>
Total	59,307,566
Sec. B.205 State's attorneys	
Personal services	12,905,446
Operating expenses	<u>1,980,473</u>
Total	14,885,919
Source of funds	
General fund	14,358,352
Special funds	101,442
Federal funds	224,319
Interdepartmental transfers	<u>201,806</u>
Total	14,885,919
Sec. B.206 Special investigative unit	
Personal services	86,487
Grants	<u>2,077,230</u>
Total	2,163,717
Source of funds	
General fund	<u>2,163,717</u>

Total	2,163,717
Sec. B.206.1 Crime Victims Advocates	
Personal services	<u>2,562,572</u>
Total	2,562,572
Source of funds	
General fund	<u>2,562,572</u>
Total	2,562,572
Sec. B.207 Sheriffs	
Personal services	4,440,864
Operating expenses	<u>415,366</u>
Total	4,856,230
Source of funds	
General fund	<u>4,856,230</u>
Total	4,856,230
Sec. B.208 Public safety - administration	
Personal services	4,517,183
Operating expenses	<u>5,076,934</u>
Total	9,594,117
Source of funds	
General fund	5,743,935
Special funds	4,105
Federal funds	536,792
Interdepartmental transfers	<u>3,309,285</u>
Total	9,594,117
Sec. B.209 Public safety - state police	
Personal services	62,598,426
Operating expenses	12,660,950
Grants	<u>1,467,153</u>
Total	76,726,529
Source of funds	
General fund	46,676,421
Transportation fund	20,250,000
Special funds	3,116,711
Federal funds	4,820,645
Interdepartmental transfers	<u>1,862,752</u>
Total	76,726,529
Sec. B.210 Public safety - criminal justice services	
Personal services	5,055,792

Operating expenses	<u>1,448,367</u>
Total	6,504,159
Source of funds	
General fund	1,423,477
Special funds	4,646,634
Federal funds	<u>434,048</u>
Total	6,504,159
Sec. B.211 Public safety - emergency management	
Personal services	3,778,940
Operating expenses	1,213,431
Grants	<u>35,889,332</u>
Total	40,881,703
Source of funds	
General fund	627,088
Special funds	710,000
Federal funds	39,537,389
Interdepartmental transfers	<u>7,226</u>
Total	40,881,703
Sec. B.212 Public safety - fire safety	
Personal services	7,549,948
Operating expenses	2,677,499
Grants	<u>107,000</u>
Total	10,334,447
Source of funds	
General fund	740,787
Special funds	8,998,928
Federal funds	549,732
Interdepartmental transfers	<u>45,000</u>
Total	10,334,447
Sec. B.213 Public safety - Forensic Laboratory	
Personal services	3,219,911
Operating expenses	<u>938,253</u>
Total	4,158,164
Source of funds	
General fund	3,407,657
Special funds	62,782
Federal funds	320,000
Interdepartmental transfers	<u>367,725</u>
Total	4,158,164

Sec. B.215 Military - administration

Personal services	887,895
Operating expenses	656,621
Grants	<u>1,319,834</u>
Total	2,864,350
Source of funds	
General fund	<u>2,864,350</u>
Total	2,864,350

Sec. B.216 Military - air service contract

Personal services	7,981,247
Operating expenses	<u>1,200,811</u>
Total	9,182,058
Source of funds	
General fund	636,623
Federal funds	<u>8,545,435</u>
Total	9,182,058

Sec. B.217 Military - army service contract

Personal services	40,946,121
Operating expenses	<u>7,301,437</u>
Total	48,247,558
Source of funds	
Federal funds	<u>48,247,558</u>
Total	48,247,558

Sec. B.218 Military - building maintenance

Personal services	779,881
Operating expenses	<u>869,698</u>
Total	1,649,579
Source of funds	
General fund	1,587,079
Special funds	<u>62,500</u>
Total	1,649,579

Sec. B.219 Military - veterans' affairs

Personal services	1,023,293
Operating expenses	154,362
Grants	<u>41,300</u>
Total	1,218,955
Source of funds	
General fund	956,280

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Special funds	162,675
Federal funds	<u>100,000</u>
Total	1,218,955
Sec. B.220 Center for crime victim services	
Personal services	1,644,629
Operating expenses	386,431
Grants	<u>7,819,312</u>
Total	9,850,372
Source of funds	
General fund	1,382,712
Special funds	3,461,971
Federal funds	<u>5,005,689</u>
Total	9,850,372
Sec. B.221 Criminal justice council	
Personal services	1,980,066
Operating expenses	<u>1,480,716</u>
Total	3,460,782
Source of funds	
General fund	3,130,282
Interdepartmental transfers	<u>330,500</u>
Total	3,460,782
Sec. B.222 Agriculture, food and markets - administration	
Personal services	1,979,598
Operating expenses	537,899
Grants	<u>227,972</u>
Total	2,745,469
Source of funds	
General fund	1,234,172
Special funds	988,397
Federal funds	<u>522,900</u>
Total	2,745,469
Sec. B.223 Agriculture, food and markets - food safety and consumer protection	
Personal services	4,459,775
Operating expenses	844,913
Grants	<u>2,780,000</u>
Total	8,084,688
Source of funds	
General fund	2,945,168

Special funds	3,765,425
Federal funds	1,362,095
Interdepartmental transfers	<u>12,000</u>
Total	8,084,688
Sec. B.224 Agriculture, food and markets - agricultural development	
Personal services	5,521,540
Operating expenses	586,011
Grants	<u>5,042,425</u>
Total	11,149,976
Source of funds	
General fund	3,034,777
Special funds	545,738
Federal funds	<u>7,569,461</u>
Total	11,149,976
Sec. B.225 Agriculture, food and markets - agricultural resource management and environmental stewardship	
Personal services	2,830,318
Operating expenses	950,906
Grants	<u>545,334</u>
Total	4,326,558
Source of funds	
General fund	1,191,645
Special funds	2,325,153
Federal funds	472,695
Interdepartmental transfers	<u>337,065</u>
Total	4,326,558
Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and Environmental Lab	
Personal services	1,622,126
Operating expenses	<u>1,237,280</u>
Total	2,859,406
Source of funds	
General fund	1,051,709
Special funds	1,732,793
Interdepartmental transfers	<u>74,904</u>
Total	2,859,406
Sec. B.225.2 Agriculture, Food and Markets - Clean Water	
Personal services	3,351,394
Operating expenses	518,202

Grants	<u>5,253,111</u>
Total	9,122,707
Source of funds	
General fund	1,100,802
Special funds	7,266,122
Federal funds	441,907
Interdepartmental transfers	<u>313,876</u>
Total	9,122,707
Sec. B.226 Financial regulation - administration	
Personal services	2,395,168
Operating expenses	<u>159,635</u>
Total	2,554,803
Source of funds	
Special funds	<u>2,554,803</u>
Total	2,554,803
Sec. B.227 Financial regulation - banking	
Personal services	2,099,711
Operating expenses	<u>481,536</u>
Total	2,581,247
Source of funds	
Special funds	<u>2,581,247</u>
Total	2,581,247
Sec. B.228 Financial regulation - insurance	
Personal services	4,586,782
Operating expenses	<u>678,282</u>
Total	5,265,064
Source of funds	
Special funds	<u>5,265,064</u>
Total	5,265,064
Sec. B.229 Financial regulation - captive insurance	
Personal services	4,748,621
Operating expenses	<u>693,529</u>
Total	5,442,150
Source of funds	
Special funds	<u>5,442,150</u>
Total	5,442,150
Sec. B.230 Financial regulation - securities	
Personal services	1,177,808

Operating expenses	<u>274,059</u>
Total	1,451,867
Source of funds	
Special funds	<u>1,451,867</u>
Total	1,451,867
Sec. B.232 Secretary of state	
Personal services	13,335,882
Operating expenses	<u>4,364,977</u>
Total	17,700,859
Source of funds	
Special funds	13,042,272
Federal funds	<u>4,658,587</u>
Total	17,700,859
Sec. B.233 Public service - regulation and energy	
Personal services	10,741,089
Operating expenses	1,153,898
Grants	<u>1,346,948</u>
Total	13,241,935
Source of funds	
Special funds	11,632,917
Federal funds	1,056,721
ARRA funds	510,535
Enterprise funds	<u>41,762</u>
Total	13,241,935
Sec. B.234 Public utility commission	
Personal services	3,597,784
Operating expenses	<u>501,906</u>
Total	4,099,690
Source of funds	
Special funds	<u>4,099,690</u>
Total	4,099,690
Sec. B.235 Enhanced 9-1-1 Board	
Personal services	4,144,834
Operating expenses	<u>443,064</u>
Total	4,587,898
Source of funds	
General fund	0
Special funds	<u>4,587,898</u>
Total	4,587,898

Sec. B.236 Human rights commission

Personal services	691,710
Operating expenses	<u>88,837</u>
Total	780,547
Source of funds	
General fund	700,290
Federal funds	<u>80,257</u>
Total	780,547

Sec. B.236.1 Liquor & Lottery Comm. Office

Personal services	452,118
Operating expenses	<u>20,306</u>
Total	472,424
Source of funds	
Enterprise funds	<u>472,424</u>
Total	472,424

Sec. B.236.2 Lottery Operations

Personal services	2,325,309
Operating expenses	1,625,023
Grants	<u>250,000</u>
Total	4,200,332
Source of funds	
Enterprise funds	<u>4,200,332</u>
Total	4,200,332

Sec. B.237 Liquor control - administration

Personal services	3,894,882
Operating expenses	<u>1,386,666</u>
Total	5,281,548
Source of funds	
Tobacco fund	213,843
Enterprise funds	<u>5,067,705</u>
Total	5,281,548

Sec. B.238 Liquor control - enforcement and licensing

Personal services	2,031,174
Operating expenses	<u>415,495</u>
Total	2,446,669
Source of funds	
Federal funds	184,484
Enterprise funds	<u>2,262,185</u>

Total	2,446,669
Sec. B.239 Liquor control - warehousing and distribution	
Personal services	1,076,103
Operating expenses	<u>498,696</u>
Total	1,574,799
Source of funds	
Enterprise funds	<u>1,574,799</u>
Total	1,574,799
Sec. B.240 Cannabis Control Board	
Personal services	3,211,914
Operating expenses	<u>278,608</u>
Total	3,490,522
Source of funds	
Special funds	<u>3,490,522</u>
Total	3,490,522
Sec. B.241 Total protection to persons and property	
Source of funds	
General fund	187,158,391
Transportation fund	20,250,000
Special funds	98,238,728
Tobacco fund	561,843
Federal funds	127,115,612
ARRA funds	510,535
Interdepartmental transfers	12,413,144
Enterprise funds	<u>13,619,207</u>
Total	459,867,460
Sec. B.300 Human services - agency of human services - secretary's office	
Personal services	12,307,314
Operating expenses	5,340,825
Grants	<u>2,895,202</u>
Total	20,543,341
Source of funds	
General fund	9,056,662
Special funds	135,517
Federal funds	10,569,851
Interdepartmental transfers	<u>781,311</u>
Total	20,543,341
Sec. B.301 Secretary's office - global commitment	

Grants	<u>1,835,603,282</u>
Total	1,835,603,282
Source of funds	
General fund	608,430,925
Special funds	33,384,536
Tobacco fund	21,049,373
State health care resources fund	17,078,501
Federal funds	1,151,625,777
Interdepartmental transfers	<u>4,034,170</u>
Total	1,835,603,282
Sec. B.303 Developmental disabilities council	
Personal services	424,008
Operating expenses	95,289
Grants	<u>191,595</u>
Total	710,892
Source of funds	
Special funds	12,000
Federal funds	<u>698,892</u>
Total	710,892
Sec. B.304 Human services board	
Personal services	766,312
Operating expenses	<u>89,396</u>
Total	855,708
Source of funds	
General fund	490,779
Federal funds	<u>364,929</u>
Total	855,708
Sec. B.305 AHS - administrative fund	
Personal services	330,000
Operating expenses	<u>13,170,000</u>
Total	13,500,000
Source of funds	
Interdepartmental transfers	<u>13,500,000</u>
Total	13,500,000
Sec. B.306 Department of Vermont health access - administration	
Personal services	133,258,216
Operating expenses	27,050,784
Grants	<u>2,912,301</u>
Total	163,221,301

Source of funds	
General fund	34,666,169
Special funds	4,738,197
Federal funds	114,997,590
Global Commitment fund	3,986,316
Interdepartmental transfers	<u>4,833,029</u>
Total	163,221,301
Sec. B.307 Department of Vermont health access - Medicaid program - global commitment	
Personal services	547,983
Grants	<u>837,108,046</u>
Total	837,656,029
Source of funds	
Global Commitment fund	<u>837,656,029</u>
Total	837,656,029
Sec. B.309 Department of Vermont health access - Medicaid program - state only	
Grants	<u>54,104,191</u>
Total	54,104,191
Source of funds	
General fund	44,533,864
Global Commitment fund	<u>9,570,327</u>
Total	54,104,191
Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched	
Grants	<u>35,125,592</u>
Total	35,125,592
Source of funds	
General fund	12,736,699
Federal funds	<u>22,388,893</u>
Total	35,125,592
Sec. B.311 Health - administration and support	
Personal services	7,880,051
Operating expenses	7,161,896
Grants	<u>15,416,408</u>
Total	30,458,355
Source of funds	
General fund	3,120,538
Special funds	2,123,150

Federal funds	19,371,027
Global Commitment fund	5,779,334
Interdepartmental transfers	<u>64,306</u>
Total	30,458,355
Sec. B.312 Health - public health	
Personal services	58,557,637
Operating expenses	10,504,324
Grants	<u>45,237,061</u>
Total	114,299,022
Source of funds	
General fund	12,217,471
Special funds	22,422,908
Tobacco fund	1,088,918
Federal funds	61,398,428
Global Commitment fund	16,159,672
Interdepartmental transfers	986,625
Permanent trust funds	<u>25,000</u>
Total	114,299,022
Sec. B.313 Health - alcohol and drug abuse programs	
Personal services	5,533,379
Operating expenses	511,500
Grants	<u>55,582,806</u>
Total	61,627,685
Source of funds	
General fund	4,706,142
Special funds	1,392,101
Tobacco fund	949,917
Federal funds	21,131,903
Global Commitment fund	<u>33,447,622</u>
Total	61,627,685
Sec. B.314 Mental health - mental health	
Personal services	37,550,464
Operating expenses	5,023,808
Grants	<u>251,958,650</u>
Total	294,532,922
Source of funds	
General fund	12,966,387
Special funds	1,690,187
Federal funds	10,279,911

Global Commitment fund	269,471,344
Interdepartmental transfers	<u>125,093</u>
Total	294,532,922

Sec. B.316 Department for children and families - administration & support services

Personal services	41,932,610
Operating expenses	17,284,575
Grants	<u>3,819,106</u>
Total	63,036,291
Source of funds	
General fund	36,020,845
Special funds	2,789,842
Federal funds	22,463,191
Global Commitment fund	1,409,481
Interdepartmental transfers	<u>352,932</u>
Total	63,036,291

Sec. B.317 Department for children and families - family services

Personal services	41,455,253
Operating expenses	5,392,584
Grants	<u>88,864,318</u>
Total	135,712,155
Source of funds	
General fund	56,028,109
Special funds	729,587
Federal funds	32,206,285
Global Commitment fund	46,710,437
Interdepartmental transfers	<u>37,737</u>
Total	135,712,155

Sec. B.318 Department for children and families - child development

Personal services	5,486,947
Operating expenses	860,622
Grants	<u>106,205,300</u>
Total	112,552,869
Source of funds	
General fund	33,130,398
Special funds	16,820,011
Federal funds	50,457,478
Global Commitment fund	12,144,941
Interdepartmental transfers	<u>41</u>

Total	112,552,869
Sec. B.319 Department for children and families - office of child support	
Personal services	11,906,476
Operating expenses	<u>3,745,167</u>
Total	15,651,643
Source of funds	
General fund	4,718,623
Special funds	455,719
Federal funds	10,089,701
Interdepartmental transfers	<u>387,600</u>
Total	15,651,643
Sec. B.320 Department for children and families - aid to aged, blind and disabled	
Personal services	2,252,206
Grants	<u>10,431,118</u>
Total	12,683,324
Source of funds	
General fund	7,533,333
Global Commitment fund	<u>5,149,991</u>
Total	12,683,324
Sec. B.321 Department for children and families - general assistance	
Personal services	15,000
Grants	<u>2,823,574</u>
Total	2,838,574
Source of funds	
General fund	2,541,239
Federal funds	11,320
Global Commitment fund	<u>286,015</u>
Total	2,838,574
Sec. B.322 Department for children and families - 3SquaresVT	
Grants	<u>44,377,812</u>
Total	44,377,812
Source of funds	
Federal funds	<u>44,377,812</u>
Total	44,377,812
Sec. B.323 Department for children and families - reach up	
Operating expenses	30,633
Grants	<u>27,235,606</u>

Total	27,266,239
Source of funds	
General fund	15,097,457
Special funds	5,955,834
Federal funds	3,531,330
Global Commitment fund	<u>2,681,618</u>
Total	27,266,239
Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP	
Grants	<u>16,019,953</u>
Total	16,019,953
Source of funds	
Special funds	1,480,395
Federal funds	<u>14,539,558</u>
Total	16,019,953
Sec. B.325 Department for children and families - office of economic opportunity	
Personal services	707,738
Operating expenses	80,979
Grants	<u>19,896,892</u>
Total	20,685,609
Source of funds	
General fund	14,328,930
Special funds	58,135
Federal funds	4,942,559
Global Commitment fund	<u>1,355,985</u>
Total	20,685,609
Sec. B.326 Department for children and families - OEO - weatherization assistance	
Personal services	376,286
Operating expenses	47,090
Grants	<u>12,038,018</u>
Total	12,461,394
Source of funds	
Special funds	7,643,920
Federal funds	<u>4,817,474</u>
Total	12,461,394
Sec. B.327 Department for Children and Families - Secure Residential Treatment	

Personal services	258,100
Operating expenses	441,999
Grants	<u>3,476,862</u>
Total	4,176,961
Source of funds	
General fund	4,146,961
Global Commitment fund	<u>30,000</u>
Total	4,176,961
Sec. B.328 Department for children and families - disability determination services	
Personal services	7,271,721
Operating expenses	<u>472,446</u>
Total	7,744,167
Source of funds	
General fund	115,885
Federal funds	<u>7,628,282</u>
Total	7,744,167
Sec. B.329 Disabilities, aging, and independent living - administration & support	
Personal services	37,398,355
Operating expenses	<u>6,178,888</u>
Total	43,577,243
Source of funds	
General fund	19,725,270
Special funds	1,390,457
Federal funds	21,360,232
Global Commitment fund	35,000
Interdepartmental transfers	<u>1,066,284</u>
Total	43,577,243
Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants	
Grants	<u>19,709,925</u>
Total	19,709,925
Source of funds	
General fund	7,754,865
Federal funds	7,148,466
Global Commitment fund	<u>4,806,594</u>
Total	19,709,925

Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired

Grants	<u>1,761,457</u>
Total	1,761,457
Source of funds	
General fund	489,154
Special funds	223,450
Federal funds	743,853
Global Commitment fund	<u>305,000</u>
Total	1,761,457

Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation

Grants	<u>7,024,368</u>
Total	7,024,368
Source of funds	
General fund	1,371,845
Federal funds	4,402,523
Interdepartmental transfers	<u>1,250,000</u>
Total	7,024,368

Sec. B.333 Disabilities, aging, and independent living - developmental services

Grants	<u>282,169,830</u>
Total	282,169,830
Source of funds	
General fund	155,125
Special funds	15,463
Federal funds	359,857
Global Commitment fund	281,589,385
Interdepartmental transfers	<u>50,000</u>
Total	282,169,830

Sec. B.334 Disabilities, aging, and independent living - Brain injury home and community based waiver

Grants	<u>6,163,669</u>
Total	6,163,669
Source of funds	
Global Commitment fund	<u>6,163,669</u>
Total	6,163,669

Sec. B.334.1 Disabilities, aging and independent living - Long Term Care

Grants	<u>247,242,665</u>
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Total	247,242,665
Source of funds	
General fund	498,579
Federal funds	2,083,333
Global Commitment fund	<u>244,660,753</u>
Total	247,242,665
Sec. B.335 Corrections - administration	
Personal services	3,370,381
Operating expenses	<u>238,644</u>
Total	3,609,025
Source of funds	
General fund	<u>3,609,025</u>
Total	3,609,025
Sec. B.336 Corrections - parole board	
Personal services	385,959
Operating expenses	<u>59,216</u>
Total	445,175
Source of funds	
General fund	<u>445,175</u>
Total	445,175
Sec. B.337 Corrections - correctional education	
Personal services	3,504,641
Operating expenses	<u>244,932</u>
Total	3,749,573
Source of funds	
General fund	3,600,789
Education fund	0
Interdepartmental transfers	<u>148,784</u>
Total	3,749,573
Sec. B.338 Corrections - correctional services	
Personal services	124,883,844
Operating expenses	24,337,405
Grants	<u>0</u>
Total	149,221,249
Source of funds	
General fund	144,682,340
Special funds	935,963
Federal funds	460,376
Global Commitment fund	2,746,255

Interdepartmental transfers	<u>396,315</u>
Total	149,221,249
Sec. B.338.1 Corrections – Justice Reinvestment II	
Grants	<u>9,868,567</u>
Total	9,868,567
Source of funds	
General fund	7,290,879
Federal funds	13,147
Global Commitment fund	<u>2,564,541</u>
Total	9,868,567
Sec. B.339 Corrections - Correctional services-out of state beds	
Personal services	<u>4,130,378</u>
Total	4,130,378
Source of funds	
General fund	<u>4,130,378</u>
Total	4,130,378
Sec. B.340 Corrections - correctional facilities - recreation	
Personal services	549,029
Operating expenses	<u>455,845</u>
Total	1,004,874
Source of funds	
Special funds	<u>1,004,874</u>
Total	1,004,874
Sec. B.341 Corrections - Vermont offender work program	
Personal services	1,173,281
Operating expenses	<u>525,784</u>
Total	1,699,065
Source of funds	
Internal service funds	<u>1,699,065</u>
Total	1,699,065
Sec. B.342 Vermont veterans' home - care and support services	
Personal services	18,693,897
Operating expenses	<u>4,698,211</u>
Total	23,392,108
Source of funds	
General fund	4,068,733
Special funds	11,892,624
Federal funds	<u>7,430,751</u>

Total	23,392,108
Sec. B.343 Commission on women	
Personal services	364,225
Operating expenses	<u>70,416</u>
Total	434,641
Source of funds	
General fund	430,793
Special funds	<u>3,848</u>
Total	434,641
Sec. B.344 Retired senior volunteer program	
Grants	<u>150,961</u>
Total	150,961
Source of funds	
General fund	<u>150,961</u>
Total	150,961
Sec. B.345 Green Mountain Care Board	
Personal services	7,816,704
Operating expenses	<u>395,026</u>
Total	8,211,730
Source of funds	
General fund	3,261,362
Special funds	<u>4,950,368</u>
Total	8,211,730
Sec. B.346 Total human services	
Source of funds	
General fund	1,118,252,689
Special funds	122,249,086
Tobacco fund	23,088,208
State health care resources fund	17,078,501
Education fund	0
Federal funds	1,651,894,729
Global Commitment fund	1,788,710,309
Internal service funds	1,699,065
Interdepartmental transfers	28,014,227
Permanent trust funds	<u>25,000</u>
Total	4,751,011,814
Sec. B.400 Labor - programs	
Personal services	40,893,754

Operating expenses	5,784,394
Grants	<u>15,432,900</u>
Total	62,111,048
Source of funds	
General fund	10,449,258
Special funds	10,772,259
Federal funds	40,639,531
Interdepartmental transfers	<u>250,000</u>
Total	62,111,048
Sec. B.401 Total labor	
Source of funds	
General fund	10,449,258
Special funds	10,772,259
Federal funds	40,639,531
Interdepartmental transfers	<u>250,000</u>
Total	62,111,048
Sec. B.500 Education - finance and administration	
Personal services	16,916,498
Operating expenses	4,121,123
Grants	<u>14,770,700</u>
Total	35,808,321
Source of funds	
General fund	6,044,058
Special funds	16,441,181
Education fund	3,444,471
Federal funds	9,253,287
Global Commitment fund	260,000
Interdepartmental transfers	<u>365,324</u>
Total	35,808,321
Sec. B.501 Education - education services	
Personal services	28,826,010
Operating expenses	1,073,385
Grants	<u>481,143,571</u>
Total	511,042,966
Source of funds	
General fund	4,880,340
Special funds	3,009,310
Tobacco fund	750,388
Federal funds	<u>502,402,928</u>

Total	511,042,966
Sec. B.502 Education - special education: formula grants	
Grants	<u>208,073,400</u>
Total	208,073,400
Source of funds	
Education fund	<u>208,073,400</u>
Total	208,073,400
Sec. B.503 Education - state-placed students	
Grants	<u>17,500,000</u>
Total	17,500,000
Source of funds	
Education fund	<u>17,500,000</u>
Total	17,500,000
Sec. B.504 Education - adult education and literacy	
Grants	<u>4,412,900</u>
Total	4,412,900
Source of funds	
General fund	3,496,850
Federal funds	<u>916,050</u>
Total	4,412,900
Sec. B.504.1 Education - Flexible Pathways	
Grants	<u>9,143,000</u>
Total	9,143,000
Source of funds	
General fund	921,500
Education fund	<u>8,221,500</u>
Total	9,143,000
Sec. B.505 Education - adjusted education payment	
Grants	<u>1,561,661,000</u>
Total	1,561,661,000
Source of funds	
Education fund	<u>1,561,661,000</u>
Total	1,561,661,000
Sec. B.506 Education - transportation	
Grants	<u>21,786,000</u>
Total	21,786,000
Source of funds	

Education fund	<u>21,786,000</u>
Total	21,786,000
Sec. B.507 Education - small school grants	
Grants	<u>8,200,000</u>
Total	8,200,000
Source of funds	
Education fund	<u>8,200,000</u>
Total	8,200,000
Sec. B.510 Education - essential early education grant	
Grants	<u>7,511,638</u>
Total	7,511,638
Source of funds	
Education fund	<u>7,511,638</u>
Total	7,511,638
Sec. B.511 Education - technical education	
Grants	<u>16,253,900</u>
Total	16,253,900
Source of funds	
Education fund	<u>16,253,900</u>
Total	16,253,900
Sec. B.511.1 State Board of Education	
Personal services	38,905
Operating expenses	<u>31,803</u>
Total	70,708
Source of funds	
General fund	<u>70,708</u>
Total	70,708
Sec. B.514 State teachers' retirement system	
Grants	<u>187,273,782</u>
Total	187,273,782
Source of funds	
General fund	154,345,678
Education fund	<u>32,928,104</u>
Total	187,273,782
Sec. B.514.1 State teachers' retirement system administration	
Personal services	236,503
Operating expenses	<u>1,609,560</u>

Total	1,846,063
Source of funds	
Pension trust funds	<u>1,846,063</u>
Total	1,846,063
Sec. B.515 Retired teachers' health care and medical benefits	
Grants	<u>50,206,128</u>
Total	50,206,128
Source of funds	
General fund	35,106,128
Education fund	<u>15,100,000</u>
Total	50,206,128
Sec. B.516 Total general education	
Source of funds	
General fund	204,865,262
Special funds	19,450,491
Tobacco fund	750,388
Education fund	1,900,680,013
Federal funds	512,572,265
Global Commitment fund	260,000
Interdepartmental transfers	365,324
Pension trust funds	<u>1,846,063</u>
Total	2,640,789,806
Sec. B.600 University of Vermont	
Grants	<u>52,509,093</u>
Total	52,509,093
Source of funds	
General fund	<u>52,509,093</u>
Total	52,509,093
Sec. B.602 Vermont state colleges	
Grants	<u>30,500,464</u>
Total	30,500,464
Source of funds	
General fund	<u>30,500,464</u>
Total	30,500,464
Sec. B.602.2 Vermont state colleges - Transformation funding	
Grants	<u>15,000,000</u>
Total	15,000,000
Source of funds	

