

1

H.55

2

An act relating to miscellaneous unemployment insurance amendments

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The Senate proposes to the House to amend the bill by striking out all after

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the enacting clause and inserting in lieu thereof the following:

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* * * Unemployment Insurance * * *

6

Sec. 1. 21 V.S.A. § 1325 is amended to read:

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§ 1325. EMPLOYERS' EXPERIENCE-RATING RECORDS;

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DISCLOSURE TO SUCCESSOR ENTITY

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(a)(1) The Commissioner shall maintain an experience-rating record for

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each employer. Benefits paid shall be charged against the experience-rating

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record of each subject employer who provided base-period wages to the

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eligible individual. Each subject employer's experience-rating charge shall

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bear the same ratio to total benefits paid as the total base-period wages paid by

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that employer bear to the total base-period wages paid to the individual by all

15

base-period employers. The experience-rating record of an individual subject

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base-period employer shall not be charged for benefits paid to an individual

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under any of the following conditions:

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* * *

19

(2) If an individual's unemployment is directly caused by a major

20

disaster declared by the President of the United States pursuant to 42 U.S.C.

21

§ 5122 and the individual would have been eligible for federal disaster

1 unemployment assistance benefits but for the receipt of regular benefits, an
2 employer shall be relieved of charges for benefits paid to the individual with
3 respect to any week of unemployment occurring due to the natural disaster up
4 to a maximum amount of ~~four~~ 10 weeks.

5 * * *

6 Sec. 2. 21 V.S.A. § 1347 is amended to read:

7 § 1347. NONDISCLOSURE OR MISREPRESENTATION;

8 OVERPAYMENTS; WAIVER

9 * * *

10 (e) In addition to the foregoing, when ~~it is found by~~ the Commissioner
11 finds that a person intentionally misrepresented or failed to disclose a material
12 fact with respect to ~~his or her~~ the person's claim for benefits ~~and in the event~~
13 ~~the person is not prosecuted,~~ the Commissioner may prosecute the person
14 under section 1368 of this title ~~and penalty provided in section 1373 of this~~
15 ~~title is not imposed,~~ the person shall be disqualified and shall not be entitled to
16 ~~receive benefits to which he or she would otherwise be entitled after the~~
17 ~~determination for such number of weeks not exceeding 26 as the~~
18 ~~Commissioner shall deem just. The notice of determination shall also specify~~
19 ~~the period of disqualification imposed hereunder.~~

20 (f)(1) Notwithstanding any provision of subsection (a), (b), or (d) of this
21 section to the contrary, the Commissioner may waive up to the full amount of

1 any overpayment that is not a result of the person's intentional
2 misrepresentation of or failure to disclose a material fact if:

3 (A) the overpayment occurs through no fault of the person; and

4 (B) recovery of the overpayment would be against equity and good
5 conscience.

6 (2) A person may request a waiver of an overpayment at any time after
7 receiving notice of a determination pursuant to subsection (a) or (b) of this
8 section.

9 (3) Upon making a determination that an overpayment occurred
10 pursuant to subsection (a) or (b) of this section, the Commissioner shall, to the
11 extent possible and in consideration of the information available to the
12 Department, determine whether waiver of the amount of overpaid benefits is
13 appropriate.

14 (4) The Commissioner shall provide notice of the right to request a
15 waiver of an overpayment with each determination that an overpayment has
16 occurred. The notice shall include clear instructions regarding the
17 circumstances under which a waiver may be granted and how a person may