General fund	<u>15,000,000</u>
Total	15,000,000
Sec. B.603 Vermont state colleges - allied health	
Grants	<u>1,157,775</u>
Total	1,157,775
Source of funds	
General fund	748,314
Global Commitment fund	<u>409,461</u>
Total	1,157,775
Sec. B.605 Vermont student assistance corporation	
Grants	<u>20,978,588</u>
Total	20,978,588
Source of funds	
General fund	<u>20,978,588</u>
Total	20,978,588
Sec. B.605.1 VSAC - Flexible Pathways Stipend	
Grants	<u>82,450</u>
Total	82,450
Source of funds	
General fund	41,225
Education fund	<u>41,225</u>
Total	82,450
Sec. B.606 New England higher education compact	
Grants	<u>84,000</u>
Total	84,000
Source of funds	
General fund	<u>84,000</u>
Total	84,000
Sec. B.607 University of Vermont - Morgan Horse Farm	
Grants	<u>1</u>
Total	1
Source of funds	
General fund	<u>1</u>
Total	1
Sec. B.608 Total higher education	
Source of funds	
General fund	119,861,685

Education fund	41,225
Global Commitment fund	<u>409,461</u>
Total	120,312,371
Sec. B.700 Natural resources - agency of natural resources - administration	
Personal services	4,896,594
Operating expenses	<u>1,329,284</u>
Total	6,225,878
Source of funds	
General fund	4,188,563
Special funds	680,985
Interdepartmental transfers	<u>1,356,330</u>
Total	6,225,878
Sec. B.701 Natural resources - state land local property tax assessment	
Operating expenses	<u>2,661,618</u>
Total	2,661,618
Source of funds	
General fund	2,240,118
Interdepartmental transfers	<u>421,500</u>
Total	2,661,618
Sec. B.702 Fish and wildlife - support and field services	
Personal services	20,034,378
Operating expenses	8,439,670
Grants	<u>923,524</u>
Total	29,397,572
Source of funds	
General fund	6,883,540
Special funds	701,314
Fish and wildlife fund	10,600,911
Federal funds	9,667,795
Interdepartmental transfers	<u>1,544,012</u>
Total	29,397,572
Sec. B.703 Forests, parks and recreation - administration	
Personal services	923,670
Operating expenses	<u>1,544,702</u>
Total	2,468,372
Source of funds	
General fund	<u>2,468,372</u>
Total	2,468,372

Sec. B.704 Forests, parks and recreation - forestry

Personal services	6,710,849
Operating expenses	872,648
Grants	<u>1,160,000</u>
Total	8,743,497
Source of funds	
General fund	5,624,772
Special funds	511,000
Federal funds	2,280,669
Interdepartmental transfers	<u>327,056</u>
Total	8,743,497

Sec. B.705 Forests, parks and recreation - state parks

Personal services	10,725,136
Operating expenses	3,273,814
Grants	<u>120,000</u>
Total	14,118,950
Source of funds	
General fund	641,157
Special funds	<u>13,477,793</u>
Total	14,118,950

Sec. B.706 Forests, parks and recreation - lands administration and recreation

Personal services	2,284,177
Operating expenses	1,408,591
Grants	<u>2,827,589</u>
Total	6,520,357
Source of funds	
General fund	1,025,494
Special funds	2,190,151
Federal funds	3,082,575
Interdepartmental transfers	<u>222,137</u>
Total	6,520,357

Sec. B.708 Forests, parks and recreation - forest and parks access roads

Personal services	130,000
Operating expenses	<u>99,925</u>
Total	229,925
Source of funds	
General fund	<u>229,925</u>
Total	229,925

Sec. B.709 Environmental conservation - management and support services

Personal services	7,618,171
Operating expenses	4,543,203
Grants	<u>158,279</u>
Total	12,319,653
Source of funds	
General fund	2,248,161
Special funds	597,172
Federal funds	1,444,364
Interdepartmental transfers	<u>8,029,956</u>
Total	12,319,653
Sec. B.710 Environmental conservation - air and waste management	
Personal services	16,109,934
Operating expenses	10,203,296
Grants	<u>7,163,707</u>
Total	33,476,937
Source of funds	
General fund	301,826
Special funds	28,941,896
Federal funds	4,047,690
Interdepartmental transfers	<u>185,525</u>
Total	33,476,937
Sec. B.711 Environmental conservation - office of water programs	
Personal services	28,912,366
Operating expenses	7,706,054
Grants	<u>34,868,553</u>
Total	71,486,973
Source of funds	
General fund	8,429,243
Special funds	26,283,274
Federal funds	36,032,470
Interdepartmental transfers	<u>741,986</u>
Total	71,486,973
Sec. B.713 Natural resources board	
Personal services	2,929,837
Operating expenses	<u>352,482</u>
Total	3,282,319
Source of funds	
General fund	673,554
Special funds	<u>2,608,765</u>

Total	3,282,319
Sec. B.714 Total natural resources	
Source of funds	
General fund	34,954,725
Special funds	75,992,350
Fish and wildlife fund	10,600,911
Federal funds	56,555,563
Interdepartmental transfers	<u>12,828,502</u>
Total	190,932,051
Sec. B.800 Commerce and community development - agency of commerce and community development - administration	
Personal services	2,392,723
Operating expenses	939,863
Grants	<u>539,820</u>
Total	3,872,406
Source of funds	
General fund	3,406,417
Federal funds	351,000
Interdepartmental transfers	<u>114,989</u>
Total	3,872,406
Sec. B.801 Economic development	
Personal services	4,678,628
Operating expenses	1,055,724
Grants	<u>8,638,149</u>
Total	14,372,501
Source of funds	
General fund	5,065,846
Special funds	2,905,350
Federal funds	3,932,132
Interdepartmental transfers	<u>2,469,173</u>
Total	14,372,501
Sec. B.802 Housing and community development	
Personal services	5,321,306
Operating expenses	673,807
Grants	<u>76,513,512</u>
Total	82,508,625
Source of funds	
General fund	4,065,708
Special funds	7,204,966

Federal funds	68,364,457
Interdepartmental transfers	<u>2,873,494</u>
Total	82,508,625
Sec. B.806 Tourism and marketing	
Personal services	2,097,922
Operating expenses	11,900,488
Grants	<u>50,000</u>
Total	14,048,410
Source of funds	
General fund	3,490,357
Federal funds	10,483,053
Interdepartmental transfers	<u>75,000</u>
Total	14,048,410
Sec. B.808 Vermont council on the arts	
Grants	<u>859,445</u>
Total	859,445
Source of funds	
General fund	<u>859,445</u>
Total	859,445
Sec. B.809 Vermont symphony orchestra	
Grants	<u>141,087</u>
Total	141,087
Source of funds	
General fund	<u>141,087</u>
Total	141,087
Sec. B.810 Vermont historical society	
Grants	<u>1,015,470</u>
Total	1,015,470
Source of funds	
General fund	<u>1,015,470</u>
Total	1,015,470
Sec. B.811 Vermont housing and conservation board	
Grants	<u>99,461,424</u>
Total	99,461,424
Source of funds	
Special funds	22,473,849
Federal funds	<u>76,987,575</u>
Total	99,461,424

Sec. B.812 Vermont humanities council

Grants	<u>234,829</u>
Total	234,829
Source of funds	
General fund	<u>234,829</u>
Total	234,829

Sec. B.813 Total commerce and community development

Source of funds	
General fund	18,279,159
Special funds	32,584,165
Federal funds	160,118,217
Interdepartmental transfers	<u>5,532,656</u>
Total	216,514,197

Sec. B.900 Transportation - finance and administration

Personal services	14,996,787
Operating expenses	4,843,354
Grants	<u>50,000</u>
Total	19,890,141
Source of funds	
Transportation fund	18,569,701
Federal funds	<u>1,320,440</u>
Total	19,890,141

Sec. B.901 Transportation - aviation

Personal services	3,930,770
Operating expenses	5,346,224
Grants	<u>222,000</u>
Total	9,498,994
Source of funds	
Transportation fund	5,693,133
Federal funds	<u>3,805,861</u>
Total	9,498,994

Sec. B.902 Transportation - buildings

Operating expenses	<u>2,050,000</u>
Total	2,050,000
Source of funds	
Transportation fund	850,000
TIB fund	<u>1,200,000</u>
Total	2,050,000

Sec. B.903 Transportation - program development

Personal services	67,084,877
Operating expenses	317,718,748
Grants	<u>28,106,566</u>
Total	412,910,191
Source of funds	
Transportation fund	63,006,826
TIB fund	16,199,908
Federal funds	330,355,267
Interdepartmental transfers	75,000
Local match	<u>3,273,190</u>
Total	412,910,191

Sec. B.904 Transportation - rest areas construction

Personal services	150,000
Operating expenses	<u>268,416</u>
Total	418,416
Source of funds	
Transportation fund	41,842
Federal funds	<u>376,574</u>
Total	418,416

Sec. B.905 Transportation - maintenance state system

Personal services	44,709,478
Operating expenses	<u>59,736,553</u>
Total	104,446,031
Source of funds	
Transportation fund	103,700,216
Federal funds	645,815
Interdepartmental transfers	<u>100,000</u>
Total	104,446,031

Sec. B.906 Transportation - policy and planning

Personal services	4,767,663
Operating expenses	1,035,700
Grants	<u>10,784,247</u>
Total	16,587,610
Source of funds	
Transportation fund	3,217,573
Federal funds	13,314,762
Interdepartmental transfers	<u>55,275</u>
Total	16,587,610

Sec. B.907 Transportation - rail

Personal services	4,662,380
Operating expenses	30,650,803
Grants	<u>50,000</u>
Total	35,363,183
Source of funds	
Transportation fund	14,201,368
Federal funds	18,015,401
Interdepartmental transfers	2,985,206
Local match	<u>161,208</u>
Total	35,363,183

Sec. B.908 Transportation - public transit

Personal services	5,369,937
Operating expenses	103,704
Grants	<u>39,065,637</u>
Total	44,539,278
Source of funds	
Transportation fund	4,108,577
Federal funds	40,390,701
Interdepartmental transfers	<u>40,000</u>
Total	44,539,278

Sec. B.909 Transportation - central garage

Personal services	4,847,286
Operating expenses	<u>17,906,809</u>
Total	22,754,095
Source of funds	
Internal service funds	<u>22,754,095</u>
Total	22,754,095

Sec. B.910 Department of motor vehicles

Personal services	27,635,785
Operating expenses	<u>12,106,049</u>
Total	39,741,834
Source of funds	
Transportation fund	37,942,872
Federal funds	1,657,266
Interdepartmental transfers	<u>141,696</u>
Total	39,741,834

Sec. B.911 Transportation - town highway structures

Grants	<u>7,200,000</u>
Total	7,200,000
Source of funds	
Transportation fund	<u>7,200,000</u>
Total	7,200,000
Sec. B.912 Transportation - town highway local technical assistance program	
Personal services	371,731
Operating expenses	<u>42,750</u>
Total	414,481
Source of funds	
Transportation fund	114,481
Federal funds	<u>300,000</u>
Total	414,481
Sec. B.913 Transportation - town highway class 2 roadway	
Grants	<u>8,600,000</u>
Total	8,600,000
Source of funds	
Transportation fund	<u>8,600,000</u>
Total	8,600,000
Sec. B.914 Transportation - town highway bridges	
Personal services	15,948,483
Operating expenses	<u>14,365,704</u>
Total	30,314,187
Source of funds	
Transportation fund	1,230,817
TIB fund	2,402,455
Federal funds	25,529,514
Local match	<u>1,151,401</u>
Total	30,314,187
Sec. B.915 Transportation - town highway aid program	
Grants	<u>27,837,624</u>
Total	27,837,624
Source of funds	
Transportation fund	<u>27,837,624</u>
Total	27,837,624
Sec. B.916 Transportation - town highway class 1 supplemental grants	
Grants	<u>128,750</u>
Total	128,750

Source of funds	
Transportation fund	<u>128,750</u>
Total	128,750
Sec. B.917 Transportation - town highway: state aid for nonfederal disasters	
Grants	<u>1,150,000</u>
Total	1,150,000
Source of funds	
Transportation fund	<u>1,150,000</u>
Total	1,150,000
Sec. B.918 Transportation - town highway: state aid for federal disasters	
Grants	<u>180,000</u>
Total	180,000
Source of funds	
Transportation fund	20,000
Federal funds	<u>160,000</u>
Total	180,000
Sec. B.919 Transportation - municipal mitigation assistance program	
Operating expenses	265,000
Grants	<u>6,185,498</u>
Total	6,450,498
Source of funds	
Transportation fund	705,000
Special funds	4,317,498
Federal funds	<u>1,428,000</u>
Total	6,450,498
Sec. B.920 Transportation - public assistance grant program	
Operating expenses	200,000
Grants	<u>1,050,000</u>
Total	1,250,000
Source of funds	
Special funds	50,000
Federal funds	1,000,000
Interdepartmental transfers	<u>200,000</u>
Total	1,250,000
Sec. B.921 Transportation board	
Personal services	169,595
Operating expenses	<u>21,367</u>
Total	190,962

Source of funds	
Transportation fund	190,962
Total	190,962
Sec. B.922 Total transportation	
Source of funds	
Transportation fund	298,509,742
TIB fund	19,802,363
Special funds	4,367,498
Federal funds	438,299,601
Internal service funds	22,754,095
Interdepartmental transfers	3,597,177
Local match	4,585,799
Total	791,916,275
Sec. B.1000 Debt service	
Operating expenses	76,877,244
Total	76,877,244
Source of funds	
General fund	76,375,109
Transportation fund	502,135
TIB debt service fund	0
Total	76,877,244
Sec. B.1001 Total debt service	
Source of funds	
General fund	76,375,109
Transportation fund	502,135
TIB debt service fund	0
Total	76,877,244

Sec. B.1100 FISCAL YEAR 2023 ONE-TIME GENERAL FUND
APPROPRIATIONS

(a) In fiscal year 2023, funds are appropriated from the General Fund for new and ongoing initiatives as follows:

(1) \$220,000 to the Agency of Administration for the Inclusion, Diversity, Equity, Action, Leadership (IDEAL) VT initiative to support municipalities in promoting these values within their communities.

(2) \$37,000 to the Ethics Commission to support the cost of one half-time position.

(3) \$205,000 to the Sergeant at Arms to support the costs associated with transitioning positions in the Capitol Police Department.

(4) \$120,000 to the Judiciary for Sustaining Language Access Program improvements.

(5) \$1,283,400 to the Office of the Defender General to support costs associated with the reopening of the courts.

(6) \$700,000 to the Secretary of State as follows:

(A) \$450,000 for election support.

(B) \$250,000 to support operational expenditures not covered by revenue resulting from telehealth.

(7) \$2,408,000 to the Agency of Agriculture, Food and Markets, as follows:

(A) \$1,000,000 for the development of an agricultural Payment for Ecosystems Services Program to support the work of the Payment for Ecosystem Services and Soil Health Working Group (PES WG) – as authorized by 2019 Acts and Resolves No. 83, amended by 2020 Acts and Resolves No. 129 and 2021 Acts and Resolves No. 47 – to enable Payment for Ecosystem Services Program development to retain facilitation services, contract identified research needs, fund pilot program development, and deliver payments to farmers for quantified ecosystem services.

(B) \$200,000 to grant as a single-source contract to an eligible entity to administer these funds to assist individuals with low-income to access local, fresh, or whole food at farmers' markets and through Community Supported Agriculture (CSA) shares. This one-time appropriation will respond to the record demand in these fresh food access programs due to increased food insecurity experienced by Vermonters during the pandemic. The Agency shall allow a primary care health provider to apply on behalf of up to 20 patients for whom CSA shares have been recommended for improved health.

(C) \$420,000 for the purchase of laboratory equipment to test for per- and Polyfluoroalkyl Substances (PFAS) in drinking water to support public health testing requirements of the Agencies of Natural Resources, Transportation and Agriculture, Food and Markets.

(D) \$90,000 for grants to State fairs and field days organizations.

(E) \$300,000 of which \$200,000 is to establish a grant program for organic milk farmers that are transitioning to a new buyer to assist with the costs of modifications needed to accommodate the new buyer and \$100,000 to the Produce Safety Improvement grant program.

(F) \$150,000 to contract with an eligible consultant for the development of a State Food Security Action Plan that will include a strategy to improve the resilience of the statewide food system in order to better meet the food needs of citizens of Vermont during times of disruption to the national food distribution chain caused by emergencies such as the COVID-19 pandemic.

(G) \$248,000 for a grant to the Conservation Districts for equipment and capital improvements.

(8) \$1,512,636 to the Center for Crime Victims Services as follows:

(A) \$660,000 to replace shortfall in special fund revenue relating to fines and fees from the courts and traffic tickets.

(B) \$519,600 to replace declining federal Victims of Crime Act (VOCA) funds.

(C) \$308,036 for a grant to the Vermont Network Against Domestic and Sexual Violence.

(D) \$25,000 to support Kurn Hattin Survivors.

(9) \$150,000 to the Criminal Justice Council for the following:

(A) \$100,000 for an incident simulator to enable de-escalation training.

(B) \$50,000 for the development of a new entrance exam.

(10) \$8,000,000 to the Department of Public Safety- Emergency Management to provide state match for FEMA funds to purchase properties identified for high flood risk.

(11) \$1,180,000 to the Department for Children and Families for the following:

(A) \$50,000 for a grant to the Vermont Donor Milk Center for statewide activities.

(B) \$750,000 to the Parent Child Centers for upgrades to facilities, systems, or new equipment.

(C) \$180,000 to be granted to the Vermont Food Bank for statewide provision of diapers to families in need.

(D) \$200,000 to be granted to the five youth service provider organizations (Youth Services Inc., St. Johnsbury Area Youth Services Bureau, Washington County Youth Services Bureau, Windsor County Youth Services, and Spectrum Youth and Family Services) that currently have contracts with the Department of Health and the Department for Children and Families. Each

organization shall receive a grant of \$20,000 and the remaining funds shall be granted to each organization in an equitable manner after consultation with the organizations and consideration of the scope of services by each organization.

(12) \$3,645,250 for Substance Use Disorder Prevention Investments within the Agency of Human Services as follows:

(A) \$3,000,000 to the Department of Health, Office of Alcohol and Drug Abuse Programs for a grant to the substance Misuse Prevention Coalitions. The Office of Alcohol and Drug Abuse Programs (ADAP) shall require that, as part of the grant agreement with the Substance Misuse Prevention Coalitions, information on the use of the funds, including the specific activities supported by the funds; a description of the number of people served; and information on the outcomes achieved by this investment be provided to ADAP in an agreed upon time frame. The ADAP shall report to the House and Senate Committees on Appropriations, the House Committee on Human Services, and the Senate Committee on Health and Welfare on or before January 10, 2023.

(i) It is the intent of the General Assembly that funding for the Substance Misuse Prevention Coalitions be funded with one-time general funds until funds from the cannabis excise tax revenues pursuant to 32 V.S.A. § 7909 become available.

(B) \$100,000 to the Department of Health, Office of Alcohol and Drug Abuse Programs for a grant to the Jenna's House program. The grant is in addition to \$400,000 of base funding provided in Sec. B. 313 of this act.

(C) \$50,000 to the Department of Health – Public Health, for a grant to the University of Vermont's Comprehensive Care Clinic for HIV/AIDS for increased mental health counseling.

(D) \$345,250 to the Department of Disabilities, Aging, and Independent Living – Vocational Rehabilitation to fund two-year Employment Assistance Center pilot programs to serve Recovery Center clients.

(i) \$270,250 shall be to establish a two-year pilot program in collaboration with the Burlington Recovery Center. Funds may be granted to the Vermont Association of Business Industry and Rehabilitation to fund a dedicated employment consultant position for this pilot program. The Division of Vocational Rehabilitation is authorized to establish two limited service positions for this pilot program: one employment counselor and one employment assistance staff position, which is anticipated to be half time.

(ii) \$75,000.00 to establish a second pilot program at one of the other recovery centers in the State. The division of Vocational Rehabilitation

is authorized to establish one limited-service employment counselor position for this pilot.

(iii) On or before January 10, 2024, the Division of Vocational Rehabilitation, in collaboration with the Vermont Association of Business Industry and Rehabilitation, shall submit a report to the House Committees on Commerce and Economic Development, on Appropriations, and on Human Services and to the Senate Committees on Economic Development, Housing and General Affairs, on Appropriations, and on Health and Welfare summarizing the effectiveness of the pilot programs, including:

(I) educational attainment and achievement of program recipients;

(II) acquisition of a credential of value pursuant to 10V.S.A. § 546;

(III) number of job placements; and

(IV) job retention rates.

(E) \$150,000 to the Department of Health's Division of Alcohol and Drug Abuse Programs to award a grant to a Burlington/Chittenden county-based organization providing substance use treatment counseling or substance use recovery support, or both, for individuals within and transitioning out of the criminal justice system. The Division shall award grants based on an applicant's ability to accomplish the following:

(i) provide justice-involved individuals with direct substance use support services while incarcerated, such as through alcohol and drug abuse counselors licensed pursuant to 26 V.S.A. chapter 62 or certified recovery coaches, or both;

(ii) support justice-involved individuals in their transition out of incarceration, such as through warm handoffs to existing statewide resources for substance use treatment or recovery; or

(iii) provide long-term support for justice-involved individuals, such as by coordinating peer support services or ongoing counseling post incarceration.

(13) \$1,215,860 to the Agency of Education as follows:

(A) \$500,000 for Child Nutrition Grants to school districts to purchase local foods.

(B) \$15,860 to the Vermont Ethnic and Social Equity Standards Advisory Working Group to cover per diem and reimbursement of expenses.

(C) \$700,000 to Adult Education and Literacy to provide grants to the Adult Learning Centers.

(14) \$67,000 to the Attorney General for the Court Diversion program to replace special fund shortfall.

(15) \$325,000 to the Agency of Natural Resources for the following:

(A) \$75,000 to the Central Office for contractual support to complete work associated with implementing the Global Warming Solutions Act of 2020.

(B) \$250,000 to the Department of Environmental Conservation to complete statewide wetland mapping updates and to update the Vermont Significant Wetland Inventory maps.

(16) \$130,000 to the Agency of Commerce and Community Development for a grant to the Vermont Adaptive Ski and Sports program.

(17) \$500,000 to the Agency of Human Services, Central Office for the Vermont Refugee Resettlement program to provide aid to refugees.

(18) \$1,500,000 to the Department of Disabilities, Aging, and Independent Living (DAIL) to be used for grants to adult day service providers to support operating costs and program infrastructure. The funds shall be allocated on an equitable basis per a methodology developed by DAIL. On or before the first day of each quarter of fiscal year 2023 (July 1, 2022, October 1, 2022, January 1, 2023, and April 1, 2023), the Vermont Association of Adult Day Services shall provide a spreadsheet to the Department detailing quarterly expenditures versus the annual budget. DAIL shall work with community partners to seek organizations interested in opening an adult day center in the underserved regions where adult day centers closed during the COVID-19 pandemic. Up to \$50,000 of these funds may be used to support the start-up costs of a new adult day center. Any amount of this appropriation remaining at the end of fiscal year 2023 shall be carried forward and shall be used to support operating costs, and program infrastructure.

(19) \$250,000 to the Agency of Commerce and Community Development for a grant to the Vermont League of Cities and Towns to provide technical assistance to towns related to seeking or expending federal funds.

(20) \$267,364 to the Department of Taxes for appraisal and litigation costs associated with the Sheldon Springs Hydroelectric Dam.

(21) \$600,000 to the Department of Public Service for Public Access, Education, and Government Media to fund the 24 media centers.

(22) \$450,000 to the Vermont Historical Society for HVAC systems.

(23) \$50,000 to the Department of Buildings and General Services to be granted to the Mount Ascutney Regional Commission to hire a consultant to facilitate community discussions on the use of the former Southeast State Correctional Facility property in Windsor to enable work, education, and health monitoring; to create base maps; and to conduct a legal analysis.

(b) \$11,000,000 is appropriated from the General Fund to the Department of Public Safety for regional dispatch funding. The funds are subject to the following conditions:

(1) \$4,500,000 shall be held in reserve until the report required by Sec. E.209.1 of this act is submitted and further approval to expend the funds is granted by the General Assembly.

(2) \$6,500,000 to provide grants to regional dispatch facilities upon approval of the Joint Fiscal Committee subsequent to review of a Regional Dispatch Facility grant plan submitted by the Commissioner of Public Safety. The plan shall include the extent to which federal funding sources may be available for regional dispatch.

(c) \$10,000,000 is appropriated from the General Fund to the Agency of Administration for State Employees fiscal year 2023 transitional employer contribution to be distributed as needed to departments and agencies if approved by the Commissioner of Finance and Management to fund the fiscal year 2023 payroll assessment necessary to meet the State employees' pension and other post-employment benefits resulting from any changes to these programs enacted in the 2022 legislative session. The Commissioner shall report to the Joint Fiscal Committee at its November 2022 meeting on the status of this appropriation.

* * * Fiscal Year 2022 Adjustments, Appropriations, and Amendments * * *

Sec. C.100 2021 Acts and Resolves No. 74, Sec. D.101(b)(2) is amended to read:

(b)(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July meeting the final amounts transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

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62100	Unclaimed Property Fund	\$3,027,750.00	<u>\$4,106,300.00</u>
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Sec. C.101 2021 Acts and Resolves No. 74, Sec. E.602.2 is amended to read:

Sec. E.602.2 VERMONT STATE COLLEGES

(a) The Vermont State College (VSC) system shall transform itself into a fully integrated system that achieves financial stability in a responsible and sustainable way in order to meet each of these strategic priorities:

(1) Affordability. Ensure that student costs and debt obligations are not barriers to student access.

(2) Accessibility. Ensure that each VSC student, regardless of where the student's home campus is located, has increased access to academic opportunities, majors and courses across the statewide system.

(3) Equitability. Determine the extent to which gaps in educational access and success are being reduced for students from economically deprived backgrounds, first-generation students, students of color, and other marginalized groups.

~~(3)~~(4) Relevance.

(A) Ensure that each VSC student is prepared for a lifelong career and personal success in the globally competitive 21st century.

(B) Ensure that VSC offers educational programs that are:

(i) aligned with State workforce needs;

(ii) offered in a fiscally responsible manner; and

(iii) delivered in a manner that is relevant to current student and employer needs.

(b) VSC shall meet the following requirements during the transformation of its system required under subsection (a) of this section and shall accommodate the oversight of the General Assembly in so doing.

(1) VSC shall reduce its structural deficit by \$5,000,000.00 per year ~~for five years~~ through a combination of annual operating expense reductions and increased enrollment revenues, for a total of \$25,000,000.00 by the end of fiscal year 2026. These reductions shall be structural in nature and shall not be met by use of one-time funds. The VSC Board of Trustees, through the Chancellor or designee, shall report the results of these structural reductions to the House and Senate Committees on Education and on Appropriations annually during the Chancellor's budget presentation.

(2) The VSC Board of Trustees shall develop and implement a 10-year strategic plan for managing its physical assets that is fiscally sustainable, maintains reasonable net asset value, and meets the needs of Vermont learners.

~~On or before March 1, 2022, the Chancellor shall present this Board approved plan~~ Updates to the plan and an annual report on its implementation shall be presented to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(3) VSC shall maintain its present campus locations as educational and student-support centers, recognizing that overall campus size, governance and operational structures as well as program and service offerings may change as circumstances require.

(4) Beginning in fiscal year 2022 and through 2031, the VSC Board of Trustees, acting through the Chancellor or designee, shall brief, as part of the Chancellor's annual budget proposal, the House and Senate Committees on Education and Committees on Appropriations:

(A) enrollment levels in courses offered by VSC, reported on the basis of courses with fewer than five students, courses with five to nine students, courses with 10 to 14 students, and courses with 15 or more students, along with relevant information about these enrollment data;

(B) in order to demonstrate accessibility, the percentage of courses and programs offered by VSC on a statewide basis and on the formats in which they are offered;

(C) an assessment of affordability and accessibility within VSC and recommendations on how to improve them;

(D) retention statistics with corresponding trend lines and benchmarks;

(E) enrollment statistics with methods of comparison using readily available metrics that pertain to the student enrollment efforts authorized by the current fiscal year 2022 Vermont budget bill with the net student revenue generated and discount rate applied in order to enroll the students, aggregated by cohort; and

* * *

Sec. C.102 2022 Acts and Resolves No. 83, Sec. 53 is amended to read

Sec. 53. FISCAL YEAR 2022 UNALLOCATED RESERVE

(a) After satisfying the requirements of 32 V.S.A. § 308, and after other reserve requirements have been met, but prior to satisfying the requirements of 32 V.S.A. § 308c, the first \$86,000,000 of remaining unreserved and undesignated funds at the close of fiscal year 2022 shall remain in the General Fund and be carried forward to fiscal year 2023. These funds may be used to provide state match to the federal Infrastructure Investment and Jobs Act.

(b) After meeting the requirements of subsection (a) of this section, but prior to satisfying the requirements of 32 V.S.A. § 308c, the remaining unreserved and undesignated funds at the close of fiscal year 2022 shall be allocated to the extent available as follows:

(1) \$850,000 shall be transferred to the Cannabis Regulation Fund (21998).

(2) \$1,700,000 to the State Liability Self-Insurance Fund (56200).

(3) ~~\$1,877,092~~ \$1,900,000 to the Correctional Industries Internal Services Fund (59100).

(4) ~~\$9,961,531~~ \$10,000,000 to the Agency of Human Services-Central Office-Global Commitment to offset one-time pressure related to the suspension of Medicaid eligibility redeterminations for fiscal year 2023. This appropriation is made to the extent the Global Commitment fiscal need is identified after analysis of the impact of continued enhanced pandemic related Federal Medical Assistance Percentage (FMAP) in tandem with the updated analysis on the fiscal impact related to caseload redetermination and cost per member per month. The Agency of Human Services, in consultation with the Joint Fiscal Office and the Department of Finance and Management shall provide this analysis as part of the Medicaid end-of-year report provided the Emergency Board in July 2022.

(5) ~~\$25,000,000 is reserved and carried forward into fiscal year 2023 to improve the debt position of the State. This may include the redemption of general obligation bonds, reducing the amount of new debt to be issued or to address negative internal fund balances. To the extent funds are available they shall be applied and shall be allocated as follows:~~

(A) \$5,000,000 shall be transferred to the Property Management Fund (58700) established by 29 V.S.A. § 160.

(B) \$20,000,000 shall be appropriated to the State Treasurer's Office and used for redeeming State of Vermont general obligation bonds prior to maturity. Notwithstanding 32 V.S.A. § 1001b(e), beginning in fiscal year 2024, to the extent bonds are redeemed, an amount equal to the reduction in payments for debt service required resulting from any redemption shall be transferred and reserved in the Capital Expenditure Cash Fund, as established in 32 V.S.A. § 1001b created in Sec. E.106.1 of this act.

(6) \$6,000,000 to the Department for Children and Families to be granted to childcare providers to address emergent and exigent circumstances following the COVID-19 pandemic for workforce retention bonuses to retain early childhood staff and home-based providers. It is the intent of the General Assembly that the eligible employers awarded funds pursuant to this section

shall use the funds to make retention payments to their employees. The employers shall be afforded flexibility in determining how best to provide the financial retention assistance to their employees and how best to encourage employment beyond the terms of this program.

(i) The Department is authorized to establish parameters related to minimum hours worked for an employee or home-based provider to be eligible for a bonus under this subdivision (30), and to design a program that does not allow for duplication of bonuses to staff who work for more than one provider. Staff under a teacher contract shall not be eligible for this program.

(ii) Notwithstanding any provision of Vermont law to the contrary and to the extent permitted under federal law, the amount of a recruitment or retention payment received by an employee under this section shall be disregarded for purposes of determining the employee's or employee's household's income eligibility for any benefit program.

(7) \$9,600,000 is appropriated to the Judiciary, of which \$3,880,000 is for the reopening of the courts and \$5,720,000 is to replace HVAC in county court houses.

(8) \$10,000,000 to Vermont Housing Conservation Board for housing development.

(9) \$2,000,000 is transferred to the Workers' Compensation Fund (56100)

(10) \$15,000,000 reserved for the Department for Children Families emergency or transitional housing needs in the event federal emergency rental assistance funds are insufficient to meet needs in fiscal year 2023.

(11) \$50,250,000 is transferred to the Technology Modernization Special Fund created in Sec. E.105.1 of this act.

(12) \$25,000,000 shall be transferred to the Capital Expenditure Cash Fund, as established in 32 V.S.A. § 1001b created in Sec. E.106.1 of this act.

(c) After meeting the requirements of subsections (a) and (b) of this section, but prior to satisfying the requirements of 32 V.S.A. § 308c, the remaining unreserved and undesignated funds at the close of fiscal year 2022 shall remain in the General Fund and be carried forward to fiscal year 2023.

Sec. C.102.1 [Deleted.]

Sec. C.103 2021 Acts and Resolves No. 74, Sec G.300(a) as amended by 2022 Acts and Resolves No. 83, Sec. 68 is further amended to read:

(a) ~~\$187,114,176~~ \$181,114,176 in fiscal year 2022 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds as follows:

* * *

(7) \$2,000,000 in fiscal year 2022 to the University of Vermont.

(A) \$1,000,000 for matching funds for research grant opportunities related to COVID-19.

(B) \$1,000,000 to provide up to two free classes in calendar year 2022 for any Vermont resident who is seeking to transition to a new career or to enhance the resident's job skills.

(8) \$19,700,000 in fiscal year 2022 to the Vermont State Colleges for the following programs; funds shall be carried forward until expended:

(A) \$2,000,000 to provide funding for up to six credits or two courses in the 2022–2023 academic year, including wraparound services for Vermonters whose employment was impacted by the COVID-19 public health emergency since March 13, 2020. The wraparound services may also be provided to students who enroll in six credit hours or two courses in the summer or fall of 2021 and spring of 2022 pursuant to 2021 Acts and Resolves No. 9, Sec. 18.

(B) \$3,000,000 to provide degree completion scholarships for up to 30 credits towards a credential of value for adult learners who have earned at least 40 credits towards an undergraduate degree and have a gap in attendance of at least two years.

(C) \$14,700,000 to provide free last dollar tuition for one year of undergraduate studies for critical occupation careers, including bookkeeping certificate, IT service desk specialist certificate, certified production technician, graphic design certificate, software and web development program, electrical and plumbing apprenticeships, dental hygiene, certificate in accounting, small business management, radiologic science, and respiratory therapy. \$540,000 of these funds shall be allocated for paramedic/EMS programs and any unexpended amount of this allocation shall be available for the broader purpose in this subdivision (C). Funds may be used for practical nursing, ~~childcare~~ child care, nursing, ~~and~~ mental health counseling, ~~and~~ psychology and social work programs only after available federal and State financial aid is applied to ensure no cost to the student. Of this amount, \$7,350,000 shall be carried forward for the 2022–2023 school year. If demand from undergraduates is met, then funds may be used to pay for tuition for the following graduate programs:

- (i) ~~Master~~ Master's in Education (all programs);
- (ii) ~~Master~~ Master's in Educational Leadership;
- (iii) ~~Master~~ Master's of Arts and Certificate of Advanced Graduate Studies in ~~School~~ Psychology;
- (iv) ~~Masters~~ Master's in Counseling; and
- (v) ~~Masters~~ Master's in Clinical Mental Health Counseling; and
- (vi) Master's in Clinical Social Work.

* * *

~~(30) \$6,000,000 to the Department for Children and Families to be granted to childcare providers to address emergent and exigent circumstances following the COVID-19 pandemic for workforce retention bonuses to retain early childhood staff and home-based providers. It is the intent of the General Assembly that the eligible employers awarded funds pursuant to this section shall use the funds to make retention payments to their employees. The employers shall be afforded flexibility in determining how best to provide the financial retention assistance to their employees and how best to encourage employment beyond the terms of this program.~~

~~(A) The Department is authorized to establish parameters related to minimum hours worked for an employee or home-based provider to be eligible for a bonus under this subdivision (30), and to design a program that does not allow for duplication of bonuses to staff who work for more than one provider. Staff under a teacher contract shall not be eligible for this program.~~

~~(B) Notwithstanding any provision of Vermont law to the contrary and to the extent permitted under federal law, the amount of a recruitment or retention payment received by an employee under this section shall be disregarded for purposes of determining the employee's or employee's household's income eligibility for any benefit program.~~

* * *

Sec. C.104 FISCAL YEAR 2022 AND FISCAL YEAR 2023; OUT-OF-STATE BEDS SAVINGS; APPROPRIATION

(a) In fiscal year 2022, \$360,140 of the amount appropriated in 2021 Acts and Resolves No. 74, Sec. B.339 (correctional services for out-of-state beds) shall be allocated as follows:

(1) \$300,000 to the Department of Corrections to expand and eliminate participant fees for community-based domestic violence intervention programming and to create domestic violence intervention programming and

curricula for lesbian, gay, bisexual, transgender, queer, or questioning (LGBTQ) individuals; and

(2) \$60,140 for Offender Management System/data system improvements.

(b) In fiscal year 2022, \$417,030 of the amount appropriated in 2021 Acts and Resolves No. 74, Sec. B.338 (correctional services) shall be used for community justice centers.

Sec. C.105 2022 Acts and Resolves No. 83, Sec. 72a is amended to read:

Sec. 72a. MEDICAID HOME- AND COMMUNITY-BASED
SERVICES (HCBS) PLAN

(a) Pursuant to Sec. 9817 of the American Rescue Plan Act (ARPA), in October 2021 February 2022, the State submitted a home- and community-based services (HCBS) spending plan to the Centers for Medicare and Medicaid Services. This plan currently totals \$146,600,000 \$149,550,122, consisting of the following major components:

(1) \$77,800,000 \$77,839,612 allocated to improve services;

(2) \$25,000,000 \$20,258,042 allocated to promote a high-performing and stable HCBS workforce; and

(3) \$43,800,000 \$51,452,468 allocated to improve HCBS care through data systems, value-based payment models, and oversight.

* * *

(e) In fiscal year 2023, a total of \$71,239,891 is appropriated from the Global Commitment Fund to AHS to meet the objectives of the HCBS plan. This appropriation consists of \$17,136,654 as appropriated in 2021 Acts and Resolves No. 74 for a three percent rate increase to HCBS providers, including the assistive community care rates and children integrated services rates, and the following appropriations in distinct one-time departmental IDs:

(1) \$23,510,987 is appropriated to the Agency of Human Services – Secretary’s Office.

(2) \$10,500,000 is appropriated to the Department of Disabilities, Aging, and Independent Living.

(3) \$1,500,000 is appropriated to the Department of Mental Health.

(4) \$17,000,000 is appropriated to the Department of Vermont Health Access.

(5) \$1,500,000 is appropriated to the Department of Health.

(6) \$92,250 is appropriated to the Department for Children and Families.

(f) The Global Commitment Fund appropriated in subsection (e) of this section may be obligated in fiscal year 2023 for the purposes of bringing HCBS plan spending authority forward into fiscal year 2024. The funds appropriated in subsections (b), (c), and (e) of this section may be transferred on a net-neutral basis in fiscal year 2023 in the same manner as the Global Commitment appropriations in Sec. E.301 of this act. The Agency shall report to the Joint Fiscal Committee in September 2023 on transfers of appropriations made and final amounts expended by each department in fiscal year 2023 and any obligated funds carried forward to be expended in fiscal year 2024.

Sec. C.106 CANNABIS CONTROL BOARD; PHASE I SYSTEM

(a) In fiscal year 2022, the amount of \$760,000 is transferred from the General Fund to the Cannabis Regulation Fund (21998) to support phase one of the online registration, licensing, and business application portal.

Sec. C.107 REPEAL

2022 Acts and Resolves No. 83, Sec. 66 (Educational Assistance; Medical Student Incentive Scholarship Program; Appropriation) is repealed.

Sec. C.107.1 TRANSITION OF FUNDING TO NURSE INCENTIVE
SCHOLARSHIP PROGRAM TO NURSE FORGIVABLE
LOAN PROGRAM

(a) At the close of fiscal year 2022, to the extent that funds are unexpended in the appropriation made in 2021 Acts and Resolves No. 74 Sec. C 100(a)(1) and allocated for the Nurse-Scholarship Program defined in 2020 Acts and Resolves No. 155 and 2021 Acts and Resolves No. 74 Sec. E.311.3, these funds shall be available in Fiscal Year 2023 to fund the Vermont Nursing Foregivable Loan Incentive Program in the Vermont Department of Health administered in collaboration with VSAC as established in 18 V.S.A. § 34.

(b) These funds shall be matched within the Global Commitment Program to the extent allowed by federal requirements.

(c) Any adjustments needed to the Department of Health Global Commitment Fund appropriation for transfer to VSAC for the Vermont Nursing Foregivable Loan Incentive Program shall be included in the fiscal year 2023 budget adjustment proposal.

Sec. C.107.2 FISCAL YEAR 2022 INCENTIVE SCHOLARSHIP FUNDING
REVERSION AND HEALTH CARE WORKFORCE
RESERVE CARE

(a) At the close of fiscal year 2022, to the extent that funds are unexpended in the appropriation made in 2021 Acts and Resolves No. 74 Sec, C 100(a)(1) and allocated for the University of Vermont College of Medicine, Medical Student Incentive Scholarship defined in 2020 Acts and Resolves No. 155 and 2021 Acts and Resolves No. 74 Secs. E.311.1 and E.311.3, these funds shall be reverted as follows:

(1) 2020 Acts and Resolves No.155, Sec. 4a \$267,704

(2) 2021 Acts and Resolves No. 74 Sec, C 100 (a)(1) \$438,579

(b) At the close of fiscal year 2022, \$700,000 is reserved in the General Fund for health care and social service workforce needs. The Agency of Administration in consultation with the Agency of Human Services shall provide recommendations to the General Assembly for the of these one-time funds in the fiscal year 2024 budget proposal.

Sec. C.108 DEPARTMENT OF LABOR; TRADE APPRENTICESHIP
EXPENSE REIMBURSEMENT; PROGRAM EXPANSION

(a) Up to \$1,000,000 of the funds appropriated in 2021 Acts and Resolves No. 74, Sec. G.300(a)(6) may be carried forward by the Vermont Department of Labor and used to reimburse Vermont employers for costs incurred for work tools and personal protective equipment for new apprentices and for expansion of registered apprenticeship programs and participants. Employers may be reimbursed up to \$300 for tools per apprentice.

Sec. C.109 [Deleted.]

Sec. C.110 ONE-TIME TOBACCO FUND APPROPRIATION;
SUBSTANCE MISUSE AND PREVENTION COALITIONS

(a) In fiscal year 2023, funds are appropriated from the Tobacco Fund to the Department of Health, Office of Alcohol and Drug Abuse Programs (ADAP) and shall be carried forward in fiscal year 2023 as follows:

(1) \$1,000,000 for substance use disorder (SUD) and tobacco prevention and cessation activities. Substance Misuse and Prevention Coalitions and tobacco cessation programs that target youth vaping may apply for funding. The Commissioner of ADAP shall determine levels of funding to award to applicants.

(A) The Office of ADAP shall require that, as part of the grant agreement with the Substance Misuse Prevention Coalitions, information on the use of the funds including the specific activities supported by the funds, a description of the number of people served, and information on the outcomes achieved by this investment be provided to ADAP in an agreed-upon time frame. The ADAP shall report on these metrics to the House and Senate

Committees on Appropriations, the House Committee on Human Services, and the Senate Committee on Health and Welfare on or before January 10, 2023.

(2) \$350,000 for statewide AIDS Service Organizations for HIV/AIDS prevention and syringe exchange programs. Of this amount, \$150,000 shall be granted to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for syringe exchange programs, and \$200,000 shall be granted to the Howard Center's Safe Recovery program. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health, the Vermont AIDS service organizations, and other Vermont HIV/AIDS prevention providers.

Sec. C.111 2021 Acts and Resolves No. 74, Sec. E.335 as amended by 2022 Acts and Resolves No. 83, Sec. 62, is further amended by adding a subsection (c) to read:

(c) Any funds expended on community-based service programs pursuant to subsection (b) of this section shall be included in the subsequent year Department of Corrections budget for the same purpose at the same amount.

Sec. C.112 2021 Acts and Resolves No. 74, Sec. B.1106(a)(1)(C) is amended to read:

(C) \$14,400,000 for distribution to departments to fund the annual increase in the Vermont State Employee Retirement Systems (VSERS) Actuarially Determined Employer Contribution (ADEC). Amounts not distributed shall be transferred to the Vermont State Retirement Fund (60100) in the fiscal year 2022 as needed to meet the fiscal year 2022 ADEC requirement.

Sec. C.113 2021 Acts and Resolves No.74, Sec. D.101(b)(3) is amended to read:

(3) Notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, \$46,078,618 \$47,736,618 of the unencumbered balances in the Insurance Regulatory and Supervision Fund (21075), the Captive Insurance Regulatory and Supervision Fund (21085), and the Securities Regulatory and Supervision Fund (21080) shall be transferred to the General Fund.

Sec. C.114 2021 Acts and Resolves No.74, Sec. B.1106, as amended by 2022 Acts and Resolves No.83, Sec. 46 is further amended read with the insertion of a subsection B.1106(a)(34) as follows:

(34) \$1,658,000 to the Military Department to provide state match for the federal Facilities Sustainment, Restoration, and Modernization (SRM) funds eligible for receipt in fiscal year 2022.

* * * Fiscal Year 2023 Fund Transfers and Reserve Allocations * * *

Sec. D.100 APPROPRIATIONS; PROPERTY TRANSFER TAX

(a) This act contains the following amounts appropriated from special funds that receive revenue from the property transfer tax. Expenditures from these appropriations shall not exceed available revenues.

(1) The sum of \$428,933 is appropriated from the Current Use Administration Special Fund to the Department of Taxes for administration of the Use Tax Reimbursement Program. Notwithstanding 32 V.S.A. § 9610(c), amounts above \$428,933 from the property transfer tax that are deposited into the Current Use Administration Special Fund shall be transferred into the General Fund.

(2) The sum of \$21,128,985 is appropriated from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board. Notwithstanding 10 V.S.A. § 312, amounts above \$21,128,985 from the property transfer tax and surcharge established by 32 V.S.A. § 9602a that are deposited into the Vermont Housing and Conservation Trust Fund shall be transferred into the General Fund.

(A) The dedication of \$2,500,000 in revenue from the property transfer tax pursuant to 32 V.S.A. § 9610(d) for the debt payments on the affordable housing bond, 10 V.S.A. § 314, is to be offset by the reduction of \$1,500,000 in the appropriation to the Vermont Housing and Conservation Board and \$1,000,000 from the surcharge established by 32 V.S.A. § 9602a. The fiscal year 2023 appropriation of \$21,128,985 to VHCB reflects the \$1,500,000 reduction. The affordable housing bond and related property transfer tax and surcharge provisions are repealed after the life of the bond on July 1, 2039. Once the bond is retired, the \$1,500,000 reduction in the appropriation to VHCB is intended to be restored.

(3) The sum of \$5,882,597 is appropriated from the Municipal and Regional Planning Fund. Notwithstanding 24 V.S.A. § 4306(a), amounts above \$5,882,597 from the property transfer tax that are deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The \$5,882,597 shall be allocated as follows:

(A) \$4,574,417 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) \$872,120 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b); and

(C) \$436,060 to the Agency of Digital Services for the Vermont Center for Geographic Information.

 Sec. D.101 FUND TRANSFERS, REVERSIONS, AND RESERVES

(a) Notwithstanding any other provision of law, the following amounts are transferred from the funds indicated:

(1) From the General Fund to the All Other Insurance Fund (56300): \$1,000,000.

(2) From the General Fund to the Enhanced 911 Special Fund (21711): \$1,300,000.

(3) From the General Fund to the Cannabis Regulation Fund (21998): \$2,540,000.

(4) From the General Fund to the Technology Modernization Special Fund created in Sec. E.105.1 of this act: \$16,760,000.

(5) From the Clean Water Fund (21932) established by 10 V.S.A. § 1388 to the Agricultural Water Quality Special Fund (21933) created under 6 V.S.A. § 4803: \$5,816,111.

(6) From the Clean Water Fund established by 10 V.S.A. § 1388 to the Lake in Crisis Response Program Special Fund (21938) created under 10 V.S.A. § 1315: \$50,000.

(7) From the Transportation Fund to the Downtown Transportation and Related Capital Improvement Fund (21575) established by 24 V.S.A. § 2796 to be used by the Vermont Downtown Development Board for the purposes of the Fund: \$523,966.

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2023:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

<u>22005</u>	<u>AHS Central Office earned federal receipts</u>	<u>\$4,641,960</u>
<u>50300</u>	<u>Liquor Control Fund</u>	<u>\$20,400,000</u>
	<u>Caledonia Fair</u>	<u>\$5,000</u>
	<u>North Country Hospital Loan</u>	<u>\$24,047</u>
	<u>Springfield Hospital promissory note repayment</u>	<u>\$121,416</u>

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July meeting the final amounts

transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

<u>21638</u>	<u>AG-Fees & reimbursement – Court order</u>	<u>\$2,000,000</u>
<u>21928</u>	<u>Secretary of State Services Funds</u>	<u>\$1,200,000</u>
<u>62100</u>	<u>Unclaimed Property Fund</u>	<u>\$1,773,425</u>

(3) Notwithstanding 2016 Acts and Resolves No. 172, Sec. E. 228, \$45,664,476 of the unencumbered balances in the Insurance Regulatory and Supervision Fund (21075), the Captive Insurance Regulatory and Supervision Fund (21085), and the Securities Regulatory and Supervision Fund (21080) shall be transferred to the General Fund.

(4) Notwithstanding any provision of law to the contrary, in fiscal year 2023, the following amounts shall revert to the General Fund from the accounts indicated:

<u>1210002000</u>	<u>Legislature</u>	<u>\$205,000</u>
<u>1100030000</u>	<u>Executive Branch Pay Act</u>	<u>\$4,450,000</u>

(c) Notwithstanding any provisions of law to the contrary, in fiscal year 2023 the following estimated General Fund reserves shall be made:

(1) Pursuant to 32 V.S.A. § 308, an estimated amount of \$15,935,255 shall be reserved in the General Fund Budget Stabilization Reserve.

Sec. D.102 27/53 RESERVE

(a) \$3,020,000 from the General Fund shall be reserved in the 27/53 reserve in fiscal year 2022. This action is the fiscal year 2023 contribution to the reserve for the 53rd week of Medicaid as required by 32 V.S.A. § 308e and the 27th payroll reserve as required by 32 V.S.A. § 308e.

Sec. D.103 [Deleted.]

* * * General Government * * *

Sec. E.100 EXECUTIVE BRANCH POSITIONS

(a) The establishment of the following new positions is authorized in fiscal year 2023:

(1) Permanent classified positions:

(A) Agency of Agriculture, Food and Markets - Vermont Agriculture and Environmental Lab: one new VAEL Scientist IV; Chemistry.

(B) Department of Buildings and General Services – Fee for Space:

- (i) one BGS Utility Mechanic;
- (ii) three BGS Institutional Custodians; and
- (iii) one BGS Maintenance Mechanic II.

(C) Department of Disabilities, Aging, and Independent Living's Administration and Support division:

- (i) one Survey and Certification Non-clinical Manager;
- (ii) three Nurse Surveyors;
- (iii) one Administrative Assistant; and
- (iv) one Office of Public Guardian Community Financial

Specialist.

(D) Department of Mental Health:

- (i) one Suicide Prevention Director;
- (ii) one Quality Control Specialist III;
- (iii) one Staffing Office Manager;
- (iv) five Mental Health Scheduling Coordinators;
- (v) one DMH Psychologist;
- (vi) one DMH Activity Therapist;
- (vii) one Psychiatric Social Worker II;
- (viii) two Food Service Workers;
- (ix) two Cook Cs; and
- (x) one Supervising Chef.

(E) Agency of Education:

- (i) one School Facility Coordinator; and
- (ii) one Communication Coordinator.

(F) Cannabis Control Board:

- (i) two enforcement officers; and
- (ii) one data analyst.

(G) State Treasurer: one Retirement Program Technician.

(H) Agency of Natural Resources Central Office:

- (i) one Environmental Analyst VII; and

(ii) two Environmental Analyst V.

(2) Permanent Exempt Positions:

(A) Vermont Pension Investment Commission: one Principal Assistant.

(b) The conversion of the following limited-service positions to classified permanent status is authorized in fiscal year 2023 as follows:

(1) Department of Vermont Health Access:

(A) DVHA, Business Office Unit – one Financial Manager III;

(B) DVHA, Business Office Unit – one Grants Management Specialist;

(C) DVHA, Contracts & Grants Unit – two Contracts & Grants Administrators;

(D) DVHA, Contracts & Grants Unit – one Financial Manager I;

(E) DVHA, HAEEU – one Assister Program Manager;

(F) DVHA, HAEEU – seven Benefits Program Mentors;

(G) DVHA, HAEEU – two Business Analysts;

(H) DVHA, HAEEU – one Communications & Outreach Coordinator;

(I) DVHA, HAEEU – one Health Care Training/Community Manager;

(J) DVHA, HAEEU – seven Health Program Administrators;

(K) DVHA, HAEEU – three Healthcare Assistant Admin Is;

(L) DVHA, HAEEU – five Healthcare Assistant Admin IIs;

(M) DVHA, HAEEU – one VHC Business Process Coordinator;

(N) DVHA, HAEEU – one VHC Education & Outreach Coordinator;

(O) DVHA, HAEEU – five VHC Support Services Specialists;

(P) DVHA, HAEEU – 16 VT Healthcare Service Specialist Is;

(Q) DVHA, HAEEU – 25 VT Healthcare Service Specialist IIs;

(R) DVHA, HAEEU – five VT Healthcare Service Specialist IIIs;

(S) DVHA, Health Care Appeals Unit – five Fair Hearing Specialists;

(T) DVHA, Health Care Appeals Unit – one Program Technician I;

(U) DVHA, Legal Unit – one Staff Attorney II; and

(V) DVHA, Long Term Care Unit – three Long Term Care Specialist Is.

(2) Department of Forests, Parks and Recreation – Forestry: one Forester III.

(3) State Treasurer: one Financial Manager.

(c) The establishment of the following new classified limited-service positions are authorized in fiscal year 2023 as follows:

(1) Department of Labor: three positions to assist with the UI Modernization project.

(2) Agency of Education:

(A) one Grants Manager; and

(B) three Monitoring Coordinators.

(3) Department of Environmental Conservation:

(A) one Environmental Analyst V.

(4) Department of Motor Vehicles – to support DMV Core Modernization Phase II:

(A) one Purchasing/Inventory & Facilities Specialist III,

(B) two Direct Client Service Specialist I,

(C) one Financial Specialist III, and

(D) one Direct Customer Service Specialist I.

(d) The establishment of the following new classified limited-service positions are authorized in fiscal year July 1, 2022 through December 31, 2024 as follows:

(1) Department of State's Attorneys and Sheriffs:

(A) ten Deputy State's Attorneys; and

(B) two Administrative Assistants.

(e) The transfer of the following exempt position is authorized in fiscal year 2023 as follows:

(1) From the Agency of Administration to the Office of the Attorney General:

(A) one Staff Attorney III.

(f) The establishment of two additional classified permanent Tax Examiner positions is authorized in the Department of Taxes beginning in fiscal year 2023.

(1) Department of Taxes:

(A) two Tax Examiners.

Sec. E.100.1 2014 Acts and Resolves No. 179, Sec. E.100(d), as amended by 2015 Acts and Resolves No. 4, Sec. 74; 2016 Acts and Resolves No. 172, Sec. E.100.2; 2017 Acts and Resolves No. 85, Sec. E.100.1; 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.100.1; 2020 Acts and Resolves No. 120, Sec. A.7; 2020 Act and Resolves No. 154, Sec. E.100.2; and by 2021 Acts and Resolves No. 74, Sec. E.100.1, is further amended to read:

(d) Position Pilot Program. A Position Pilot is hereby created to assist participating departments in more effectively managing costs of overtime, compensatory time, temporary employees, and contractual work by removing the position cap with the goal of maximizing resources to the greatest benefit of Vermont taxpayers.

(1) Notwithstanding Sec. A.107 of this act, the Agency of Transportation, the Department for Children and Families, the Agency of Natural Resources, the Department of Buildings and General Services, the Department of Labor, the Department of Corrections, ~~and~~ the Department of Public Safety, the Department of State's Attorneys and Sheriffs, and the Vermont Veterans' Home shall not be subject to the cap on positions for the duration of the Pilot.

(A) The Department of Corrections is authorized to add only Correctional Officer I and II positions.

(B) The Department of State's Attorneys and Sheriffs is authorized to add only State's Attorney positions.

(C) The Vermont Veterans' Home is authorized to add direct care positions, including part-time positions. Prior to authorizing positions under subdivision (d)(2) of this section, the Secretary of Administration shall be provided the financial analysis from the Vermont Veterans' Home reviewed by the Commissioner of Finance and Management which demonstrates reduction in the cost of overtime expenses or other expenses equal to or greater than the projected cost of the positions for the current and successive fiscal year of operations.

* * *

(7) This Pilot shall sunset on ~~July 1, 2023~~ July 1, 2025, unless extended or modified by the General Assembly.

(8) ~~On or before January 15, 2019~~ Annually on or before January 15, the Commissioner of Human Resources, in coordination with the Vermont State Employees' Association (VSEA), shall provide a report on the total number of positions created under the authority of this section to the House and Senate Committees on Appropriations. The report shall include a recommendation on whether this program should be expanded and continue and, if so, should it be extended but remain in session law or be made permanent by codification in statute.

Sec. E.100.2 CHIEF PREVENTION OFFICER

(a) The Office of the Chief Prevention Officer shall coordinate all budget and policy initiatives across the full spectrum of the prevention continuum.

Sec. E.100.3 PENSION OVERSIGHT

(a) The Secretary of Administration, in consultation with the State Treasurer, shall study and recommend criteria for a longevity incentive for Group F members of the Vermont State Employees' Retirement System that reduces future employer pension costs. As part of the study, the Secretary shall identify the following:

(1) a baseline of recent member retirement behavior relative to assumptions during the five most recently completed fiscal years;

(2) a method for targeting incentives to encourage more employees to retire at later ages than currently assumed;

(3) the amount and structure of proposed incentives; and

(4) whether additional funds are required to support the proposed incentive program.

(b) On or before December 15, 2022, the Secretary shall submit a report on the study described in subsection (a) of this section to the Joint Public Pension Oversight Committee, and the House and Senate Committees on Appropriations and on Government Operations.

Sec. E.105 3 V.S.A. § 3303 is amended to read:

§ 3303. REPORTING, RECORDS, AND REVIEW REQUIREMENTS

(a) Annual report and budget. The Secretary shall submit to the General Assembly, concurrent with the Governor's annual budget request required under 32 V.S.A. § 306, an annual report for information technology and cybersecurity. The report shall reflect the priorities of the Agency and shall include:

- (1) performance metrics and trends, including baseline and annual measurements, for each division of the Agency;
- (2) a financial report of revenues and expenditures to date for the current fiscal year;
- (3) costs avoided or saved as a result of technology optimization for the previous fiscal year;
- (4) an outline summary of information, including scope, schedule, budget, and status for information technology projects with total costs of \$500,000.00 or greater;
- (5) an annual update to the strategic plan prepared pursuant to subsection (c) of this section;
- (6) a summary of independent reviews as required by subsection (d) of this section; ~~and~~
- (7) the Agency budget submission; and
- (8) a report on the expenditures of the Technology Modernization Special Fund, a list of projects receiving funding from the Fund in the prior fiscal year, and a list of prioritized recommendations for projects to be funded from the Fund in the next fiscal year.

* * *

Sec. E.105.1 3 V.S.A. § 3305 is added to read:

§ 3305. TECHNOLOGY MODERNIZATION SPECIAL FUND

(a) Creation. There is created the Technology Modernization Special Fund, to be administered by the Agency of Digital Services. Monies in the Fund shall be used to purchase, implement, and upgrade technology platforms, systems, and cybersecurity services used by State agencies and departments to carry out their statutory functions.

(b) Funds. The Fund shall consist of:

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

(2) any interest earned by the Fund.

(c) Fund balance. Any balance remaining at the end of the fiscal year shall remain in the Fund.

(d) Receipts. The Commissioner of Finance and Management may anticipate receipts to this Fund and issue warrants based thereon.

(e) Priorities. The General Assembly shall prioritize projects to receive monies from the Fund based on recommendations from the Chief Information Officer submitted pursuant to subsection 3303(a) of this title. Expenditures shall only be made from the fund through appropriation and project authorization by the General Assembly. Plans for use shall be submitted as part of the budget adjustment or budget process.

Sec. E.105.2 FISCAL YEAR 2023; TECHNOLOGY MODERNIZATION
SPECIAL FUND; AUTHORIZATIONS

(a) In fiscal 2023, the following expenditures are authorized from the Technology Modernization Special Fund to the projects described in this section:

(1) the sum of \$11,800,000 for Enterprise Resource Planning (ERP) system upgrade of core statewide financial accounting system and integration with the Vermont Department of Labor and the Agency of Transportation financial systems;

(2) the sum of \$1,800,000 for continued implementation of the Workplace Information Management System for property management at the Department of Buildings and General Services;

(3) the sum of \$960,000 for the Fire Safety System Modernization to replace the current technology with a modern platform to improve records management and public interaction functionalities related to permitting and licensing; and

(4) the sum of \$2,200,000 for a case management system at the Office of the Attorney General.

(b) The expenditures authorized in subdivision (a)(1) of this section shall only be released following approval by the Joint Information Technology Oversight Committee upon a review of the following documentation as provided by the Agency of Digital Services, the Agency of Administration, and the Joint Fiscal Office's IT consultant:

(1) adequacy of departmental readiness;

(2) the responsiveness of requests for proposals; and

(3) results of the independent review.

(c) In fiscal year 2023, if funds are available per section C.102(b) of this act, the following expenditures are authorized from the Technology Modernization Special Fund to the projects described in this section:

(1) The sum of \$20,250,000 for the Department of Motor Vehicles (DMV) Core System Modernization Phase II.

(2) The sum of up to \$30,000,000 for the Department of Labor Unemployment Insurance Modernization project. These funds shall be released as follows:

(A) the sum of \$3,000,000 on July 1, 2022;

(B) the sum of \$10,000,000 on July 1, 2023 upon approval by the Joint Information Technology Oversight Committee of the actions outlined in a Project Schedule; and

(C) Remaining funds shall be released upon request as needed by the Agency of Digital Services and approval of the Joint Information Technology Oversight Committee in accordance with actions outlined in a Project Schedule.

(3) For the amounts released in subdivisions (2)(B)–(C) of this subsection, the Joint Information Technology Oversight Committee shall consider the Project Schedule developed between the Department of Labor and the Agency of Digital Services, as approved by the Agency of Administration. The Joint Information Technology Oversight Committee shall also consider any actions proposed by the U.S. Department of Labor that may impact current or future plans developed by the State’s Department of Labor.

Sec. E.106 EXECUTIVE BRANCH FEES AND FUND DEFICITS;
PROPOSED INCREASES AND FOREGONE REVENUE;
REPORT

(a) According to the report submitted by the Commissioner of Finance and Management pursuant to 2021 Acts and Resolves No. 74, Sec. E.106, \$22,000,000 in revenue was foregone in one fiscal year due to lack of inflationary increases in certain fees, including Agency of Transportation fees.

(b) On or before November 15, 2022, the Commissioner of Finance and Management shall submit an inventory of all existing fees within State government to the Joint Fiscal Committee in Excel format. This inventory shall include all fees collected by the Executive Branch, the Attorney General, and the State Treasurer, as well as fees collected by the Judicial Branch. For fees within the Judicial Branch, the Commissioner shall have the assistance of the State Court Administrator. The fee inventory shall contain the following information for each fee in existence on the preceding July 1:

(1) the statutory authorization and termination date if any;

(2) its current rate or amount and the date this was last set or adjusted by the General Assembly or by the Joint Fiscal Committee;

(3) the fund into which its revenues are deposited;

(4) the revenues derived from it in each of the two previous fiscal years and an estimate of what will be collected in the current fiscal year; and

(5) in the case of licensing and registration fees, whether the fee is collected annually, biennially, or on some other set time frame.

(c) On or before November 15, 2022, the Secretary of State shall submit an inventory of its existing fees to the Joint Fiscal Committee in Excel format. The fee inventory shall contain the following information for each fee in existence on the preceding July 1:

(1) the statutory authorization and termination date if any;

(2) its current rate or amount and the date this was last set or adjusted by the General Assembly or by the Joint Fiscal Committee;

(3) the fund into which its revenues are deposited;

(4) the revenues derived from it in each of the two previous fiscal years and an estimate of what will be collected in the current fiscal year; and

(5) in the case of licensing and registration fees, whether the fee is collected annually, biennially, or on some other set time frame.

(d) On or before November 15, 2022, the Commissioner of Finance and Management shall provide a list of all funds to the Joint Fiscal Committee for which one or both of the following conditions are true:

(A) the fund was in a deficit at the end of the most recent fiscal year or is expected to be in a deficit at the end of the current fiscal year; or

(B) general funds were needed in any of the last three years to address a fund deficit or to support the related operating costs of programs supported by the fund.

(e) On or before January 15, 2023, the Commissioner of Finance and Management shall submit a report to the General Assembly that provides a list of programs by department where the fees do not fully cover the cost of providing the service or regulatory function.

Sec. E.106.1 32 V.S.A. § 1001b is added to read:

§ 1001b. CAPITAL EXPENDITURE CASH FUND

(a) Creation. There is hereby created the Capital Expenditure Cash Fund to be administered by the Commissioner of Finance and Management, in consultation with the State Treasurer, for the purpose of using general funds to defray the costs of future capital expenditures that would otherwise be paid for using the State's general obligation bonding authority and debt service obligations.

(b) Fund. The Fund may consist of:

- (1) any appropriations or transfers made by the General Assembly; and
- (2) any interest earned by the Fund.

(c) Use of funds. Expenditure shall only be made from the fund by appropriations by the General Assembly. Plans for use shall be submitted as part of the operating budget adjustment or operating budget process. Monies in the Fund shall only be used for:

- (1) costs associated with a proposed capital project that occur prior to the construction phase of that project, including feasibility, planning, design, and engineering and architectural costs;
- (2) projects with an anticipated lifespan of less than 20 years;
- (3) costs associated with the early redemption of general obligation bonds; and
- (4) other eligible capital projects receiving an appropriation from the General Assembly.

(d) Fund balance. All balances in the Fund at the end of any fiscal year shall be carried forward and remain part of the Fund.

(e) Early redemption transfer. If any expenditures are made from the Fund or the General Assembly appropriates general funds to pay for the early redemption of general obligation bonds pursuant to subdivision (c)(3) of this section, then an amount equal to the reduction in debt service required in any fiscal year resulting from that redemption shall be transferred to the Fund.

Sec. E.106.2 CAPITAL EXPENDITURE CASH FUND; ANALYSIS

(a) The Commissioner of Finance and Management, in consultation with the Joint Fiscal Office and the State Treasurer, shall analyze and make recommendations on:

- (1) a dedicated revenue source or State fiscal capacity to fund the Capital Expenditure Cash fund; and
- (2) for any revenue source or State fiscal capacity identified in subdivision (1) of this subsection, an analysis of the benefits and costs of dedicating this revenue source to the Capital Expenditure Cash Fund in comparison to other identified unfunded State fiscal pressures.

(3) Amendments to 32 V.S.A. § 1001b(c) on the use of the Capital Expenditure Cash Fund, including:

- (A) if uses of the Fund should be prioritized in statute;

(B) how to prioritize the use of the Fund to emphasize strong financial management in Vermont State government;

(C) if an allowed use should include internal State debts or deficits;
and

(D) if an allowed use should include State assistance for projects to mitigate emergent health and safety needs.

(b) On or before January 15, 2023, the Commissioner of Finance and Management shall submit any recommendations to the House Committees on Appropriations and on Corrections and Institutions and the Senate Committees on Appropriations and on Institutions.

Sec. E.107 CORONAVIRUS RELIEF FUND APPROPRIATIONS;
REVERSION AND REALLOCATION; REPORTS

(a) From July 1, 2022 through September 30, 2022, the Commissioner of Finance and Management is authorized to revert all unobligated Coronavirus Relief Fund (CRF) appropriations and allocate the monies for expenditure pursuant to 32 V.S.A. § 511 to any agency or department for CRF-eligible costs incurred from March 1, 2020 through December 31, 2021.

(b) The Commissioner of Finance and Management shall report at the September meeting of the Joint Fiscal Committee on final CRF activity and if any monies will be returned to the federal government.

Sec. E.126 TRANSFER OF FUNDS WITHIN LEGISLATIVE BRANCH

(a) Notwithstanding 32 V.S.A. § 706, in fiscal year 2023, appropriations within the Legislative Branch may be transferred between respective offices to ensure a balanced close-out in the fiscal year.

Sec. E.126.1 RESTORATIVE JUSTICE; STUDY

(a) The Joint Legislative Justice Oversight Committee shall study Vermont's restorative justice programming and services, including the administration and funding of pretrial services, court diversion programs, balanced and restorative justice initiatives, and community justice center services with the purpose to develop recommendations for a comprehensive and efficient statutory framework for programming and services that further restorative justice principles. In conducting its study, the Committee shall:

(1) consider strategies for ensuring geographic consistency and equity for restorative justice programming and services, including equal access for all Vermonters and adequate resources for all providers; and

(2) recommend any changes to streamline restorative justice programming and services that coordinate the roles, responsibilities, and

funding of the Department of Corrections, the Office of the Attorney General, the Department of Children and Families, and any other entity that administers restorative justice programming and services in the State.

(b) On or before December 15, 2022, the Committee shall submit any proposed legislation resulting from its study to the House Committees on Corrections and Institutions, on Judiciary, and on Appropriations, and the Senate Committees on Institutions, on Judiciary, and on Appropriations.

Sec. E.128 SERGEANT AT ARMS

(a) The Capitol Police may submit a request for equipment purchases or leases for up to \$15,000 to the Joint Legislative Management Committee for review and approval. Upon approval, equipment purchases or leases shall be funded by General Fund carryforward within the legislative budget.

Sec. E.128.1 FARMERS' NIGHT CONCERT SERIES APPROPRIATION

(a) The Office of the Sergeant at Arms is authorized to use not more than \$10,000 from resources available within the General Assembly's budget to provide honoraria to speakers and performing groups who are invited to participate in the 2023 Farmers' Night Concert Series and who are not otherwise sponsored or compensated for their participation.

Sec. E.131 STATE TREASURER – VOLUNTEER INCOME TAX
ASSISTANCE (VITA) PROGRAM

(a) Included in the appropriation in Sec. B.131 of this act is \$400,000 to contract with the Champlain Valley Office of Economic Opportunity (CVOEO) on behalf of the Vermont Community Action Partnership to manage and administer the Volunteer Income Tax Assistance (VITA) program.

Sec. E.134 VERMONT MUNICIPAL EMPLOYEES' RETIREMENT
SYSTEM; FISCAL YEARS 2023–2026; RATES

(a) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period from July 1, 2022 through June 30, 2023, contributions shall be made by:

(1) Group A members at the rate of 3.5 percent of earnable compensation;

(2) Group B members at the rate of 5.875 percent of earnable compensation;

(3) Group C members at the rate of 11 percent of earnable compensation; and

(4) Group D members at the rate of 12.35 percent of earnable compensation.

(b) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period from July 1, 2023 through June 30, 2024, contributions shall be made by:

(1) Group A members at the rate of 3.75 percent of earnable compensation;

(2) Group B members at the rate of 6.125 percent of earnable compensation;

(3) Group C members at the rate of 11.25 percent of earnable compensation; and

(4) Group D members at the rate of 12.6 percent of earnable compensation.

(c) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period from July 1, 2024 through June 30, 2025, contributions shall be made by:

(1) Group A members at the rate of 4 percent of earnable compensation;

(2) Group B members at the rate of 6.375 percent of earnable compensation;

(3) Group C members at the rate of 11.5 percent of earnable compensation; and

(4) Group D members at the rate of 12.85 percent of earnable compensation.

(d) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period from July 1, 2025 through June 30, 2026, contributions shall be made by:

(1) Group A members at the rate of 4.25 percent of earnable compensation;

(2) Group B members at the rate of 6.625 percent of earnable compensation;

(3) Group C members at the rate of 11.75 percent of earnable compensation; and

(4) Group D members at the rate of 13.1 percent of earnable compensation.

Sec. E.134.1 3 V.S.A. § 522 is amended to read:

§ 522. VERMONT PENSION INVESTMENT COMMISSION

* * *

(i) Assistance and expenses.

~~(1) The Commission shall have the administrative and technical support of the Office of the State Treasurer.~~

~~(2)~~ The Commission may collect proportionally from the funds of the three retirement systems and any individual municipalities that have been allowed to invest their retirement funds pursuant to subsection 523(a) of this title, any expenses incurred that are associated with carrying out its duties, and any expenses incurred by the Treasurer's office in support of the Commission.

~~(3)~~(2) The Attorney General shall serve as legal advisor to the Commission.

Sec. E.134.2 3 V.S.A. § 524 is added to read:

§ 524. VERMONT PENSION INVESTMENT COMMISSION SPECIAL FUND

(a) Creation. There is hereby created the Vermont Pension Investment Commission Special Fund, administered by the Vermont Pension Investment Commission, for the purpose of receiving funds transferred to the Commission pursuant to subsection 523(i) of this title. Monies in the Fund shall be used to pay expenses associated with carrying out the Commission's duties.

(b) Funds. The Fund shall consist of:

(1) any amounts collected and transferred by the three retirement systems and any individual municipalities that have been allowed to invest their retirement funds pursuant to subsection 523(a) of this title;

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

(3) any interest earned by the Fund.

Sec. E.134.3 VERMONT PENSION INVESTMENT COMMISSION;
SOURCE OF FUNDS

(a) The funds appropriated in Sec. B.134.1 of this act are costs to the State's pension funds and have been considered in each pension systems' actuarial valuations but have not been included in the funds appropriated in Secs. B.133, B.134, and B.514.1 of this act.

(b) The funds appropriated from the pension systems for administrative costs in Secs. B.133, B.134, and B.514.1 of this act are intended to provide spending authority needed to transfer funds from the State's pension systems to the Treasurers Retirement Admin Costs fund (21520) to cover the portion of the Treasurer's budget attributable to the State's pension systems.

Sec. E.134.4 MEMBERSHIP TRANSFER OF CERTAIN SHERIFF
DEPARTMENT EMPLOYEES; COSTS; MUNICIPAL
EMPLOYEES' RETIREMENT SYSTEM; STATE
TREASURER; REPORT

(a) The State Treasurer, in consultation with the Joint Pension Oversight Committee shall, with assistance of actuarial analysis, determine the costs associated with transferring the membership of:

(1) certified law enforcement officials employed by county sheriff departments from Group F in the Vermont State Employees' Retirement System to a Group D membership in the Vermont Municipal Employees' Retirement System; and

(2) support staff employed by county sheriff departments from Group F in the Vermont State Employees' Retirement System to Group A, B, or C in the Vermont Municipal Employees' Retirement System.

(b) On or before October 1, 2022, the State Treasurer shall submit a report to the House Committees on Appropriations and on Government Operations and the Senate Committees on Appropriations and on Government Operations that includes the results of the study described in subsection (a) of this section. The report shall include an inventory of all employees, as of a specified date, for each county sheriff department with the current enrollment status of each employee in a State or municipal pension system by group; or if the employee is not enrolled in a State or municipal pension system; or is enrolled in another retirement system.

Sec. E.136.1 2017 Acts and Resolves No. 79, Sec. 13, as amended by 2020 Acts and Resolves No. 120, Sec. A.8, and 2021 Acts and Resolves No. 44, Sec. 2, is further amended to read:

Sec. 13. STATE ETHICS COMMISSION FUNDING SOURCE
SURCHARGE; REPEAL

(a) Surcharge.

(1) Notwithstanding the provisions of 3 V.S.A. § 2283(c) setting forth the purpose and rate of charges collected in the Human Resource Services Internal Service Fund, in fiscal year 2018 and thereafter, a surcharge of up to 2.3 percent, but no greater than the cost of the activities of the State Ethics Commission set forth in Sec. 7 of this act, on the per-position portion of the charges authorized in 3 V.S.A. § 2283(c)(2) shall be assessed to all Executive Branch agencies, departments, and offices and shall be paid by all assessed entities solely with State funds.

(2) The amount collected shall be accounted for within the Human Resource Services Internal Service Fund and used solely for the purposes of funding the activities of the State Ethics Commission set forth in Sec. 7 of this act.

(b) Repeal. This section shall be repealed on ~~July 1, 2022~~ July 1, 2025.

Sec. E.139 GRAND LIST LITIGATION ASSISTANCE

(a) Of the funds appropriated in Sec. B.139 of this act, \$9,000 shall be transferred to the Attorney General and \$70,000 shall be transferred to the Department of Taxes, Division of Property Valuation and Review and reserved and used with any remaining funds from the amount previously transferred for final payment of expenses incurred by the Department or towns in defense of grand list appeals regarding the reappraisals of the hydroelectric plants and expenses incurred to undertake complex commercial and utility property appraisals conducted by the Department to aid town valuations.

Sec. E.142 PAYMENTS IN LIEU OF TAXES

(a) This appropriation is for State payments in lieu of property taxes under 32 V.S.A. chapter 123, subchapter 4, and the payments shall be calculated in addition to and without regard to the appropriations for PILOT for Montpelier and for correctional facilities elsewhere in this act. Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

(b) Notwithstanding subsection (a) of this section, the payments under this section shall be adjusted so that the total payments made under Secs. E.142, E.143, and E.144 do not exceed 100 percent of the assessed value of State buildings defined by 32 V.S.A. § 3701(2).

Sec. E.143 PAYMENTS IN LIEU OF TAXES – MONTPELIER

(a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.144 PAYMENTS IN LIEU OF TAXES – CORRECTIONAL FACILITIES

(a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

* * * Protection to Persons and Property * * *

Sec. E.200 ATTORNEY GENERAL

(a) Notwithstanding any other provisions of law, the Office of the Attorney General, Medicaid Fraud and Residential Abuse Unit, is authorized to retain,

subject to appropriation, one-half of the State share of any recoveries from Medicaid fraud settlements, excluding interest, that exceed the State share of restitution to the Medicaid Program. All such designated additional recoveries retained shall be used to finance Medicaid Fraud and Residential Abuse Unit activities.

(b) Of the revenue available to the Attorney General under 9 V.S.A. § 2458(b)(4), \$1,545,393 is appropriated in Sec. B.200 of this act.

Sec. E.203 [Deleted.]

Sec. E.205 24 V.S.A. § 290 is amended to read:

§ 290. COUNTY SHERIFF'S DEPARTMENT

* * *

(b) Full-time State deputy sheriffs whose primary responsibility is transportation of prisoners and persons with a mental condition or psychiatric disability shall be paid by the State of Vermont. The appointment of such deputies and their salary shall be approved by the Governor or his or her designee. The Executive Committee of the Vermont Sheriffs Association and the Executive Director of the Department of State's Attorneys and Sheriffs shall jointly have authority for the assignment of position locations in the counties of State-paid deputy sheriffs and shall review the county location assignments periodically for efficient use of resources. The positions and their funding shall be assigned to the Department of State's Attorneys and Sheriffs. The Executive Director shall have the authority to determine job duties for the position, assignment of positions to county, regular and temporary work locations, assistance to other State agencies and departments, timesheet systems, daily work logs, and to have final approval of personnel matters including, but not limited to, approval for hiring, paygrade assignment, hiring rate, discipline, and termination. The Sheriffs shall have an Executive Committee of not more than five current Sheriffs, elected for a two-year term by a vote of the Sheriffs held not later than January 15, for a term starting February 1. The Executive Committee shall have a Chair, Vice-Chair, Secretary-Treasurer, and two members at large. The Executive Committee shall meet at least quarterly to provide input to the Department of State's Attorneys and Sheriffs regarding budget, legislation, personnel and policies, and the assignment of positions, when vacancies arise, for efficient use of resources.

* * *

Sec. E.205.1 32 V.S.A. § 1591(2) is amended to read:

(2) For the transportation and care of prisoners, juveniles, and patients with a mental condition or psychiatric disability:

(A) For necessary assistance in arresting or transporting prisoners, juveniles, or persons with mental illness, the ~~sum of \$18.00 per hour~~ State's Attorneys and Sheriffs Executive Director shall annually set the per hour chargeable rate for each deputy sheriff or assistant so required ~~if the~~ to assist in the transport. The Executive Director shall consult with the Sheriffs Association before setting the per hour chargeable rate. ~~The sheriff or constable makes oath that the deputy sheriff, assistant, or assistants were required, giving the name of the assistant or assistants if there were more than one; provided, however, a full-time law enforcement officer shall provide the documentation required by the Department. The deputy sheriff or assistant shall not receive compensation under this subsection if otherwise compensated from any other funding source for the same hours during which such transportation is performed. In addition to the rate established the sheriffs' department shall be reimbursed for the costs of the employers' contribution to Social Security and workers' compensation insurance attributable to services provided under this section. Reimbursement shall be calculated on an hourly basis; the sheriff's department shall also be reimbursed for the costs of employer contributions for unemployment compensation, when a claim is filed and the percentage owed from the sheriff's department to the State can be accounted for under this section.~~

* * *

Sec. E.208 PUBLIC SAFETY – ADMINISTRATION

(a) The Commissioner of Public Safety is authorized to enter into a performance-based contract with the Essex County Sheriff's Department to provide law enforcement service activities agreed upon by both the Commissioner of Public Safety and the Sheriff.

Sec. E.209 PUBLIC SAFETY – STATE POLICE

(a) Of the General Fund appropriation in Sec. B.209, \$35,000 shall be available to the Southern Vermont Wilderness Search and Rescue Team, which comprises State Police, the Department of Fish and Wildlife, county sheriffs, and local law enforcement personnel in Bennington, Windham, and Windsor Counties, for snowmobile enforcement.

(b) Of the General Fund appropriation in Sec. B.209, \$405,000 is allocated for grants in support of the Drug Task Force. Of this amount, \$190,000 shall be used by the Vermont Drug Task Force to fund three town task force officers. These town task force officers shall be dedicated to enforcement efforts with respect to both regulated drugs as defined in 18 V.S.A. § 4201(29)

and the diversion of legal prescription drugs. Any unobligated funds may be allocated by the Commissioner to fund the work of the Drug Task Force or carried forward.

Sec. E.209.1 PUBLIC SAFETY – VERMONT STATE POLICE; DISPATCH
WORKING GROUP; TRANSITION PROPOSAL; REPORT

(a) Creation. The Commissioner of the Department of Public Safety shall convene a working group on the new regional dispatch model. The task force shall provide a written report to the Governor and the General Assembly on or before December 1, 2022. The report shall include recommendations on:

(1) The long-term funding model for regional dispatch that fairly assesses costs statewide, does not unduly affect property taxes, and clearly identifies the potential impact on property taxes;

(2) The estimated timeline and transition funding needed as new regional dispatch centers come online and local dispatch services are transitioned away from State-operated facilities.

(3) Identify the reduction in workload that will result at the two Vermont State Police dispatch centers from a fully operational regional dispatch model.

(b) Membership. The working group shall be composed of the following members:

(1) one representative of the Vermont State Police, selected by the Commissioner of Public Safety;

(2) two representatives of local legislative bodies, selected by the Vermont League of Cities and Towns, one of which utilizes a State-dispatch center and one of which utilizes an existing regional or local dispatch center;

(3) one representative of an existing local or regional dispatch center, selected by the Vermont League of Cities and Towns;

(4) two police chiefs, selected by the Vermont Police Chiefs Association, one of whom utilizes a State-dispatch center and one of whom utilizes an existing regional or local dispatch center;

(5) one emergency medical responder, selected by the Vermont EMS Advisory Committee;

(6) one firefighter, selected by the Vermont State Firefighters Association;

(7) one sheriff, selected by the Vermont Sheriffs Association; and

(8) one representative of the Enhanced 911 Board, selected by the Board Chair.

(c) Powers and Duties. The working group shall:

(1) Consider and document how current dispatch services are provided statewide and the various methods of funding that exist to cover the cost of dispatch services. This shall include detail by town and or by emergency service provider. This analysis shall identify any funding inequities that exist in the current system between those entities paying for services using local funds and those entities receiving dispatch services provide by the State without cost. The analysis of current costs and payments flows for dispatch services shall be compared to the projected costs and payment flows under the new regional dispatch model. This analysis shall also estimate how first responder entities dispatched though the new regional system may be financially impacted in the transition to the new regional system.

(2) Identify a transitional timeline and the tasks to be completed within that timeline for transitioning to the new regional dispatch model.

(3) Identify any State resources that may become available once the new dispatch system is fully operational and recommend if and how such resources should be distributed to equitably reduce local costs.

(4) Identify any other ongoing sources of statewide revenue to be dedicated to statewide emergency response communications to equitably reduce local costs.

(d) Meetings.

(1) The Commissioner of Public Safety or designee shall call the first meeting of the working group.

(2) The working group shall determine its chair from among the members of the working group.

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

(e) Assistance. The working group shall have the administrative, technical, and legal assistance of the Department of Public Safety.

Sec. E.212 PUBLIC SAFETY – FIRE SAFETY

(a) Of the funds appropriated in Sec. B.212 of this act, \$55,000 shall be granted to the Vermont Rural Fire Protection Task Force for the purpose of designing dry hydrants.

Sec. E.215 MILITARY – ADMINISTRATION

(a) The amount of \$1,319,834 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard Tuition Benefit Program established in 16 V.S.A. § 2857.

Sec. E.219 MILITARY – VETERANS’ AFFAIRS

(a) Of the funds appropriated in Sec. B.219 of this act, \$1,000 shall be used for continuation of the Vermont Medal Program, \$4,800 shall be used for the expenses of the Governor’s Veterans’ Advisory Council, \$7,500 shall be used for the Veterans’ Day parade, and \$10,000 shall be granted to the American Legion for the Boys’ State and Girls’ State programs.

Sec. E.222 NEW FARMER PROGRAM COORDINATION

(a) The Secretary of Agriculture shall, in consultation with the Vermont Housing Conservation Board, inventory the programs available to assist new farmers beginning operations in the State. On or before January 15, 2023, the Secretary shall provide a report to the House and Senate Committees on Agriculture on the degree of coordination across these programs. This shall include recommendations for improvement or change in operations and coordination that would benefit new farmers experience in seeking assistance.

Sec. E.232 [Deleted.]

Sec. E.233 30 V.S.A. § 8083(b)(6) is amended to read:

(6) upon approval by the General Assembly, up to \$1,500,000.00 annually to fund the operational expenses of the Board and the Department to the extent the Department’s expenses support the work of the Board.

Sec. E.233.1 VERMONT COMMUNITY BROADBAND BOARD;
OPERATIONAL EXPENSES; ANNUAL BUDGET

(a) On or before December 1, 2022, the Vermont Community Broadband Board shall submit to the Governor and the General Assembly a proposed budget for its operational expenses for fiscal year 2023 for inclusion in the fiscal year 2023 budget adjustment act.

(b) On or before January 15, 2023, the Vermont Community Broadband Board shall submit to the Governor and the General Assembly a proposed budget for its operational expenses in fiscal year 2024 for inclusion in the Governor’s recommended fiscal year 2024 appropriations for the support of government.

(c) In preparing a proposed budget for its operational expenses, the Vermont Community Broadband Board shall maximize first the use of any federal funds in the Vermont Community Broadband Fund that are available

for administrative costs, and then shall draw upon monies transferred to the Vermont Community Broadband Fund pursuant to 30 V.S.A. § 7523(b).

Sec. E.233.2 VERMONT COMMUNITY BROADBAND BOARD

(a) In fiscal year 2023 there is appropriated to the Vermont Community Broadband Board a total of \$1,500,000 from special funds to operate the Board. The intent of this section is to provide the necessary spending authority to the Board to operate in fiscal year 2023 until a new line-item budget is included in the budget adjustment for fiscal year 2023 pursuant to Sec. 233.1. of this act.

Sec. E.233.3 MUNICIPAL FUNDS FOR BROADBAND

(a) Notwithstanding any other provision of law to the contrary, a municipality may accept and finance broadband projects with funds received from the American Rescue Plan Act of 2021, Pub. L. 117-2, including funds received as lost revenue.

Sec. E.240 CANNABIS CONTROL BOARD

(a) The funds appropriated for the Cannabis Control Board in Sec. B.240 of this act include one-time special funds of \$703,432 to support phase two of the license application and seed to sale tracking information technology system.

* * * Cannabis Regulation Fund; Cannabis Excise Tax Revenue in Fiscal Years
2024 and 2025* * *

Sec. E.240.1 7 V.S.A. § 845 is amended to read:

§ 845. CANNABIS REGULATION FUND

(a) There is established the Cannabis Regulation Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. The Fund shall be maintained by the Cannabis Control Board.

(b) The Fund shall be composed of:

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

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

(3) all cannabis excise tax revenue raised pursuant to 32 V.S.A. § 7902.

(c) Monies from the Fund shall only be appropriated for the purposes of implementation, administration, and enforcement of this chapter and chapter 33 of this title.

(d) The Commissioner of Finance and Management shall do the following not later than July 31 each year:

(1) transfer the unexpended and unobligated balance of the Cannabis Regulation Fund to the General Fund at the close of the prior fiscal year; and

(2) report the amount of the transfer made pursuant to subdivision (1) of this subsection to the Joint Fiscal Committee.

Sec. E.240.2 32 V.S.A. § 7909 is amended to read:

§ 7909. SUBSTANCE MISUSE PREVENTION FUNDING

(a) ~~Thirty percent of the revenues raised by the cannabis excise tax imposed by section 7902 of this title~~ unexpended and unobligated balance of the Cannabis Regulation Fund that is transferred to the General Fund pursuant to 7 V.S.A. § 845(d)(1), not to exceed \$10,000,000.00 per fiscal year, shall be used to fund substance misuse prevention programming in the subsequent fiscal year.

* * *

Sec. E.240.3. REPEAL

(a) 2020 Acts and Resolves No. 164, Sec. 6c (contingent Cannabis Regulation Fund deficit offset) is repealed.

Sec. E.240.4 2020 Acts and Resolves No. 164, Sec. 33(h) is amended to read:

~~(h) Sec. 6c (contingent Cannabis Regulation Fund deficit offset) shall take effect on July 1, 2024. [Repealed.]~~

* * * Cannabis Excise Tax Revenue Starting in Fiscal Year 2026 * * *

Sec. E.240.5. 7 V.S.A. § 845 is amended to read:

§ 845. CANNABIS REGULATION FUND

(a) There is established the Cannabis Regulation Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. The Fund shall be maintained by the Cannabis Control Board.

(b) The Fund shall be composed of:

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

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

~~(3) all cannabis excise tax revenue raised pursuant to 32 V.S.A. § 7902. [Repealed.]~~

(c) Monies from the Fund shall only be appropriated for the purposes of implementation, administration, and enforcement of this chapter and chapter 33 of this title.

~~(d) The Commissioner of Finance and Management shall do the following not later than July 31 each year:~~

~~(1) transfer the unexpended and unobligated balance of the Cannabis Regulation Fund to the General Fund at the close of the prior fiscal year; and~~

~~(2) report the amount of the transfer made pursuant to subdivision (1) of this subsection to the Joint Fiscal Committee. [Repealed.]~~

Sec. E.240.6. 32 V.S.A. § 7909(a) is amended to read:

(a) Thirty percent of the revenues raised by the cannabis excise tax imposed by section 7902 of this title ~~unexpended and unobligated balance of the Cannabis Regulation Fund that is transferred to the General Fund pursuant to 7 V.S.A. § 845(d)(1),~~ not to exceed \$10,000,000.00 per fiscal year, shall be used to fund substance misuse prevention programming in the subsequent fiscal year.

Sec. E.240.7 TRANSFER IN JULY 2025

(a) Notwithstanding any provision of law to the contrary, the Commissioner of Finance and Management shall do the following not later than July 31, 2025:

(1) transfer the unexpended and unobligated balance of the Cannabis Regulation Fund to the General Fund at the close of the 2024 fiscal year; and

(2) report the amount of the transfer made pursuant to subdivision (1) of this section to the Joint Fiscal Committee.

* * * Human Services * * *

Sec. E.300 FUNDING FOR THE OFFICE OF THE HEALTH CARE
ADVOCATE

(a) Of the funds appropriated in Sec. B.300 of this act, \$1,847,406 shall be used for the contract with the Office of the Health Care Advocate.

Sec. E.300.1 PRIVATE NONMEDICAL INSTITUTIONS; COSTS

(a) On or before September 1, 2022, the Agency of Human Services shall report to Joint Fiscal Committee on a plan to address costs associated with contract staffing for private nonmedical institutions. The plan shall include a

timeline to address the rate setting process for future ongoing base costs starting in State fiscal year 2023.

Sec. E.301 SECRETARY'S OFFICE – GLOBAL COMMITMENT:

(a) The Agency of Human Services (AHS) shall use the funds appropriated in this section for payment of the actuarially certified premium required under the intergovernmental agreement between the Agency of Human Services and the managed care entity, the Department of Vermont Health Access, as provided for in the Global Commitment for Health Waiver (Global Commitment) approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

(b) In addition to the State funds appropriated in this section, a total estimated sum of \$25,231,644 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) \$22,230,100 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with \$28,269,900 of federal funds appropriated in Sec. B.301 of this act equals a total estimated expenditure of \$50,500,000. An amount equal to the amount of the federal matching funds for eligible special education school-based Medicaid services under Global Commitment shall be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

(2) \$3,001,544 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

(c) Up to \$4,034,170 is transferred from the AHS Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Sec. B.301 – Secretary's Office – Global Commitment of this act.

Sec. E.301.1 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER;
REPORT

(a) In order to facilitate the end-of-year closeout for fiscal year 2023, the Secretary of Human Services, with approval from the Secretary of Administration, may make transfers among the appropriations authorized for Medicaid and Medicaid-waiver program expenses, including Global Commitment appropriations outside the Agency of Human Services. At least three business days prior to any transfer, the Agency shall submit to the Joint Fiscal Office a proposal of transfers to be made pursuant to this section. A final report on all transfers made under this section shall be made to the Joint

Fiscal Committee for review at the September 2023 meeting. The purpose of this section is to provide the Agency with limited authority to modify the appropriations to comply with the terms and conditions of the Global Commitment for Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

Sec. E.301.2 GLOBAL COMMITMENT WAIVER AMENDMENT

(a) The Secretary of Human Services is authorized to seek to extend or renew Vermont's Global Commitment to Health Section 1115 Demonstration Waiver, which is currently set to expire on June 30, 2022. The Agency of Human Services shall strive to maintain or increase the State's flexibility to use Global Commitment investment dollars to increase access to care and coverage, improve health outcomes, strengthen health care delivery, and promote transformation to value-based and integrated models of care.

Sec. E.301.3 PROVIDER RATE INCREASES

(a) Recipients of any increased rates under Secs. B.314, B.333, and B. 334.1 of this act shall be transparent in the use of these funds through timely and accurate reporting.

(b) On or before April 15, 2023, based on the information reported in subsection (a) of this section from the Designated and Specialized Service Agencies and the Home Health Provider Agencies, the Agency of Human Services shall provide a preliminary report to General Assembly on whether the fiscal year 2023 provider rate increase is having an impact on:

(1) reducing the wait times for community-based mental health services or community-based home health services under the Choices for Care Program;

(2) reducing the use of emergency department resources at local hospitals for mental health related incidents; and

(3) improving the staff vacancy rate at these providers through their ability to recruit and retain employees.

Sec. E.306 VERMONT HEALTH BENEFIT EXCHANGE RULES

(a) The Agency of Human Services may adopt rules pursuant to 3 V.S.A. chapter 25 to conform Vermont's rules regarding health care eligibility and enrollment and the operation of the Vermont Health Benefit Exchange to state and federal law and guidance. The Agency may use the emergency rules process pursuant to 3 V.S.A. § 844 prior to June 30, 2023, but only in the event that new state or federal law or guidance require Vermont to amend or adopt its rules in a time frame that cannot be accomplished under the traditional rulemaking process. An emergency rule adopted under these

exigent circumstances shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

Sec. E.306.1 [Deleted.]

Sec. E.312 HEALTH – PUBLIC HEALTH

(a) AIDS/HIV funding.

(1) In fiscal year 2023 and as provided in this section, the Department of Health shall provide grants in the amount of \$475,000 in AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. The Department of Health AIDS Program shall meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives. The funds shall be allocated according to an RFP process.

(2) In fiscal year 2023 and as provided in this section, the Department of Health shall provide grants in the amount of \$295,000 to the following organizations:

(A) Vermont CARES - \$140,000;

(B) AIDS Project of Southern Vermont - \$100,000; and

(C) HIV/HCV Resource Center - \$55,000.

(3) Ryan White Title II funds for AIDS services and the Vermont Medication Assistance Program (VMAP) shall be distributed in accordance with federal guidelines. The federal guidelines shall not apply to programs or services funded solely by State general funds.

(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in VMAP to assist all eligible individuals. The Secretary shall work in collaboration with persons living with HIV/AIDS to develop a plan to continue access to VMAP medications until such time as the General Assembly can take action.

(B) As provided in this section, the Secretary of Human Services shall work in collaboration with the VMAP Advisory Committee, which shall be composed of not less than 50 percent of members who are living with HIV/AIDS. If a modification to the program's eligibility requirements or benefit coverage is considered, the Committee shall make recommendations regarding the program's formulary of approved medication, related laboratory testing, nutritional supplements, and eligibility for the program.

(4) In fiscal year 2023, the Department of Health shall provide grants in the amount of \$100,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for

community-based HIV prevention programs and services. These funds shall be used for HIV/AIDS prevention purposes, including syringe exchange programs; improving the availability of confidential and anonymous HIV testing; prevention work with at-risk groups such as women, intravenous drug users, and people of color; and anti-stigma campaigns. Not more than 15 percent of the funds may be used for the administration of such services by the recipients of these funds. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health and the Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers.

(5) In fiscal year 2023, the Department of Health shall provide grants in the amount of \$300,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for syringe exchange programs. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health, the Vermont AIDS service organizations, and other Vermont HIV/AIDS prevention providers. The performance period for these grants will be State fiscal year 2023. Grant reporting shall include outcomes and results.

(6) In fiscal year 2023, the Department of Health shall not reduce any grants to the Vermont AIDS service and peer-support organizations or syringe service programs from funds appropriated for AIDS/HIV services to levels below those in fiscal year 2022 without receiving prior approval from the Joint Fiscal Committee.

Sec. E.313 REPORT, PUBLIC INEBRIATE AND SOBER BED PROGRAMMING

(a) The new alcohol and drug abuse program beds funded through Sec. B.313 of this act shall be used to treat public inebriates instead of having these individuals held by the Department of Corrections. On or before January 15, 2023, the Department of Health, in consultation with the Chief Prevention Officer, Vermont Preferred Providers, Vermont Care Partners, the Vermont Association for Mental Health and Addiction Recovery, and the Vermont Alliance for Recovery Residences, shall submit a written report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare examining whether there is excess bed capacity among those programs designated for use by public inebriates. The report shall include an analysis of financial sustainability of the programs. If the Department determines that there is excess capacity, the report shall include a plan to make efficient use of the excess capacity, including possibly redesignating beds for alternative purposes.

Sec. E.314 DEPARTMENT OF MENTAL HEALTH; MOBILE CRISIS
OUTREACH SERVICES

(a) The Department of Mental Health shall build an urgent care model for mental health by expanding mobile outreach services based on the Department's analysis of statewide mobile crisis services and gaps pursuant to its State Planning Grant from the Centers for Medicare and Medicaid Services. The urgent care model shall address geographic gaps and the regions of the State in which the lack of mobile outreach is most directly driving unnecessary emergency department visits or unnecessary law enforcement responses.

(b) The new mobile outreach services shall:

(1) be based on evidence-based and trauma-informed practices, including using peer support staff;

(2) be developed in conjunction with the continuum of urgent care response related to the new 9-8-8 suicide prevention line; and

(3) comply with federal requirements as needed to qualify for three years of federal financial participation at an enhanced 85 percent federal match rate.

(c) The Department, in coordination with the Agency of Human Services Secretary's Office, Department of Vermont Health Access and the Department of Financial Regulation, shall develop a sustainability plan to ensure that the services will continue to be available after expiration of the enhanced federal match rate.

(d) On or before January 15, 2023, the Department shall provide a status report on:

(1) the experience of the Rutland pilot project which includes the number of Vermonters served by this pilot through 2022, as well as a description of the evaluation of the operating model of the pilot since it was launched to date; and

(2) the status of expansion of the urgent care model for mental health by expanding mobile outreach services funded in fiscal year 2023, including grants issued to date, operating status of the programs provided funding, and number of Vermonters served in 2022.

Sec. E.314.1 DEPARTMENT OF MENTAL HEALTH; EMERGENCY
DEPARTMENTS; PATIENT EXPERIENCE OF CARE;
REPORT

(a) On or before January 15, 2023, the Department of Mental Health shall report to the House Committee on Health Care and the Senate Committee on

Health and Welfare regarding the progress of the health care system in improving the patient experience of care for individuals encountering lengthy emergency departments waits for admission for inpatient psychiatric treatment. The report shall include an assessment of the services offered to these patients in emergency departments and the extent to which stakeholder input is included in decisions about services and patient care. The report shall include the most recent data pertaining to patient length of stay in emergency departments due to a lack of appropriate alternative mental health level 1 or step-down bed placements, and any changes anticipated in the inventory of level 1 or step-down beds system wide.

Sec. E.314.2 29 V.S.A. § 821 is amended to read:

§ 821. STATE FACILITIES

(a) State buildings.

* * *

(15) “River Valley Therapeutic Residence” shall be the name of the secure residential recovery facility in Essex.

* * *

Sec. E.316 PARENT CHILD CENTER GRANT

(a) The Department for Children and Families shall, within the administration of the grant for parent child centers and in consultation with the parent child centers, seek to ensure that services are targeted to families most at risk of having young children come into State custody. The shared goal of preventing that outcome and bringing Vermont’s rate of young children coming into State custody down to a level more consistent with other states experience, shall be reflected in the grant agreement.

Sec. E.317 33 V.S.A. § 5126 is added to read:

§ 5126. PLACEMENT OF A CHILD INTO A QUALIFIED RESIDENTIAL TREATMENT PROGRAM

(a) Within 60 days of the start of a placement of a child into a qualified residential treatment program by the Commissioner, the Family Division of the Superior Court or the Judicial Master shall review the assessment, determination, and documentation provided by the qualified individual conducting the assessment required pursuant to 42 U.S.C. § 675a. The court or Judicial Master shall determine whether the needs of the child can be met through placement with family members, in a foster family home, or in another approved setting designed to meet specialized needs. If placement in a setting described above is not appropriate, the court or Judicial Master shall

consider whether placement of the child in a qualified residential treatment program provides the most effective and appropriate level of care for the child in the least restrictive environment, and whether such a placement is consistent with the short- and long-term goals for the child, as specified in the case plan for the child.

(b) The court or Judicial Master shall approve or disapprove the placement in a qualified residential treatment program based on the factors considered in subsection (a) of this section and make written findings as to the basis for the determination. The decision and findings shall be submitted to the parties.

(c) Nothing in this section shall be construed to limit the Commissioner's authority to place a child who is in the Commissioner's legal custody in a family home or a treatment, rehabilitative, detention, or educational facility or institution as provided in subdivision 5106(4) of this title.

(d) This section shall not apply to children placed in a setting that is intended for the detention of minors.

Sec. E.318 REPEAL

2019 Acts and Resolves No. 72, Sec. E.318.7 is repealed.

Sec. E.318.1 CHILD CARE CAPACITY-BUILDING GRANTS

(a) Of the funds appropriated in Sec. B.318 of this act, \$800,000 is allocated for the purpose of expanding infant and toddler child care capacity.

(b) The Child Development Division shall award grants to eligible applicants. An eligible applicant shall:

(1) be a new or existing regulated, privately owned center-based child care program or family child care home in good regulatory standings;

(2) participate in Child Care Financial Assistance Program (CCFAP);

(3) provide year-round, full day child care and early learning services;

(4) provide child care and early learning services for infants and toddlers; and

(5) participate in the Step Ahead Recognition System (STARS).

(c) Center-based child care program or family child care homes receiving a grant pursuant to this section shall remain in compliance with the Division's rules, continue participation in STARS, and maintain enrollment of children supported by CCFAP.

Sec. E.318.2 PRE-APPRENTICESHIP PROGRAM IN EARLY CHILDHOOD EDUCATION: APPROPRIATION

(a) Of the federal funds appropriated in Sec. B.318 of this act to the Department for Children and Families Division of Child Development, \$100,000 shall be transferred to Vermont Department of Labor for the pre-apprenticeship program in Early Childhood Education provided by Vermont Career and Technical Education centers.

Sec. E.318.3 CHILD DEVELOPMENT DIVISION; STEP AHEAD
RECOGNITION SYSTEM

As part of its fiscal year 2023 budget adjustment presentation to the General Assembly, the Department for Children and Families shall present its proposed policy changes to the Step Ahead Recognition System (STARS) to the House Committee on Human Services and the Senate Committee on Health and Welfare. The Division's presentation shall summarize its proposed changes to STARS, including any anticipated impacts on child care providers and families.

Sec. E.318.4 CHILD DEVELOPMENT DIVISION INFORMATION
SYSTEM; MODERNIZATION; CHILD CARE FINANCIAL
ASSISTANCE PROGRAM

(a) On or before January 1, 2024, or six months after both the modernization of the Child Development Division Information System (CDDIS) pursuant to 2021 Acts and Resolves No. 45, Sec. 5 and the implementation of the corresponding eligibility changes to the Child Care Financial Assistance Program (CCFAP) pursuant to 2021 Acts and Resolves No. 45, Sec. 2 have taken effect, whichever is first occurring, the Department for Children and Families shall submit a written report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare evaluating the effectiveness of the CDDIS modernization project and the CCFAP eligibility changes. The report shall address how implementation of CDDIS and CCFAP changes impact the availability and affordability of child care throughout Vermont.

Sec. E.321 [Deleted.]

Sec. E.321.1 GENERAL ASSISTANCE HOUSING; ADVERSE
WEATHER CONDITIONS

(a) The Commissioner for Children and Families may, by policy, provide temporary housing for a limited duration in adverse weather conditions when appropriate shelter space is not available.

Sec. E.324 EXPEDITED CRISIS FUEL ASSISTANCE

(a) The Commissioner for Children and Families or designee may authorize crisis fuel assistance to those income-eligible households that have applied for an expedited seasonal fuel benefit but have not yet received it if the benefit cannot be executed in time to prevent them from running out of fuel. The crisis fuel grants authorized pursuant to this section count toward the one crisis fuel grant allowed per household for the winter heating season pursuant to 33 V.S.A. § 2609(b).

Sec. E.325 DEPARTMENT FOR CHILDREN AND FAMILIES – OFFICE
OF ECONOMIC OPPORTUNITY

(a) Of the funds appropriated in Sec. B.325 of this act, \$12,699,440 shall be granted to community agencies for homeless assistance by preserving existing services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal Emergency Solutions Grants funds. Funds shall be administered in consultation with the Vermont Coalition to End Homelessness.

Sec. E.325.1 TRANSITIONAL HOUSING; RULEMAKING

(a) Notwithstanding 2022 Acts and Resolves No. 83, Sec. 54(c)(1), the Department for Children and Families may withdraw its permanent rule filing and shall file a second emergency rule to be effective upon the expiration of the Transitional Housing Program Emergency Rules (22-E07), adopted by the Department on March 31, 2022 and effective until September 28, 2022. The Department shall be deemed to have met the emergency rulemaking criteria in 3 V.S.A. § 844 if a second emergency rule that is substantially similar to the Transitional Housing Program Emergency Rules (22-E07) is adopted. The Department shall file permanent rules pursuant to 3 V.S.A. chapter 25 if the availability of federal ERAP funding extends beyond March 31, 2023.

(b) Prior to filing a second emergency rule pursuant to this section, the Department shall:

(1) send a draft of the second emergency rule to the Joint Fiscal Committee 30 days prior to its September 2022 meeting;

(2) present the second emergency rule and an update on the funding forecast for the transitional housing program at the Joint Fiscal Committee's September 2022 meeting and consider any input and recommendations offered by the Joint Fiscal Committee; and

(3) inform the General Assistance working group described in 2021 Acts and Resolves No. 74, Secs. E.321 and E.321.2 of any inconsistencies between the first and second emergency rules and consider any input on the changes offered by the working group.

Sec. E.326 DEPARTMENT FOR CHILDREN AND FAMILIES – OFFICE
OF ECONOMIC OPPORTUNITY – WEATHERIZATION
ASSISTANCE

(a) Of the Special Fund appropriation in Sec. B.326 of this act, \$750,000 is for the replacement and repair of home heating equipment.

Sec. E.329 [Deleted.]

Sec. E.334 SPECIFIC HOME- AND COMMUNITY-BASED SERVICE
PROVIDER RATE STUDY; REPORT

(a) The Department of Vermont Health Access, in collaboration with the Department of Disabilities, Aging, and Independent Living, shall conduct a rate study of the Medicaid reimbursement rates paid for adult day, adult day rehabilitation, personal care, and homemaker services.

(b) On or before February 15, 2023, the Department of Vermont Health Access shall report the results of its rate study to the House Committees on Human Services and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations.

Sec. E.334.1 LONG-TERM CARE - PERSONAL NEEDS ALLOWANCE
INCREASE

(a) The amount of the State supplement for Medicaid beneficiaries who reside in a nursing home and receive Supplemental Security Income shall increase by 10 percent to the degree practicable effective January 1, 2023 but not later than January 1, 2024.

Sec. E.335 CORRECTIONS APPROPRIATIONS; UNEXPENDED FUNDS
TRANSFER; REPORT

(a) In fiscal year 2023, the Secretary of Administration may, upon recommendation of the Secretary of Human Services, transfer unexpended funds between the respective appropriations for correctional services; provided, however, that no transfer shall be made from correctional services out-of-state beds. At least three days prior to any such transfer being made, the Secretary of Administration shall report the intended transfer to the Joint Fiscal Office and shall report any completed transfers to the Joint Fiscal Committee at its next scheduled meeting.

(b) In fiscal year 2023, any unexpended funds for correctional services out-of-state beds shall be carried forward to fiscal year 2024, and the amount reported to the Joint Legislative Justice Oversight Committee in September 2023, to support community-based service programs. Funds may only be expended on community-based service programs upon approval of the Joint Legislative Justice Oversight Committee. The House Committees on

Appropriations and on Corrections and Institutions and the Senate Committees on Appropriations and on Judiciary shall be notified of any proposed expenditures on community-based service programs.

(c) Any funds expended on community-based service programs pursuant to subsection (b) of this section shall be included in the subsequent year Department of Corrections budget for the same purpose at the same amount.

Sec. E.335.1 [Deleted]

Sec. E.335.2 28 V.S.A. § 125 is added to read:

§ 125. JUSTICE REINVESTMENT II INITIATIVES; REPORT

(a) On or before January 15 each year, the Commissioner of Corrections, in consultation with the Commissioners of Health, of Mental Health and for Children and Families and the Attorney General shall submit a report to the House Committees on Appropriations and on Corrections and Institutions and the Senate Committees on Appropriations and on Judiciary detailing the expenditures on Justice Reinvestment II and the following related initiatives:

(1) funding for domestic violence intervention programming in the Department of Corrections;

(2) funding for offender transitional housing capacity with the Department of Corrections and other departments;

(3) funding for the Department of Correction's data collection Offender Management System;

(4) funding for community-based mental health and substance use services for individuals under Department of Corrections supervision;

(5) funding provided for diversion and restorative justice programs including community justice centers, court diversion, and balanced and restorative justice (BARJ); and

(6) funding and a description of any other General Fund expenditures for Justice Reinvestment II initiatives.

(b) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. E.338 CORRECTIONS – CORRECTIONAL SERVICES

(a) Notwithstanding 32 V.S.A. § 3709(a), the special funds appropriation of \$152,000 for the supplemental facility payments to Newport and Springfield shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.345 [Deleted.]

* * * Labor * * *

Sec. E.400 [Deleted.]

Sec. E.400.1 [Deleted.]

* * * K-12 Education * * *

Sec. E.500 EDUCATION – FINANCE AND ADMINISTRATION

(a) The Global Commitment funds appropriated in this section shall be used for physician claims for determining medical necessity of Individualized Education Programs (IEPs). These services are intended to increase access to quality health care for uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.500.1 2021 Acts and Resolves No. 66, Sec. 14 is amended to read:

Sec. 14. FINDINGS AND PURPOSE

(a) Sec. E.500.1 of 2018 (Sp. Sess.) Acts and Resolves No. 11, as amended, requires that not later than July 1, 2022 all Vermont supervisory unions, supervisory districts, school districts, and independent technical center districts utilize the same ~~shared school district data management system (eFinaneePlus)~~ Shared School District Data Management System (SSDDMS), which shall be selected by the Agency of Education per State procurement guidelines.

(b) The purpose of Secs. 15–17 of this act is to:

(1) extend the deadline to December 31, ~~2022~~ 2024 for statewide adoption of ~~eFinaneePlus~~ SSDDMS;

(2) pause until ~~January 1, 2022~~ July 1, 2023 the further implementation of ~~eFinaneePlus~~ SSDDMS to provide time for further evaluation of the system, provided that:

(A) the Agency of Education and its contractor for implementation of the system shall continue to support users of the system; and

(B) a supervisory union, supervisory district, school district, or independent technical center district ~~that does not use the system~~ may ~~join an implementation round offered by the Agency of Education~~ implement or leave SSDDMS during the pause period after consultation with the Agency of Education and upon approval by its governing body; and

* * *

Sec. E.500.2 2021 Acts and Resolves No. 66, Sec. 15 is amended to read:

Sec. 15. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.500.1, as amended by 2019 Acts and Resolves No. 72, Sec. E.500.5, is further amended to read:

Sec. E.500.1. SHARED SCHOOL DISTRICT FINANCIAL DATA
MANAGEMENT SYSTEM

(a) Not later than December 31, ~~2022~~ 2024, all Vermont supervisory unions, supervisory districts, school districts, and independent technical center districts shall utilize the same school finance and financial data management system. The system shall be selected by the Agency of Education per State procurement guidelines.

* * *

Sec. E.500.3 2021 Acts and Resolves No. 66, Sec. 16 is amended to read:

Sec. 16. PAUSE OF IMPLEMENTATION OF SHARED SCHOOL
DISTRICT FINANCIAL DATA MANAGEMENT SYSTEM

Notwithstanding Sec. E.500.1 of 2018 (Sp. Sess.) Acts and Resolves No. 11, as amended, the implementation of the Shared School District Data Management System (SSDDMS) shall be paused until ~~January 1, 2022~~ July 1, 2023, provided that:

(1) the Agency of Education and its contractor for implementation of the system shall continue to support users, as of the date of enactment of this act, of the system; and

(2) a supervisory union, supervisory district, school district, or independent technical center district ~~that does not use the system may join an implementation round offered by the Agency of Education~~ implement or leave SSDDMS during the pause period after consultation with the Agency of Education and upon approval by its governing body.

Sec. E.500.4 2021 Acts and Resolves No. 66, Sec. 17 is amended to read:

Sec. 17. AGENCY OF EDUCATION; REPORTS

(a) On or before June 30, 2021 and quarterly thereafter until March 31, ~~2023~~ 2025, the Agency of Education shall provide a written report to the General Assembly and the Vermont Association of School Business Officials on the status of improving and implementing the Shared School District Data Management System, including the status of:

* * *

Sec. E.500.5 AGENCIES OF EDUCATION AND OF DIGITAL SERVICES;
JOINT REPORT ON THE SHARED SCHOOL DISTRICT
DATA MANAGEMENT SYSTEM

(a) On or before December 15, 2022, the Agencies of Education and of Digital Services shall jointly submit a report to the House and Senate Committees on Education on the status of improving and implementing the Shared School District Data Management System (SSDDMS) and a recommendation on whether to continue, discontinue, suspend, or delay implementation of SSDDMS and the reasons for their recommendation. In preparing their report, the Agencies of Education and of Digital Services shall solicit feedback from the Vermont Association of School Business Officials, school business managers and users and nonusers of SSDDMS around the State, the Vermont chapter of the American Association of School Personnel Administrators, and school human resources managers around the State.

Sec. E.500.6 2019 Acts and Resolves No. 1, Sec. 1, as amended by 2021 Acts and Resolves No. 66, Sec. 12, is further amended to read:

Sec. 1. ETHNIC AND SOCIAL EQUITY STANDARDS ADVISORY
WORKING GROUP

* * *

(d) Appointment and operation.

* * *

(D) The Working Group shall cease to exist on July 1, 2022 July 1, 2023.

* * *

(g) Duties of the Working Group.

(1) The Working Group shall review standards for student performance adopted by the State Board of Education under 16 V.S.A. § 164(9) and, on or before December 31, ~~2021~~ 2022, recommend to the State Board updates and additional standards to recognize fully the history, contributions, and perspectives of ethnic groups and social groups. These recommended additional standards shall be designed to:

* * *

(h) Reports.

* * *

(3) The Working Group shall, on or before ~~December 31, 2022~~ June 30, 2023, submit a report to the General Assembly that includes:

* * *

(i) Duties of the State Board of Education. The Board of Education shall, on or before ~~December 31, 2022~~ June 30, 2023, consider adopting ethnic and

social equity studies standards into standards for student performance adopted by the State Board under 16 V.S.A. § 164(9) for students in prekindergarten through grade 12, taking into account the report submitted by the Working Group under subdivision (g)(1) of this section.

Sec. E.500.7 2021 Acts and Resolves No. 66, Sec. 13 is amended to read:

* * *

(c) Any unused portion of these appropriations shall, as of July 1, ~~2022~~ 2023, revert to the General Fund.

* * * Amendment to S.287, When Enacted * * *

Sec. E.500.7 Subdivision (d)(1) of Sec. 4, amendment to 16 V.S.A. § 4010; determination of weighted long-term membership and per pupil education spending, of S.287 as enacted is amended to read:

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

(A) prekindergarten—negative 0.54;

(B) grades six through eight—0.36; and

(C) grades nine through 12—0.39.

Sec. E.500.8 Subdivision (b)(1) of Sec. 7, calculation of tax rates; tax rate review; fiscal years 2025–2029; of S.287 as enacted is amended to read:

(b)(1) In order to determine which school districts shall be subject to a Tax Rate Review, the Secretary of Education shall calculate the fiscal year 2024 per pupil education spending, as defined in 16 V.S.A. § 4001(14) as in effect on July 1, 2024, of each school district subject to subsection (a) of this section as though the funding formula created under this act applied to fiscal year 2024. In fiscal year 2025, if a school district's per pupil education spending calculated using the funding formula created under this act increases by 10 percent or more over the school district's fiscal year 2024 per pupil education spending as calculated by the Secretary under this subsection, then the school district shall be subject to a Tax Rate Review. In fiscal years 2026–2029, if a school district's per pupil education spending calculated using the funding formula created under this act increases by 10 percent or more over the school district's prior fiscal year per pupil education spending, then the school district shall be subject to a Tax Rate Review. Upon request of the Secretary, a school district shall submit its budget to a Tax Rate Review to determine whether its increase in per pupil education spending was beyond the school district's control or for other good cause. In conducting the Review,

the Secretary shall select three business managers and three superintendents to serve in an advisory role in the Review. The Review shall consider the extent to which the increase in per pupil education spending is caused by at least the following factors:

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

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

(C) costs associated with facilities improvements required to protect the health and safety of students, teachers, and staff; and

(D) new State and federal requirements.

Sec. E.500.9 Sec. 15, evaluation and reporting on implementation of act, of S.287 as enacted is amended to read:

Sec. 15. EVALUATION AND REPORTING ON IMPLEMENTATION OF
ACT

(a) The Joint Fiscal Office shall design and contract for an evaluation of the impact of the changes required under this act in achieving the goals under Sec. 2 of this act. ~~On or before December 15, 2029, the Joint Fiscal Office shall submit to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance its written evaluation report. In order to maintain independence, the Joint Fiscal Office shall not contract with an individual who has consulted on, or contracted to provide services in relation to, the Pupil Weighting Factors Report dated December 24, 2019 or the December 17, 2021 report prepared in accordance with 2021 Acts and Resolves No. 59.~~

(b) The contractor shall consult with the Joint Fiscal Office and the Agency of Education to determine appropriate metrics such as Vermont Education Quality Standards and other common educational standards; standardized test scores, graduation rates, and other student performance measures; student health and wellness measures; budget and finance measures; teacher and staff compensation comparisons; and educational opportunity comparisons across school districts. The evaluation shall be conducted using rigorous and objective standards for fiscal and educational program review.

(c) On or before December 15, 2029, the Joint Fiscal Office shall submit to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance its written evaluation report.

Sec. E.501 AGENCY OF EDUCATION; ESSER III FUND PLAN

(a) The following sums are appropriated from the ESSER III funds provided to the State pursuant to Sec. 2001(f) of the American Rescue Plan Act of 2021 to the Agency of Education in fiscal year 2023:

(1) \$2,852,234 for Evidence-Based Summer Programming for the implementation of evidence-based summer enrichment programs and to ensure such programs respond to students' academic, social, and emotional needs and address the disproportionate impact of the coronavirus on the student populations described in section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi)), students experiencing homelessness, and children and youth in foster care.

(2) \$2,852,234 for Evidence-Based Afterschool Programming for the implementation of evidence-based comprehensive afterschool programs, and to ensure such programs respond to students' academic, social, and emotional needs and address the disproportionate impact of the coronavirus on the student populations described in section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi)), students experiencing homelessness, and children and youth in foster care.

(3) \$1,352,170 to address lost instructional time due to COVID-19 in accordance with 2021 Acts and Resolves No. 28 to support literacy with a specific prioritization for the implementation of 2018 Acts and Resolves No. 173.

(4) \$1,130,586 for meeting other needs as determined by the State educational agency (AOE) to address issues in responding to COVID-19. This may include the implementation of a facilities planning grant program per 2021 Acts and Resolves No. 72.

Sec. E.502 EDUCATION – SPECIAL EDUCATION: FORMULA GRANTS

(a) Of the appropriation authorized in Sec. B.502 of this act, and notwithstanding any other provision of law, an amount not to exceed \$4,073,400 shall be used by the Agency of Education in fiscal year 2023 as funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

Sec. E.504.1 EDUCATION – FLEXIBLE PATHWAYS

(a) Of the appropriation in Sec. B.504 of this act, \$2,100,000 from the Education Fund shall be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 943(c).

(b) Notwithstanding 16 V.S.A. § 4025(b), of this Education Fund appropriation, the amount of:

(1) \$921,500 is available for dual enrollment programs notwithstanding 16 V.S.A. § 944(f)(2);

(2) \$1,800,000 is available to support the Vermont Virtual High School;

(3) \$400,000 is available for secondary school reform grants; and

(4) \$3,000,000 is available for Early College pursuant to 16 V.S.A. § 4011(e).

(c) Of the appropriation in Sec. B.504 of this act, \$921,500 from the General Fund is available for dual enrollment programs.

Sec. E.514 STATE TEACHERS' RETIREMENT SYSTEM

(a) In accordance with 16 V.S.A. § 1944(g)(2), and consistent with system changes enacted for fiscal year 2023 in the 2022 session, the annual contribution to the State Teachers' Retirement System (STRS) shall be \$194,161,651 of which \$187,273,782 shall be the State's contribution and \$6,887,869 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$34,342,965 is the "normal contribution," and \$159,818,686 is the "accrued liability contribution."

Sec. E.515 RETIRED TEACHERS' HEALTH CARE AND MEDICAL BENEFITS

(a) In accordance with 16 V.S.A. § 1944b(b)(2), and consistent with system changes enacted for fiscal year 2023 in the 2022 session, the annual contribution to the Retired Teachers' Health and Medical Benefits plan shall be \$50,206,128.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$15,100,000 is the "normal contribution," and \$35,106,128 is the "accrued liability contribution."

* * * Higher Education * * *

Sec. E.600 UNIVERSITY OF VERMONT

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.600 of this act to the University of Vermont on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$380,326 shall be transferred to the Experimental Program to Stimulate Competitive Research (EPSCoR) for the purpose of

complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.602 VERMONT STATE COLLEGES

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.602 of this act to the Vermont State Colleges on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$427,898 shall be transferred to the Vermont Manufacturing Extension Center for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.603 VERMONT STATE COLLEGES – ALLIED HEALTH

(a) If Global Commitment fund monies are unavailable, the total grant funding for the Vermont State Colleges shall be maintained through the General Fund or other State funding sources.

(b) The Vermont State Colleges shall use the Global Commitment funds appropriated in Sec. B.603 of this act to support the dental hygiene, respiratory therapy, and nursing programs that graduate approximately 315 health care providers annually. These graduates deliver direct, high-quality health care services to Medicaid beneficiaries or uninsured or underinsured persons.

Sec. E.605 VERMONT STUDENT ASSISTANCE CORPORATION

(a) Of the appropriation in Sec. B.605 of this act, \$25,000 is appropriated from the General Fund to the Vermont Student Assistance Corporation (VSAC) to be deposited into the Trust Fund established in 16 V.S.A. § 2845.

(b) Of the appropriated amount remaining after accounting for subsection (a) of this section, not less than 93 percent of this appropriation shall be used for direct student aid.

(c) To the extent other funding is provided to VSAC in this act or other legislation enacted into law this year, up to six percent, but not to exceed \$100,000, may be used for staff expenses associated with administering the funds. Funds shall not be used for indirect costs. To the extent these are federal funds, allocation for expenses associated with administering the funds shall be consistent with federal grant requirements.

Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND
EARLY COLLEGE STUDENTS

(a) Notwithstanding 16 V.S.A. § 4025(b), the sum of \$41,225 in education funds and \$41,225 in general funds is appropriated to the Vermont Student Assistance Corporation (VSAC) for dual enrollment and need-based stipend

purposes to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 946 to be used for the purchase of books, cost of transportation, and payment of fees. VSAC shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.

(b) VSAC shall report on the program to the House Committees on Appropriations and on Commerce and Economic Development and to the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs on or before January 15, 2023.

Sec. E.700 10 V.S.A. § 581 is amended to read:

§ 581. BUILDING EFFICIENCY GOALS

It shall be goals of the State:

(1) To improve substantially the energy fitness of at least 20 percent of the State's housing stock by 2017 (more than 60,000 housing units), and 25 percent of the State's housing stock by 2020 (approximately 80,000 housing units) 120,000 housing units and reduce greenhouse gas emissions by 0.15 MMTCO₂e by 2031.

* * *

Sec. E.702 23 V.S.A. § 3513 is amended to read:

§ 3513. LIABILITY INSURANCE; AUTHORITY TO CONTRACT FOR
LAW ENFORCEMENT SERVICES

(a) The amount of 85 percent of the fees and penalties collected under this chapter, except interest, is allocated to the Agency of Natural Resources Department of Forests, Parks and Recreation for use by the Vermont ATV Sportsman's Association (VASA) for development and maintenance of a Statewide ATV Trail Program, for trail liability insurance, and to contract for law enforcement services with any constable, sheriff's department, municipal police department, the Department of Public Safety, and the Department of Fish and Wildlife for purposes of trail compliance pursuant to this chapter. The Departments of Public Safety and of Fish and Wildlife are authorized to contract with VASA to provide these law enforcement services. The Agency of Natural Resources The Department of Forests, Parks and Recreation shall retain for its use up to \$7,000.00 during each fiscal year to be used for administration of this Program.

* * *

Sec. E.709 10 V.S.A. § 1283(g)(3) is amended to read:

(3) “Release” means any intentional or unintentional action or omission resulting in the spilling, leaking, pumping, pouring, emitting, emptying, dumping, or disposing of hazardous materials into the surface or groundwaters, or onto the lands in the State, or into waters outside the jurisdiction of the State when damage may result to the public health, lands, waters, or natural resources within the jurisdiction of the State. “Release” also means the intentional or unintentional action or omission resulting in the spilling, leaking, emission, or disposal of polychlorinated biphenyls (PCBs) from building materials in ~~a building or structure~~ public schools and approved and recognized independent schools, as those terms are defined in 16 V.S.A. § 11, that were constructed or renovated before 1980.

Sec. E.709.1 10 V.S.A. § 6602(17) is amended to read:

(17) “Release” means any intentional or unintentional action or omission resulting in the spilling, leaking, pumping, pouring, emitting, emptying, dumping, or disposing of hazardous materials into the surface or groundwaters, or onto the lands in the State, or into waters outside the jurisdiction of the State when damage may result to the public health, lands, waters, or natural resources within the jurisdiction of the State. “Release” also means the intentional or unintentional action or omission resulting in the spilling, leaking, emission, or disposal of polychlorinated biphenyls (PCBs) from building materials in ~~a building or structure~~ public schools and approved and recognized independent schools, as those terms are defined in 16 V.S.A. § 11, that were constructed or renovated before 1980.

Sec. E.709.2 REPORT ON REGULATION OF PCB RELEASES FROM
BUILDING MATERIALS IN NONSCHOOL BUILDINGS

On or before January 15, 2023, the Secretary of Natural Resources shall submit to the Senate Committees on Appropriations and on Natural Resources and Energy and the House Committees on Appropriations and on Natural Resources, Fish, and Wildlife a report regarding the indoor air quality testing of buildings for releases of polychlorinated biphenyls (PCBs) from building materials. The report shall include:

(1) a proposal for the best method for regulating releases of PCBs from PCB-containing building materials in non-school buildings;

(2) a proposal of who will be required to test for a release or potential release of PCBs from building materials, including whether and how testing will be required under the Brownfields Reuse and Environmental Liability Limitation Program or as part of an environmental assessment for a property transaction;

(3) a summary of when during a corrective action or property transaction testing would be required and why it would be required;

(4) the standard or standards that would be utilized to determine if a release occurred;

(5) the action or remediation that would be required if PCBs are identified in excess of the proposed standard;

(6) how responsive action or remediation would be funded, including potential federal or State sources of funding; and

(7) how the requirement to test may affect investment in the redevelopment of historic downtowns or similar areas.

* * * Transportation * * *

Sec. E.903 MULTI-AGENCY INVESTMENTS IN ELECTRIC VEHICLE
SUPPLY EQUIPMENT INFRASTRUCTURE

(a) Definitions. As used in this section:

(1) “Area median income” means the county or Metropolitan Statistical Area median income published by the federal Department of Housing and Urban Development.

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

(3) “Level 1 charger” or “level 1 EVSE” means EVSE that plugs directly into a standard 120-volt AC outlet and supplies an average output of 1.3 to 2.4 kilowatts.

(4) “Level 2 charger” or “level 2 EVSE” means galvanically connected EVSE with a single-phase input voltage range from 208 to 240 volts AC and a maximum output current less than or equal to 80 amperes AC.

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

(6) “Multiunit affordable housing” means a multiunit dwelling where:

(A) at least 50 percent of the units are or will be occupied by households whose income does not exceed 100 percent of the greater of the State or area median income; or

(B) all units are affordable to households earning between 60 and 120 percent of area median income.

(7) “Multiunit dwelling” means a housing project, such as cooperatives, condominiums, dwellings, or mobile home parks, with three or more units constructed or maintained on a tract or tracts of land.

(8) “Workplace” means a place where an individual works.

(b) Housing, employers, and public venues and attractions.

(1) In fiscal year 2023, \$10,000,000 is appropriated in Sec. G.600 (b) of this act to the Agency of Commerce and Community Development to support the following:

(A) one or more grant programs, which may build upon the existing EVSE Grant Program, to support the continued buildout of level 1 and 2 EVSE at multiunit dwellings, including multiunit affordable housing, with less than 20 units prioritized and not less than 30 percent of the total appropriation, less the administration expenses allowed under subsection (d c) of this section, allocated to this purpose;

(B) one or more grant programs, which may build upon the existing EVSE Grant Program, to support the continued buildout of level 1 and 2 EVSE at private workplaces, with the workplaces of employers with fewer than 100 employees prioritized;

(C) one or more grant programs, which may build upon the existing EVSE Grant Program, to support the continued buildout of level 1, 2, and 3 EVSE at public venues and attractions, such as parks, State parks and access areas, downtowns, museums, and ski mountains, that are available to any member of the public; and

(D) the purchase and installation of level 1 and 2 EVSE that is available to the public at State workplaces or to provide grants to persons for the purchase and installation of level 1 and 2 EVSE that is available to the public at State workplaces, or both.

(2) If the Agency of Commerce and Community Development, in consultation with the EVSE Interagency Workgroup, determines that programmatic funding remains available following the first round of grant awards made under subdivision (1) of this subsection, then the balance of the \$10,000,000 shall be awarded in grants that prioritize placing EVSE at multiunit affordable housing and workplaces of employers with fewer than 100 employees.

(c) Administration costs. The Agency of Commerce and Community Development may use up to 15 percent of the appropriation in subsection (b) of this section for administrative costs associated with installing EVSE at multiunit housing, workplaces, and public venues and attractions.

(d) Carryforward; deployment in fiscal year 2023.

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

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

(e) Outreach and marketing. The Agency of Commerce and Community Development shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of the EVSE grant programs implemented pursuant to subsection (b) of this section and such costs shall be considered administrative costs for purposes of subsection (c) of this section.

* * * Collective Bargaining Agreements; Fiscal Years 2023 and 2024 * * *

Sec. F.100 COLLECTIVE BARGAINING AGREEMENTS; FISCAL YEAR
2023 AND 2024

(a) Fiscal year 2023. This act fully funds the first year of the collective bargaining agreements between the State and the Vermont State Employees' Association and the State and the Vermont Troopers' Association for the period of July 1, 2022 through June 30, 2023. The collective bargaining agreements for classified employees provide in fiscal year 2023 an average 1.9 percent step increase and 3.0 percent across-the-board increase for a total of a 4.9 percent increase, plus a one-time cash payment of \$1,500.00.

(b) Fiscal year 2024. This act fully funds the second year of the collective bargaining agreements between the State and the Vermont State Employees' Association and the State and the Vermont Troopers' Association for the period of July 1, 2023 through June 30, 2024. The collective bargaining agreements for classified employees provide in fiscal year 2024 an average 1.9 percent step increase and 2.0 percent across-the-board increase for a total of a 3.9 percent increase, plus a one-time cash payment of \$1,000.00.

* * * Exempt Employees; Fiscal Years 2023 and 2024 * * *

Sec. F.101 EXEMPT EMPLOYEES; PERMITTED SALARY INCREASES;
FISCAL YEARS 2023 AND 2024

(a) Fiscal year 2023. Executive, Judicial, and Legislative Branches may extend the fiscal year 2023 provisions of the collective bargaining agreements that are funded by this act to employees not covered by the bargaining agreements as they determine to be appropriate and in accordance with the appropriations provided to each branch.

(b) Fiscal year 2024. Executive, Judicial, and Legislative Branches may extend the fiscal year 2024 provisions of the collective bargaining agreements that are funded by this act to employees not covered by the bargaining agreements as they determine to be appropriate and in accordance with the appropriations provided to each branch.

Sec. F.102 EXECUTIVE BRANCH; EXEMPT AGENCY AND
DEPARTMENT HEADS, DEPUTIES, AND EXECUTIVE
ASSISTANTS; ANNUAL SALARY ADJUSTMENT AND
OR BONUS

(a) Fiscal year 2023. For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), “the average rate of adjustment available to classified employees under the collective bargaining agreement” shall be, in fiscal year 2023, 4.9 percent.

(b) Fiscal year 2024. For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), “the average rate of adjustment available to classified employees under the collective bargaining agreement” shall be, in fiscal year 2024, 3.9 percent.

* * * Executive Branch; Miscellaneous Statutory Salaries;
Fiscal Years 2023 and 2024 * * *

Sec. F.103 32 V.S.A. § 1003 is amended to read:

§ 1003. STATE OFFICERS

(a) Each elective officer of the Executive Department is entitled to an annual salary as follows:

	<u>Annual Salary as of January 5, 2020</u>	<u>Annual Salary as of July 4, 2021</u>	<u>Annual Salary as of July 3, 2022</u>	<u>Annual Salary as of July 2, 2023</u>
Governor	\$184,113	\$191,754	\$201,150	\$208,995
Lieutenant Governor	78,153	81,396	\$85,384	\$88,714

Secretary of State	116,745	121,590	<u>\$127,548</u>	<u>\$132,522</u>
State Treasurer	116,745	121,590	<u>\$127,548</u>	<u>\$132,522</u>
Auditor of Accounts	116,745	121,590	<u>\$127,548</u>	<u>\$132,522</u>
Attorney General	139,790	145,591	<u>\$152,725</u>	<u>\$158,681</u>

(b) The Governor may appoint each officer of the Executive Branch listed in this subsection at a starting salary ranging from the base salary stated for that position to a salary that does not exceed the maximum salary unless otherwise authorized by this subsection. The maximum salary for each appointive officer shall be 50 percent above the base salary. Annually, the Governor may grant to each of those officers an annual salary adjustment subject to the maximum salary. The annual salary adjustment granted to officers under this subsection shall not exceed the average rate of adjustment available to classified employees under the collective bargaining agreement then in effect. In addition to the annual salary adjustment specified in this subsection, the Governor may grant a special salary increase subject to the maximum salary, or a bonus, to any officer listed in this subsection whose job duties have significantly increased, or whose contributions to the State in the preceding year are deemed especially significant. Special salary increases or bonuses granted to any individual shall not exceed the average rate of adjustment available to classified employees under the collective bargaining agreement then in effect.

(1) Heads of the following Departments and Agencies:

	Base Salary as of January 5, 2020	Base Salary as of July 4, 2021	Base Salary as of <u>July 3,</u> <u>2022</u>	Base Salary as of <u>July 2,</u> <u>2023</u>
(A) Administration	\$111,332	\$115,952	<u>\$121,634</u>	<u>\$126,378</u>
(B) Agriculture, Food and Markets	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(C) Financial Regulation	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(D) Buildings and General Services	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(E) Children and Families	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(F) Commerce and				

Community Development	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(G) Corrections	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(H) Defender General	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(I) Disabilities, Aging, and Independent Living	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(J) Economic Development	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(K) Education	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(L) Environmental Conservation	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(M) Finance and Management	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(N) Fish and Wildlife	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(O) Forests, Parks and Recreation	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(P) Health	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(Q) Housing and Community Development	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(R) Human Resources	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(S) Human Services	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(T) Digital Services	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(U) Labor	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(V) Libraries	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(W) Liquor and Lottery	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(X) [Repealed.]				
(Y) Mental Health	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>

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(Z) Military	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(AA) Motor Vehicles	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(BB) Natural Resources	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(CC) Natural Resources Board Chair	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(DD) Public Safety	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(EE) Public Service	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(FF) Taxes	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(GG) Tourism and Marketing	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(HH) Transportation	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(II) Vermont Health Access	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(JJ) Veterans' Home	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>

(2) ~~The Secretary of Administration may include the Director of the Office of Professional Regulation in any pay plans that may be established under the authority of subsection 1020(c) of this title, provided the minimum hiring rate does not fall below a base salary, as of January 5, 2020 of \$80,041.00 and as of July 4, 2021 of \$83,363.00. [Repealed.]~~

(3) If the Chair of the Natural Resources Board is employed on less than a full-time basis, the hiring and salary maximums for that position shall be reduced proportionately.

(4) When a permanent employee is appointed to an exempt position, the Governor may authorize such employee to retain the present salary even though it is in excess of any salary maximum provided in statute.

* * *

(d) Notwithstanding the maximum salary established in subsection (b) of this section, the Defender General shall not receive compensation in excess of the compensation established for the Attorney General in this section.

(e) Notwithstanding the maximum salary established in subsection (b) of this section, the maximum salary for the Commissioner of Health shall not exceed ~~\$150,000.00~~ 100 percent above the base salary for this position.

* * * Judicial Branch; Statutory Salaries; Fiscal Years 2023 and 2024 * * *

Sec. F.104 32 V.S.A. § 1003(c) is amended to read:

(c) The officers of the Judicial Branch named in this subsection shall be entitled to annual salaries as follows:

	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>January 5,</u> <u>2020</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 4,</u> <u>2021</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 3,</u> <u>2022</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 2,</u> <u>2023</u>
(1) Chief Justice of Supreme Court	\$177,203	\$184,557	\$193,600	\$201,150
(2) Each Associate Justice	169,121	176,140	\$184,771	\$191,977
(3) Administrative Judge	169,121	176,140	\$184,771	\$191,977
(4) Each Superior Judge	160,777	167,449	\$175,654	\$182,505
(5) [Repealed.]				
(6) Each Magistrate	121,224	126,255	\$132,441	\$137,606
(7) Each Judicial Bureau hearing officer	121,224	126,255	\$132,441	\$137,606

Sec. F.105 32 V.S.A. § 1141 is amended to read:

§ 1141. ASSISTANT JUDGES

(a)(1) Each assistant judge of the Superior Court shall be entitled to receive compensation in the amount of \$185.86 \$203.05 a day as of January 5, 2020 July 3, 2022 and \$193.57 \$210.97 a day as of July 4, 2021 2, 2023 for time spent in the performance of official duties and necessary expenses as allowed to classified State employees. Compensation under this section shall be based on a two-hour minimum and hourly thereafter.

(2)(A) The compensation paid to an assistant judge pursuant to this section shall be paid by the State except as provided in subdivision (B) of this subdivision (2).

(B) The compensation paid to an assistant judge pursuant to this section shall be paid by the county at the State rate established in subdivision

(a)(1) of this section when an assistant judge is sitting with a presiding Superior judge in the Civil or Family Division of the Superior Court.

(b) Assistant judges of the Superior Court shall be entitled to receive pay for such days as they attend court when it is in actual session, or during a court recess when engaged in the special performance of official duties.

Sec. F.106 32 V.S.A. § 1142 is amended to read:

§ 1142. PROBATE JUDGES

(a) The Probate judges in the several Probate Districts shall be entitled to receive the following annual salaries, which shall be paid by the State in lieu of all fees or other compensation:

	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>January 5,</u> <u>2020</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 4,</u> <u>2021</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 3,</u> <u>2022</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 2,</u> <u>2023</u>
(1) Addison	\$63,384	\$66,014	\$69,249	\$71,950
(2) Bennington	80,127	83,452	\$87,541	\$90,955
(3) Caledonia	56,210	58,543	\$61,412	\$63,807
(4) Chittenden	133,720	139,269	\$146,093	\$151,791
(5) Essex	15,703	16,355	\$17,156	\$17,825
(6) Franklin	63,384	66,014	\$69,249	\$71,950
(7) Grand Isle	15,703	16,355	\$17,156	\$17,825
(8) Lamoille	44,249	46,085	\$48,343	\$50,228
(9) Orange	52,620	54,804	\$57,489	\$59,731
(10) Orleans	51,425	53,559	\$56,183	\$58,374
(11) Rutland	113,613	118,328	\$124,126	\$128,967
(12) Washington	87,301	90,924	\$95,379	\$99,099
(13) Windham	70,560	73,488	\$77,089	\$80,095
(14) Windsor	95,674	99,644	\$104,527	\$108,604

(b) Probate judges shall be entitled to be paid by the State for their actual and necessary expenses under the rules and regulations pertaining to classified State employees. The compensation for the Probate judge of the Chittenden District shall be for full-time service.

(c) All Probate judges, regardless of the number of hours worked annually, shall be eligible to participate in all employee benefits that are available to exempt employees of the Judicial Department.

* * * Sheriffs; Statutory Salaries; Fiscal Years 2023 and 2024 * * *

Sec. F.107 32 V.S.A. § 1182 is amended to read:

§ 1182. SHERIFFS

(a) The sheriffs of all counties except Chittenden shall be entitled to receive salaries in the amount of ~~\$86,116.00~~ \$94,085 as of ~~January 5, 2020~~ July 3, 2022 and ~~\$89,690.00~~ \$97,754 as of ~~July 4, 2021~~ July 2, 2023. The Sheriff of Chittenden County shall be entitled to an annual salary in the amount of ~~\$91,133.00~~ \$99,566 as of ~~January 5, 2020~~ July 3, 2022 and ~~\$94,915.00~~ \$103,449 as of ~~July 4, 2021~~ July 2, 2023.

(b) Compensation under subsection (a) of this section shall be reduced by 10 percent for any sheriff who has not obtained Level III law enforcement officer certification under 20 V.S.A. § 2358.

* * * State's Attorneys; Statutory Salaries; Fiscal Years 2023 and 2024 * * *

Sec. F.108 32 V.S.A. § 1183 is amended to read:

§ 1183. STATE'S ATTORNEYS

(a) The State's Attorneys shall be entitled to receive annual salaries as follows:

	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>January 5,</u> <u>2020</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 4,</u> <u>2021</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 3,</u> <u>2022</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 2,</u> <u>2023</u>
(1) Addison County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>
(2) Bennington County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>
(3) Caledonia County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>
(4) Chittenden County	\$121,782	\$126,836	<u>\$133,051</u>	<u>\$138,240</u>
(5) Essex County	\$87,366	\$90,992	<u>\$95,451</u>	<u>\$99,174</u>
(6) Franklin County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>
(7) Grand Isle County	\$87,366	\$90,992	<u>\$95,451</u>	<u>\$99,174</u>
(8) Lamoille County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>

(9) Orange County	\$116,486	\$121,320	\$127,265	\$132,228
(10) Orleans County	\$116,486	\$121,320	\$127,265	\$132,228
(11) Rutland County	\$116,486	\$121,320	\$127,265	\$132,228
(12) Washington County	\$116,486	\$121,320	\$127,265	\$132,228
(13) Windham County	\$116,486	\$121,320	\$127,265	\$132,228
(14) Windsor County	\$116,486	\$121,320	\$127,265	\$132,228

* * *

* * * Appropriations * * *

Sec. F.109 PAY ACT APPROPRIATIONS; FISCAL YEARS 2023 AND
2024

(a) Executive Branch. The first and second years of the two-year agreements between the State of Vermont and the Vermont State Employees' Association for the Defender General, Non-Management, Supervisory, and Corrections bargaining units, and, for the purpose of appropriation, the State's Attorneys' offices bargaining unit, for the period of July 1, 2022 through June 30, 2024; the collective bargaining agreement with the Vermont Troopers' Association for the period of July 1, 2022 through June 30, 2024; and salary increases for employees in the Executive Branch not covered by the bargaining agreements shall be funded as follows:

(1) Fiscal year 2023.

(A) General Fund. The amount of \$23,614,294.00 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2023 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of \$1,502,420.00 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation and the Department of Public Safety to fund the fiscal year 2023 collective bargaining agreements and the requirements of this act.

(C) Other funds. The Administration shall provide additional spending authority to departments through the existing process of excess receipts to fund the fiscal year 2023 collective bargaining agreements and the requirements of this act. The estimated amounts are \$35,872,729.00 from a special fund, federal funds, and other sources.

(D) Transfers. With due regard to the possible availability of other funds, for fiscal year 2023, the Secretary of Administration may transfer from the various appropriations and various funds and from the receipts of the Liquor Control Board such sums as the Secretary may determine to be necessary to carry out the purposes of this act to the various agencies supported by State funds.

(2) Fiscal year 2024.

(A) General Fund. The amount of \$19,029,823.00 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2024 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of \$2,500,000.00 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation and the Department of Public Safety to fund the fiscal year 2024 collective bargaining agreements and the requirements of this act.

(C) Other funds. The Administration shall provide additional spending authority to departments through the existing process of excess receipts to fund the fiscal year 2024 collective bargaining agreements and the requirements of this act. The estimated amounts are \$27,500,943.00 from a special fund, federal funds, and other sources.

(D) Transfers. With due regard to the possible availability of other funds, for fiscal year 2024, the Secretary of Administration may transfer from the various appropriations and various funds and from the receipts of the Liquor Control Board such sums as the Secretary may determine to be necessary to carry out the purposes of this act to the various agencies supported by State funds.

(3) This section shall include sufficient funding to ensure administration of exempt pay plans authorized by 32 V.S.A. § 1020(c).

(b) Judicial Branch.

(1) The Chief Justice of the Vermont Supreme Court may extend the provisions of the Judiciary's collective bargaining agreement to Judiciary employees who are not covered by the bargaining agreement.

(2) Fiscal year 2023. The first year of the two-year agreements between the State of Vermont and the Vermont State Employees' Association for the judicial bargaining unit for the period of July 1, 2022 through June 30, 2023 and salary increases for employees in the Judicial Branch not covered by the bargaining agreements shall be funded as follows: the amount of

\$3,217,628.00 is appropriated from the General Fund and the amount of \$287,032.00 is provided from other sources to the Judiciary to fund the fiscal year 2023 collective bargaining agreement and the requirements of this act.

(3) Fiscal year 2024. The second year of the two-year agreements between the State of Vermont and the Vermont State Employees' Association for the judicial bargaining unit for the period of July 1, 2023 through June 30, 2024 and salary increases for employees in the Judicial Branch not covered by the bargaining agreements shall be funded as follows: the amount of \$1,803,013.00 is appropriated from the General Fund and the amount of \$160,840.00 is provided from other sources to the Judiciary to fund the fiscal year 2024 collective bargaining agreement and the requirements of this act.

(c) Legislative Branch.

(1) For the period of July 1, 2022 through June 30, 2023, the General Assembly including all Legislative Branch employees shall be funded as follows: the amount of \$985,111.00 is appropriated from the General Fund to the Legislative Branch.

(2) For the period of July 1, 2023 through June 30, 2024, the General Assembly including all Legislative Branch employees shall be funded as follows: the amount of \$776,000.00 is appropriated from the General Fund to the Legislative Branch.

* * * American Rescue Plan Act Appropriations * * *

* * * Intent and Other Funding * * *

Sec. G.100 MULTIYEAR FUNDING PRIORITIES INTENT

(a) The appropriations of ARPA – Coronavirus State Fiscal Recovery Funds in made in Secs. G.300–G.700 of this act by categorical areas are made consistent with the intent expressed in Sec. G.100 of 2021 Acts and Resolves No. 74 (the Big Bill), and reiterated in 2022 Acts and Resolves No. 83, Sec. 67a. In some cases, other funding sources are included or are referenced for specific programs or projects providing comprehensive funding by category. All appropriations of ARPA funds in this act are made only to the extent permitted by federal law and guidance. Appropriations not expended in fiscal year 2023 shall carry forward.

Sec. G.200 AMERICAN RESCUE PLAN ACT (ARPA) - CORONAVIRUS
STATE FISCAL RECOVERY FUND (SFR)
APPROPRIATIONS; REVERSION AND REALLOCATION;
REPORTS

(a) On or before September 15, 2022 and annually thereafter until September 15, 2026, the Commissioner of Finance and Management shall

submit a report to the Joint Fiscal Committee on the status of all appropriations made from the Coronavirus State and Local Fiscal Recovery Fund (SLFR) provided to the State from the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (ARPA). The report shall include updates on project eligibility, obligated funds, actual expenditures, and any compliance or reporting issues.

(b) On or before January 15, 2023, the Commissioner of Finance and Management shall provide an update to the September 15, 2022 ARPA report described in subsection (a) of this section to the House and Senate Committees on Appropriations, including recommendations, if any, for reallocation of ARPA SLFR funds in the fiscal year 2023 budget adjustment act.

* * * Economy, Workforce, and Communities * * *

Sec. G.300 INVESTMENTS IN VERMONT'S ECONOMY,
WORKFORCE, AND COMMUNITIES

(a) \$48,700,000 in fiscal year 2023 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds as follows:

(1) \$1,050,000 to the Natural Resources Board, to be used as needed to prioritize and expedite permitting of ARPA-funded projects, including the costs of three exempt limited-service positions.

(2) \$750,000 to the Secretary of State for expenses related to telehealth.

(3) \$14,900,000 to the Vermont State Colleges for bridge funding to transform the system. This includes offsets to continuing costs and impacts from COVID-19 pandemic.

(4) \$2,000,000 to the Department for Children and Families' Economic Services Division to grant to the Vermont Foodbank to support access to food for Vermonters with low income.

(5) \$30,000,000 to the Agency of Commerce and Community Development for the Community Recovery and Grant Revitalization Program.

(b) General Fund Workforce Appropriations. In fiscal year 2023, \$1,500,000 is appropriated from the General Fund to Vermont Student Assistance Corp (VSAC) 802 Opportunity Program for increasing the household income eligibility limit from \$50,000 to \$75,000.

(c) Community Economic Development. \$12,200,000 is appropriated in fiscal year 2023 from the General Fund for community based economic development initiatives as follows:

(1) \$5,000,000 to the Department of Forests, Parks and Recreation for the Vermont Outdoor Recreation Economic Collaborative (VOREC) Community Grant Program.

(2) \$6,000,000 to the Department of Economic Development for the remediation and redevelopment of brownfield sites.

(3) \$800,000 to the Agency of Transportation to grant to the Vermont Association of Snow Travelers (VAST) as follows:

(A) \$50,000 for the VAST for the Law Enforcement and Safety Program.

(B) \$750,000 for the VAST Equipment Grant-in-Aid Program.

(4) \$400,000.00 to the Agency of Transportation in fiscal year 2023, in addition to other funds appropriated to the Agency of Transportation under this act, for the purpose of payment of fees under 10 V.S.A. chapter 151 to mitigate development of primary agricultural soils at the Franklin County State Airport and for payment of attendant permitting costs for the development at the airport. The funds appropriated under this section shall be used solely to address development on the acreage at the Franklin County State Airport under the control of the Agency of Transportation at the time of the effective date of this section.

(d) \$16,400,000 to the Department of Libraries from the Coronavirus Capital Projects Fund provided to the State from the American Rescue Plan Act of 2021, Pub. L. No. 117-217 (ARPA), for the Libraries Capital Project for capital improvements to libraries, including Americans with Disabilities Act compliance, space renovations for improved Internet access for telehealth appointments and job interviews, and general building renovations.

* * * Addressing Homelessness, Housing Insecurity and Increasing the Stock
of Low- and Moderate-Income Housing * * *

Sec. G.400 HOUSING AND HOMELESSNESS INVESTMENTS

(a) \$30,000,000 to the Vermont Housing and Conservation Board (VHCB) in fiscal year 2023 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Fund to the to provide affordable mixed-income rental housing and homeownership units, improvements to manufactured homes and communities, recovery residences and, if determined eligible, housing available to farm workers and refugees. VHCB shall also use the funds for shelter and permanent homes for those experiencing homelessness in consultation with the Secretary of Human Services. These funds shall carry forward into fiscal year 2024.

(b) Additional funding for housing investments of \$10,000,000 through VHCB are included in Sec. C.102 of this act contingent upon fiscal year 2022 revenue. Other legislation of the 2022 session allocates \$40,000,000 of ARPA funds for other housing development programs.

* * * Broadband Connectivity and Technology
Modernization Investments * * *

Sec. G.500 BROADBAND CONNECTIVITY INVESTMENTS

(a) \$95,000,000 is appropriated in fiscal year 2023 to the Department of Public Service, Vermont Community Broadband Board from the American Rescue Plan Act - Coronavirus Capital Projects Fund in order to support the State's goal of achieving universal access to reliable, high-quality, affordable broadband. This appropriation shall be transferred to the Vermont Community Broadband Fund to make grants through the Broadband Construction Grant Program. The Board may use monies appropriated in this subsection to fund any match requirements applicable to broadband grants funded by the federal Infrastructure Investment and Jobs Act.

(b) \$1,600,000 to the Department of Forests, Parks and Recreation from the Coronavirus Capital Projects Fund provided to the State from the American Rescue Plan Act of 2021, Pub. L. No. 117-217 (ARPA), for the Parks Connectivity Project to improve reliability, performance, and support Internet connectivity services to all State parks.

* * * Weatherization and Other Climate Change Mitigation Investments * * *

Sec. G.600 CLIMATE ACTION INVESTMENTS

(a) In fiscal year 2023, \$129,760,000 is appropriated from the American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds for climate change mitigation initiatives as follows:

(1) \$45,000,000 to the Department for Children and Families, Office of Economic Opportunity, Home Weatherization Assistance Program to be used in fiscal years 2023 and 2024. Households approved for assistance in this section will also be offered services outlined in subdivision (4) of this subsection.

(2) \$35,000,000 to the Department of Public Service to grant to Efficiency Vermont for the purpose of weatherization incentives to Vermonters with a moderate income. These funds shall be deposited in the Electric Efficiency Fund established under 30 V.S.A. § 209(d)(3) and shall be available for use by Efficiency Vermont through December 31, 2024. Households approved for assistance in this section will also be offered services outlined in subdivision (4) of this subsection.

(3) \$2,000,000 to the Agency of Transportation to support the continued build-out of public electric vehicle charging infrastructure along highway networks.

(4) \$25,000,000 to the Department of Public Service, of which \$20,000,000 is to provide financial and technical assistance for Vermonters with low- and moderate-income to upgrade home electrical systems to enable installation of energy saving technologies, and \$5,000,000 is to establish a “Switch and Save” program to provide financial and technical assistance for Vermonters with low and moderate income to install, at low- or no-cost, heat pump water heaters, with a focus on replacing water heaters near the end of their useful life and serving households participating in the electrical system upgrades described in this subsection.

(5) \$2,000,000 to the Department of Public Service for load management and storage efforts to assist Vermonters with low and moderate income customers to purchase electric equipment for heating, cooling, and vehicle charging. In addition, investments will be made in load control and management platforms to enable smaller municipal and cooperative utilities to capture and share benefits of load management and funding for municipal back-up electricity storage installations. The same use of funds shall apply to \$5,000,000 of the funds appropriated in 2021 Acts and Resolves No. 74, Sec G.600(a)(5).

(6) \$15,000,000 to improve landscape resilience and mitigate flood hazards to be allocated as follows:

(A) \$14,750,000 to the Department of Public Safety, Division of Emergency Management, for a State-level buyout program for flood-vulnerable parcels; and

(B) \$250,000 to the Department of Environmental Conservation to provide technical assistance to the statewide hazard mitigation program.

(7) \$4,760,000 to the Agency of Agriculture, Food and Markets to provide farms in Vermont with financial assistance for the implementation of soil-based practices that improve soil quality and nutrient retention, increase crop production, minimize erosion potential, and reduce agricultural waste discharges. Assistance may take the form of programs that provide education, training, or instruction to farmers.

(8) \$1,000,000 to the Department of Forests, Parks and Recreation for the Urban and Community Forestry (UCF) Program to plant up to 5,000 trees to improve air quality and reduce heat island effects in urban areas in accordance with UCF program standards for design, planting, and maintenance.

(b) In fiscal year 2023, \$32,200,000 is appropriated from the General Fund and \$550,000 is appropriated from the Transportation Fund for electric vehicle charging infrastructure, electrification incentives and public transportation investments as follows:

(1) \$10,000,000 to the Agency of Commerce and Community Development to install level 1, 2, and 3 EVSE at dwellings, workplaces, and community attractions in accordance with Sec. E.903 of this act.

(2) \$12,000,000 to the Agency of Transportation for the Incentive Program for New PEVs, established in 2019 Acts and Resolves No. 59, Sec. 34, as amended.

(3) \$2,000,000 to the Agency of Transportation for the public-private partnership with Drive Electric Vermont to support the expansion of the plug-in electric vehicle market in the State.

(4) \$3,000,000 to the Agency of Transportation to grant to the Community Action Agencies to support the MileageSmart Program, established in 2019 Acts and Resolves No. 59, Sec. 34, as amended.

(5) \$3,000,000 to the Agency of Transportation for the Replace Your Ride Program, established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.

(6) \$2,200,000 general funds and \$550,000 Transportation funds to the Agency of Transportation for the following:

(A) \$1,200,000 general funds for transit agencies to, as practicable and in the sole discretion of the transit agencies, operate routes other than commuter and LINK Express on a zero-fare basis and provide service at pre-COVID-19 levels; and

(B) \$1,000,000 general funds and \$500,000 Transportation funds to continue administering the Mobility and Transportation Innovation (MTI) Grant program to support projects that improve both mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, and reduce greenhouse gas emissions.

(C) \$50,000 Transportation funds to the Agency of Transportation for electric bicycle incentives.

(c) In fiscal year 2023, \$8,000,000 is appropriated from the General Fund to the Department of Public Service to offer up to 70 percent reimbursement to municipal and cooperative electrical distribution utilities for the implementation of one or more systems of Advanced Metering Infrastructure that has been approved by the Public Utility Commission.

(d) Additional grant funding of \$45,000,000 from ARPA is included in other legislation of the 2022 session for Municipal Energy Resilience Grant Program.

* * * Clean Water Investments * * *

Sec. G.700 WATER AND SEWER INVESTMENTS

(a) In fiscal year 2023, \$104,000,000 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds as follows:

(1) \$31,000,000 for Stormwater Retrofit Projects to provide three-acre stormwater permitting design and construction support for entities subject to the Vermont 3- 9050 Stormwater General Permit and to provide design and construction for practices necessary to restore impaired waters subject to flow restoration plans. These funds shall be allocated as follows:

(A) \$30,000,000 to the Department of Environmental Conservation to provide three-acre stormwater permitting design and construction support for entities subject to the Vermont 3- 9050 Stormwater General Permit and to provide permitting, design, and construction services; and

(B) \$1,000,000 to the Department of Forests, Parks and Recreation to support compliance with the three-acre stormwater rule.

(2) \$30,000,000 to the Department of Environmental Conservation to support water and wastewater projects and pretreatment activities, as follows:

(A) \$15,000,000 to support the design and construction of community-scale water or decentralized wastewater projects, or both, to support underserved designated centers;

(B) \$5,000,000 to provide financial assistance to municipalities, Vermont businesses, and nonprofit entities to install or enhance pretreatment processes to address high strength or toxic wastes that otherwise require treatment at municipal expense by publicly owned treatment facilities; and

(C) \$10,000,000 to municipalities with small and primarily residential customer bases to upgrade or replace existing water or wastewater treatment systems that are at risk of failure.

(3) \$20,000,000 to the Department of Environmental Conservation to assist municipalities to design and construct projects to reduce or eliminate wet weather sewer overflows.

(4) \$23,000,000 to make repairs or improvements to water and wastewater systems in Vermont homes to be allocated as follows:

(A) \$6,500,000 to the Department of Environmental Conservation for improving water/wastewater systems at coop-owned or nonprofit mobile home parks (MHPs);

(B) \$15,000,000 to the Department of Environmental Conservation to replace failed on-site wastewater and water supplies for Vermonters with low income or who are unable to access or afford market rate loans; and

(C) \$1,500,000 to the Department of Housing and Community Development to update leaking service lines, old plumbing, and replacing outdated fixtures (sinks, toilets, dishwashers, laundry) with high-efficiency devices.

Sec. G.701 APPROPRIATIONS: OFFSET CAPITAL BILL FUNDED
PROJECTS BY SWAP TO ARPA

(a) Fiscal year 2022. \$500,000 in fiscal year 2022 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds to the Department of Forests, Parks and Recreation for forestry access road water quality improvements.

(b) Fiscal year 2023. \$5,236,781 in fiscal year 2023 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds for projects authorized in the fiscal year 2023 Capital Budget Adjustment Act as follows:

(1) \$600,000 to the Department of Buildings and General Services for three-acre parcel stormwater planning, design, and implementation;

(2) \$300,000 to the Department of Forests, Parks and Recreation for State parks major maintenance;

(3) \$585,000 to the Department of Environmental Conservation for Municipal Pollution Control Grants;

(4) \$700,000 to the Department of Forests, Parks and Recreation for forestry access road water quality improvements;

(5) \$2,451,781 to the Agency of Agriculture, Food and Markets for water quality grants; and

(6) \$600,000 to the Vermont Housing and Conservation Board for agricultural water quality projects.

Sec. G.702 2021 Acts and Resolves No. 74, Sec. G.700(c) is amended to read as follows:

~~(c) \$15,000,000 to be used to~~ To the extent capital funds have been appropriated to projects supporting water and sewer infrastructure in fiscal

year 2022 and capital appropriations can be offset for reuse for future capital construction projects in the fiscal years 2022–2023 capital budget adjustment process.—~~On~~ on or before December 15, 2021, the Commissioner of Finance and Management shall review and recommend water and sewer infrastructure projects funded ~~in fiscal year 2022~~ that could be funded with ARPA funds to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and to the Governor for the fiscal years 2022–2023 capital budget adjustment report.

* * * Administration * * *

Sec. G.800 ARPA AND GENERAL ONE-TIME FUND FUNDED
LIMITED-SERVICE POSITIONS

(a) The establishment of the following 23 new classified limited-service positions is authorized in fiscal year 2023.

(1) Agency of Administration: one Grants Manager.

(2) Agency of Agriculture, Food and Markets: two Water Quality Program Coordinators.

(3) Public Service Department:

(A) one Administrative Services Coordinator;

(B) one Outreach Coordinator;

(C) one Grants Manager;

(D) one Financial Manager; and

(E) one Program Coordinator.

(4) Vermont Community Broadband Board:

(A) one Fiscal and Federal Reporting Specialist;

(B) one Rural Broadband Technical Specialist;

(C) one Business Office Manager; and

(D) one Digital Equity Office Manager.

(E) Vermont Community Broadband Board: one Fiber Optics Engineer.

(5) Natural Resources Board:

(A) two District Coordinators; and

(B) one Executive Director.

(6) Agency of Human Services, Office of Economic Opportunity:

- (A) one Senior Energy Services Program Officer; and
 - (B) two Energy Services Program Officers.
- (7) Department of Labor: three Program Technicians.
- (8) Agency of Natural Resources, Department of Forests, Parks and Recreation: one Environmental Analyst III.
- (9) Agency of Transportation:
 - (A) one Grants Management Specialist; and
 - (B) one Grants Manager.
- (10) Department of Libraries
 - (A) one Grants Administrator; and
 - (B) one Buildings Project Manager II.
- (11) Agency of Commerce and Community Development:
 - (A) one Community Affairs Planning Coordinator;
 - (B) two Grants Management Specialist;
 - (C) one Agency of Transportation Environmental Specialist 1; and
 - (D) one Historic Resource Specialist.

Sec. G.801 APPROPRIATION FOR ADMINISTRATIVE COSTS

(a) \$10,500,000 in fiscal year 2023 is appropriated from the American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds to the Agency of Administration to be distributed as needed to address the statewide costs of administering these funds, including the costs of related limited-service positions, and contracting for programs and services.

* * * Effective Dates * * *

Sec. H.100 EFFECTIVE DATES

(a) This section, Secs. C.100 through C.114 (fiscal year 2022 one-time appropriations, adjustments, and amendments), E.105.1 (Technology Modernization Special Fund), E.106.1 (Capital Cash Expenditure Cash Fund), E.240.3 (repeal of 2020 Acts and Resolves No. 164, Sec. 6(c)), E.240.4 (repeal of 2020 Acts and Resolves No. 164, Sec. 33(h)), G.702 (amendment to 2021 Acts and Resolves No.74, Sec. G.700(c)), and G.701(a) (offset capital funds by swap to ARPA) shall take effect upon passage.

(b) Secs. E.240.5 (7 V.S.A. § 845) and E.240.6 (32 V.S.A. § 7909(a)) shall take effect on July 1, 2025.

(c) Notwithstanding 1 V.S.A. § 214, Secs. E.709 and E.709.1 (definition of release; PCBs) shall take effect retroactively on July 1, 2021.

(d) Secs. E.240.1 (7 V.S.A. § 845); E.240.2 (32 V.S.A. § 7909); E.702 (Fish and Wildlife); F.100(b), F.101(b), F.102(b) and F.103 (Executive Branch; Exempt Employees, Misc. Statutory Salaries; Fiscal Year 2024); F.104–106 (Judicial Branch; Statutory Salaries, Fiscal Year 2024); F.107 (Sheriffs, Statutory Salaries, Fiscal Year 2024); F.108 (State’s Attorney’s; Statutory Salaries; Fiscal Year 2024); and Secs. F.109(a)(2), F.109(b)(3), and F.109(c)(2) (Appropriations; Fiscal Year 2024) shall take effect on July 1, 2023.

(e) Secs. E.500.7–500.9 shall be effective as of the date of enactment of S.287 (2022).

(f) All remaining sections shall take effect on July 1, 2022.

And by renumbering all of the sections of the bill to be numerically correct (including internal references) and adjusting all of the totals to be arithmetically correct.

M. JANE KITCHEL

PHILIP E. BARUTH

RICHARD A. WESTMAN

Committee on the part of the Senate

MARY S. HOOPER

PETER J. FAGAN

KIMBERLY JESSUP

Committee on the part of the House

Addendum to the Report of Committee of Conference

H. 740

An act relating to making appropriations for the support of government.

By adding a new section to be Sec. E.400.1 to read as follows:

Sec. E.400.1. UNEMPLOYMENT INSURANCE; INFORMATION
TECHNOLOGY MODERNIZATION FUNDING; REPORT

(a) On or before January 15, 2023, the Commissioner of Labor shall submit a written report to the House Committees on Commerce and Economic Development and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs and on Finance evaluating potential funding mechanisms to support ongoing unemployment insurance information technology modernization and unemployment-

insurance-related administrative costs without utilizing appropriations from the General Fund.

(b) The report shall do the following:

(1) identify and evaluate funding mechanisms utilized by other states for similar purposes;

(2) in the Commissioner's discretion, identify and evaluate other potential funding mechanisms that could support ongoing unemployment insurance information technology modernization and unemployment-insurance-related administrative costs; and

(3) examine any benefits, adverse impacts, or challenges related to implementing the identified funding mechanisms.

(c) The report shall include a recommendation for one or more funding mechanisms to support ongoing unemployment insurance information technology modernization and unemployment-insurance-related administrative costs without utilizing appropriations from the General Fund. The report may include a recommendation for legislative action to implement the recommended funding mechanism or mechanisms.

M. JANE KITCHEL

PHILIP E. BARUTH

RICHARD A. WESTMAN

Committee on the part of the Senate

MARY S. HOOPER

PETER J. FAGAN

KIMBERLY JESSUP

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative, on a roll call, Yeas 30, Nays 0.

Senator Kitchel having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Balint, Baruth, Benning, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Parent, Pearson, Perchlik, Pollina, Ram Hinsdale, Sears, Sirotkin, Starr, Terenzini, Westman, White.

Those Senators who voted in the negative were: None.

Rules Suspended; Bills Messaged

On motion of Senator Balint, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 738, H. 740.

Appointments Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator White, the following Gubernatorial appointments were confirmed together as a group by the Senate, without reports given by the Committees to which they were referred and without debate:

The nomination of

Winters, Debbie of Swanton - Member Vermont Municipal Bond Bank - March 28, 2022 to January 31, 2024.

The nomination of

Zeller, Susan of Montpelier - Trustee Vermont State Colleges Board of Trustees - May 24, 2021 to February 28, 2025.

The nomination of

Saarnijoki, Linda of Weston - Member Libraries, Board of - December 1, 2021 to February 28, 2025.

The nomination of

Frank, Thomas of Milton - Member Libraries, Board of - December 1, 2021 to February 28, 2025.

Were collectively confirmed by the Senate.

Bills Delivered

Senator Balint moved that pursuant to Joint Rule 15 that all bills passed by both the Senate and the House be ordered to the Governor.

Which was agreed to.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 54.

Joint Senate resolution of the following title was offered, read and adopted on the part of the Senate, and is as follows:

By Senator Balint,

J.R.S. 54. Joint resolution relating to final adjournment of the General Assembly in 2022.

Resolved by the Senate and House of Representatives

That the President of the Senate and the Speaker of the House of Representatives adjourn their respective houses *sine die* on the twelfth or thirteenth day of May, 2022.

Thereupon, on motion of Senator Balint, the rules were suspended and the joint resolution was ordered messaged to the House forthwith.

Message from the House No. 84

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered Senate proposal of amendment to House proposal of amendment to Senate bill of the following title:

S. 226. An act relating to expanding access to safe and affordable housing.

And has concurred therein.

The House has considered Senate proposal of amendment to House proposal of amendment to Senate bill of the following title:

S. 250. An act relating to law enforcement data collection and interrogation.

And has concurred therein.

The House has considered joint resolution originating in the Senate of the following title:

J.R.S. 54. Joint resolution relating to final adjournment of the General Assembly in 2022.

And has adopted the same in concurrence.

Message from the House No. 85

A message was received from the House of Representatives by Ms. Melissa Kucserik, its First Assistant Clerk, as follows:

Mr President:

I am directed to inform the Senate that the House has on its part completed the business of the second half of the Biennial session and is ready to adjourn *sine die*, pursuant to the provisions of J.R.S. 54.

Message from the House No. 86

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered Senate proposal of amendment to the following House bill:

H. 353. An act relating to pharmacy benefit management.

And has severally concurred therein.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 727. An act relating to the exploration, formation, and organization of union school districts and unified union school districts.

And has adopted the same on its part.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 740. An act relating to making appropriations for the support of government.

And has adopted the same on its part.

Secretary Directed to Inform the House of Completion of Business

On motion of Senator Balint, the Secretary was directed to inform the House that the Senate has completed the business of the session and is ready to adjourn pursuant to the provisions of J.R.S. 54.

Remarks of Lieutenant Governor

The Honorable Molly R. Gray, briefly addressed the Senate.

Committee Appointed to Inform Governor of Completion of Business

On motion of Senator Balint, the President appointed the following four Senators as members of a committee to wait upon His Excellency, Philip B. Scott, the Governor, and inform him that the Senate has completed the business of the session and is ready to adjourn pursuant to the provisions of J.R.S. 54:

Senator Hooker
Senator Brock
Senator Nitka
Senator Pearson

Report of Committee

The Committee appointed to wait upon His Excellency, the Governor, to inform him that the Senate had, on its part, completed the business of the session and was ready to adjourn pursuant to the provisions of J.R.S. 54, performed the duties assigned to it and escorted the Governor to the rostrum where he delivered his remarks in person.

Remarks of Governor

The Governor, the Honorable Philip B. Scott, assumed the rostrum and briefly addressed the Senate.

Departure of Governor

The Governor, having completed the delivery of his message, was escorted from the Chamber by the committee appointed by the Chair.

Final Adjournment

On motion of Senator Balint, at six o'clock and fifteen minutes in the evening (6:15 P.M.), the Senate adjourned pursuant to the provisions of J.R.S. 54.

Messages Received After Final Adjournment

After final adjournment, the following messages were received by the Secretary:

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the twenty-third day of May, 2022 he approved and signed bills originating in the Senate of the following titles:

S. 122. An act relating to the required votes of presidential electors.

S. 127. An act relating to clarifying community supervision furlough appeals and the powers of the Corrections Monitoring Commission.

S. 220. An act relating to State-paid deputy sheriffs.

S. 254. An act relating to maintaining records of judgments and settlements paid by law enforcement agencies and a legal analysis of qualified immunity.

S. 287. An act relating to improving student equity by adjusting the school funding formula and providing education quality and funding oversight.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the thirty-first day of May, 2022 he approved and signed bills originating in the Senate of the following titles:

S. 53. An act relating to changes to Vermont corporate income tax and conformity to federal tax laws.

S. 90. An act relating to establishing an amyotrophic lateral sclerosis registry.

S. 91. An act relating to the Parent Child Center Network.

S. 100. An act relating to universal school meals.

S. 139. An act relating to nondiscriminatory school branding.

S. 140. An act relating to prohibiting civil arrests at courthouses.

S. 148. An act relating to environmental justice in Vermont.

S. 161. An act relating to extending the baseload renewable power portfolio requirement.

S. 173. An act relating to the State House art collection.

S. 181. An act relating to authorizing miscellaneous regulatory authority for municipal governments.

S. 188. An act relating to regulating licensed small cannabis cultivation as farming.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the first day of June, 2022 he approved and signed bills originating in the Senate of the following titles:

S. 201. An act relating to best management practices for trapping.

S. 224. An act relating to juvenile proceedings.

S. 250. An act relating to law enforcement data collection and interrogation.

S. 258. An act relating to agricultural water quality, enforcement, and dairy farming.

S. 261. An act relating to municipal retention of property tax collections and valuation for purposes of the education property tax.

S. 269. An act relating to extending the Energy Savings Account Partnership Pilot Program.

S. 281. An act relating to hunting coyotes with dogs.

S. 283. An act relating to miscellaneous changes to education laws.

S. 285. An act relating to health care reform initiatives, data collection, and access to home- and community-based services.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the first day of June, 2022 he returned without signature and *vetoed* a bill originating in the Senate of the following title:

S. 234. An act relating to changes to Act 250.

Text of Communication from Governor

The text of the communication to the Senate from His Excellency, the Governor, whereby he vetoed and returned unsigned **Senate Bill No. 234** to the Senate is as follows:

“June 1, 2022

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

Dear Secretary Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning S.234, *An Act Relating to Changes to Act 250*, without my signature because this bill moves us in the wrong direction on Act 250.

From my perspective, this bill makes Act 250 even more cumbersome than it is today and it will make it harder to build the housing we desperately need. These concerns were raised by elected leaders on both sides of the aisle, though were not addressed by the Legislature.

Fortunately, the pieces of this bill that will make some modest improvements were added to another bill, which I plan to sign.

Based on the objections outlined above, I am returning this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution.

Sincerely,

/s/Philip B. Scott
Governor

PBS/kp”

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the seventh day of June, 2022 he approved and signed bills originating in the Senate of the following titles:

S. 210. An act relating to rental housing health and safety and affordable housing.

S. 226. An act relating to expanding access to safe and affordable housing.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the eighth day of June, 2022 he approved and signed a bill originating in the Senate of the following title:

S. 11. An act relating to economic and workforce development.

Message from the House No. 87

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The Governor has informed the House that on May 11, 2022, he approved and signed bills originating in the House of the following titles:

H. 266. An act relating to health insurance coverage for hearing aids.

H. 293. An act relating to creating the State Youth Council.

H. 411. An act relating to the retrieval and use of covered wild animals.

The Governor has informed the House that on May 16, 2022, he approved and signed bills originating in the House of the following titles:

H. 447. An act relating to approval of amendments to the charter of the Town of Springfield.

H. 462. An act relating to miscellaneous Department of Health programs.

H. 482. An act relating to the Petroleum Cleanup Fund.

H. 661. An act relating to licensure of mental health professionals.

H. 711. An act relating to the creation of the Opioid Settlement Advisory Committee and the Opioid Abatement Special Fund.

The Governor has informed the House that on May 19, 2022, he approved and signed bills originating in the House of the following titles:

H. 287. An act relating to patient financial assistance policies and medical debt protection.

H. 500. An act relating to prohibiting the sale of mercury lamps in the State.

H. 553. An act relating to eligibility of domestic partners for reimbursement from the Victims Compensation Program.

The Governor has informed the House that on May 19, 2022, he did not approve and allowed to become law without his signature a bill originating in the House of the following title:

H. 523. An act relating to reducing hydrofluorocarbon emissions.

Text of Communication from Governor

The text of the communication to the House from His Excellency, the Governor, setting for his reasons for refusing to sign and *allowing to become law without his signature*, **House Bill No. 523**, is as follows:

“May 19, 2022

Vermont General Assembly
115 State Street
Montpelier, VT 05633

Re: H.523, AN ACT RELATING TO REDUCING
HYDROFLUOROCARBON EMISSIONS

Dear Legislators:

I am allowing H.523, *An act relating to reducing hydrofluorocarbon emissions*, to go into law without my signature.

While I support the goals of this bill, I am concerned there may be unintended consequences for Vermonters who own vehicles made in 2015 or earlier. The number of vehicles and impacts of this law are unknown – and hopefully inconsequential – but should be determined before the effective date in January 2023. I have asked the Department of Motor Vehicles to research this and assess the consequences.

Should there be undue harm from this bill, I will ask the Legislature to make the necessary changes in January.

Sincerely,

/s/Philip B. Scott

Governor

PBS/kp”

The Governor has informed the House that on May 19, 2022, he did not approve and allowed to become law without his signature a bill originating in the House of the following title:

H. 744. An act relating to approval of an amendment to the charter of the City of Burlington.

Text of Communication from Governor

The text of the communication to the House from His Excellency, the Governor, setting for his reasons for refusing to sign and *allowing to become law without his signature*, **House Bill No. 744**, is as follows:

“May 19, 2022

Vermont General Assembly
115 State Street
Montpelier, VT 05633

Re: H.744, AN ACT RELATING TO THE APPROVAL OF AN
AMENDMENT TO THE CHARTER OF THE CITY OF
BURLINGTON

Dear Legislators:

Today, I am letting H.744, *An act relating to the approval of an amendment to the charter of the city of Burlington* go into law without my signature.

I’m allowing it to move forward because its scope is limited to the method of elections of the Burlington City Council. Ten years ago, Burlington voters rejected a similar instant runoff election system because it yielded flawed results. Nevertheless, the political winds have shifted and once again Burlington voters, for now, favor ranked choice voting.

While H.744 will become law, it will be without my signature. I want to be clear, I am opposed to a statewide system of ranked choice voting. I believe one person should get one vote, and candidates who get the most votes should win elections.

Sincerely,

/s/Philip B. Scott
Governor

PBS/kp”

The Governor has informed the House that on May 19, 2022, he returned without signature and vetoed a bill originating in the House of the following title:

H. 505. An act relating to the creation of the Drug Use Standards Advisory Board within the Vermont Sentencing Commission.

Text of Communication from Governor

The text of the communication to the House from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 505** to the House is as follows:

“May 19, 2022

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street

Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning H. 505, *An act relating to the creation of the Drug Use Standards Advisory Board within the Vermont Sentencing Commission*, without my signature.

Vermont has made progress in treating drug and alcohol addiction as an illness, de-stigmatizing, expanding treatment, and instituting recovery systems that enable individuals to re-build their lives. This year, I proposed, and the Legislature passed, significant investments in these areas because this continues to be a priority issue, especially as we experience an alarming increase in the number of overdose deaths and deaths by suicide.

I agree that the criminal justice system cannot, and should not, be the only tool in this work – and in Vermont, it is not. However, we cannot completely abandon reasonable regulation and law enforcement as a tool.

Specifically, this bill creates a Drug Use Standards Advisory Board with a stated goal to identify a path to effectively legalize personal possession and use of dangerous and highly addictive drugs, stating:

“The primary objective of the Board shall be to determine, for each regulated and unregulated drug, the benchmark personal use dosage and the benchmark personal use supply. The benchmarks determined pursuant to this subsection shall be determined with a goal of preventing and reducing the criminalization of personal drug use.”

It places no limits on which drugs can be contemplated for legalization or the amounts, and while rightly saying we need to view substance abuse as a public health matter – a point where I agree – it includes absolutely no recognition of the often-disastrous health and safety impacts of using drugs like fentanyl, heroin, cocaine, methamphetamines, and more. Nor does it acknowledge the role of enforcement in tracking down and stopping the dealers who seek to poison Vermonters – including children – for profit.

In its written testimony, the Department of Public Safety expressed its concern that Vermont remains a “destination for drug trafficking” due in part to demand, and in part because of the view by drug traffickers that “the financial incentives outweigh the risks posed by Vermont’s criminal laws.”

For these reasons, I cannot allow H. 505 to go into law, and must return it without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution.

Sincerely,
Philip B. Scott
Governor

PBS/kp”

The Governor has informed the House that on May 19, 2022, he returned without signature and vetoed a bill originating in the House of the following title:

H. 534. An act relating to expanding eligibility for expungement and sealing of criminal history records for nonviolent offenses.

Text of Communication from Governor

The text of the communication to the House from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 534** to the House is as follows:

“May 19, 2022

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning H.534, *An act relating to expanding eligibility for expungement and sealing of criminal history records for nonviolent offenses*, without my signature because of my objections described herein.

Safe schools and communities are a top priority of State government and must consistently be a key consideration when criminal justice legislation is debated. Ultimately, I find this bill inconsistent with the State’s responsibilities to keep the public safe.

Vermont is currently experiencing a significant spike in violent crime with most being drug-related. From my perspective, this bill seeks to make offenses relating to possessing, selling, cultivating, dispensing and transporting dangerous, illicit and highly addictive drugs – as well as the use of fraud or deceit to obtain these dangerous drugs – expungable offenses.

In addition, H.534 conflicts with recent policy to increase gun safety. Specifically, the Legislature recently passed – and I signed – a firearm safety measure which increases reliance on background checks to disclose Brady-disqualifying felonies. This was done to keep guns out of the hands of people

who should not have them. H.534, however, would expunge felonies that would otherwise disqualify someone from purchasing and owning a gun.

Another area of contradictory policy can be seen with the Legislature's recent creation of a contractor registry to address home improvement fraud. Yet, this bill makes home improvement fraud an expungable offense, eliminating the ability to hold offenders accountable through the registry the Legislature simultaneously said was about accountability. Similarly, despite passing new laws to expand criminal threatening and prohibit carrying a gun into a hospital, these crimes are also expungable.

In total, over 20 new felony crimes, including felony identity theft, could be erased – inaccessible to anyone, even law enforcement – from an individual's criminal record if this bill becomes law.

To address these concerns, my administration proposed a uniform, simplified system of *sealing* – rather than erasing – criminal records. This approach would eliminate undue consequences related to housing, job and education for those Vermonters who are not repeat offenders, while also ensuring access for law enforcement and criminal justice purposes as well as for background checks necessary to ensure public safety and security.

Without allowing access to records for public safety purposes, and resolving all of the very clear inconsistency in policy and conflicts in law H. 534 would create, I cannot support this effort.

Sincerely,
Philip B. Scott
Governor

PBS/kp”

The Governor has informed the House that on May 24, 2022, he approved and signed bills originating in the House of the following titles:

H. 96. An act relating to creating the Truth and Reconciliation Commission.

H. 265. An act relating to the Office of the Child, Youth, and Family Advocate.

H. 279. An act relating to miscellaneous changes affecting the duties of the Department of Vermont Health Access.

H. 353. An act relating to pharmacy benefit management.

H. 410. An act relating to the use and oversight of artificial intelligence in State government.

H. 444. An act relating to approval of amendments to the charter of the City of Barre.

H. 464. An act relating to miscellaneous changes to the Reach Up Program.

H. 465. An act relating to boards and commissions.

H. 466. An act relating to surface water withdrawals and interbasin transfers.

H. 477. An act relating to leave for crime victims.

H. 489. An act relating to miscellaneous provisions affecting health insurance regulation.

The Governor has informed the House that on May 27, 2022, he approved and signed bills originating in the House of the following titles:

H. 510. An act relating to a Vermont Child Tax Credit and the Vermont Social Security income exclusion.

H. 515. An act relating to banking, insurance, and securities.

H. 517. An act relating to educational benefits for members of the military and their families and eligibility for election to serve as Adjutant and Inspector General.

H. 533. An act relating to forfeited property disposition and a study assessing civil and criminal seizure and forfeiture of property in drug-related offenses.

H. 546. An act relating to racial justice statistics.

H. 551. An act relating to prohibiting racially and religiously restrictive covenants in deeds.

H. 559. An act relating to workers' compensation.

H. 626. An act relating to the sale, use, or application of neonicotinoid pesticides.

H. 697. An act relating to eligibility of reserve forestland for enrollment in the Use Value Appraisal Program.

The Governor has informed the House that on May 31, 2022, he approved and signed bills originating in the House of the following titles:

H. 729. An act relating to miscellaneous judiciary procedures.

H. 742. An act relating to approval of amendments to the charter of the Town of Milton.

The Governor has informed the House that on June 2, 2022, he approved and signed bills originating in the House of the following titles:

H. 74. An act relating to making miscellaneous changes concerning self-storage businesses.

H. 244. An act relating to authorizing the natural organic reduction of human remains.

H. 446. An act relating to miscellaneous natural resources and development subjects.

H. 512. An act relating to modernizing land records and notarial acts law.

H. 518. An act relating to municipal energy resilience initiatives.

H. 572. An act relating to the retirement allowance for interim educators.

H. 709. An act relating to miscellaneous agricultural subjects.

H. 716. An act relating to making miscellaneous changes in education law.

The Governor has informed the House that on June 2, 2022, he returned without signature and vetoed a bill originating in the House of the following title:

H. 606. An act relating to community resilience and biodiversity protection.

Text of Communication from Governor

The text of the communication to the House from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 606** to the House is as follows:

“June 2, 2022

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning H.606, *An act relating to community resilience and biodiversity protection*, without my signature.

Vermont has a long history of effective land conservation that has significantly contributed to the state’s vibrant, resilient working landscape of farms and forests, vast natural areas, and world class opportunities for outdoor recreation. This is a result of flexible and innovative tools like our current use

program and the payment-for-ecosystem-services model. These programs are critical to achieving our conservation priorities because they combine conservation planning with incentives – making it more attractive and affordable for Vermont families to keep and conserve their land, farms and forests.

Over the course of the legislative session, the Agency of Natural Resources testified multiple times against this bill. Among the objections, the Agency pointed to the conservation goals established in H.606 are unnecessarily tied to – and unreasonably limited to – permanent protection. The Agency has repeatedly said that permanent preservation has not been, and cannot be, the state’s exclusive conservation tool and this bill, intentional or not, would diminish the existing and successful conservation tools we have.

Based on the objections outlined above, I am returning this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution.

Sincerely,

/s/Philip B. Scott

Governor

PBS/kp”

The Governor has informed the House that on June 7, 2022, he approved and signed bills originating in the House of the following titles:

H. 727. An act relating to the exploration, formation, and organization of union school districts and unified union school districts.

H. 730. An act relating to alcoholic beverages and the Department of Liquor and Lottery.

H. 737. An act relating to setting the homestead property tax yields and the nonhomestead property tax rate.

H. 738. An act relating to technical and administrative changes to Vermont’s tax laws.

H. 739. An act relating to capital construction and State bonding budget adjustment.

H. 743. An act relating to amending the charter of the Town of Hardwick.

H. 745. An act relating to the approval of the adoption of the charter of the Town of Montgomery.

H. 746. An act relating to an amendment to the charter of the City of Burlington.

The Governor has informed the House that on June 7, 2022, he returned without signature and vetoed a bill originating in the House of the following title:

H. 728. An act relating to opioid overdose response services.

Text of Communication from Governor

The text of the communication to the House from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 728** to the House is as follows:

“June 7, 2022

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning H.728, *An act relating to opioid overdose response services*, without my signature because it directs the Administration to design a plan for the implementation of one or more overdose prevention sites (also known as “safe injection sites”). From my standpoint, it seems counterintuitive to divert resources from proven harm reduction strategies to plan injection sites without clear data on the effectiveness of this approach.

We are all aware the pandemic has had negative impacts on the mental health of Vermonters. This includes concerning increases in drug and alcohol addiction, overdose deaths and suicides.

Prior to the pandemic, Vermont was making progress treating opioid addiction with our groundbreaking “hub-and-spoke” treatment system and medically assisted treatment of our corrections populations.

We also utilize harm reduction strategies, including syringe programs, distribution of Narcan, fentanyl test strips and comprehensive community education. These are proven, evidence-based approaches to saving lives but we must also continue to focus on preventing addiction in the first place and supporting people through treatment and recovery.

Unfortunately, this bill proposes to shift state policy and financial resources away from prevention and toward unproven strategies such as overdose prevention sites. It’s important to note that what little data exists on this approach is for sites located in large cities, so it’s not applicable to the vast majority of Vermont. Last year, I signed the experimental decriminalization of

buprenorphine and am now waiting for the data to show if this had a positive impact on addiction or overdose rates in our state. I believe it's important to analyze this data before moving to another experimental strategy.

For these reasons, I cannot allow H.728 to go into law, and must return it without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution.

Sincerely,

/s/Philip B. Scott
Governor"

The Governor has informed the House that on June 9, 2022, he approved and signed bills originating in the House of the following titles:

H. 736. An act relating to the Transportation Program and miscellaneous changes to laws related to transportation.

H. 740. An act relating to making appropriations for the support of government.

The Governor has informed the House that on June 9, 2022, he did not approve and allowed to become law without his signature a bill originating in the House of the following title:

H. 720. An act relating to the system of care for individuals with developmental disabilities.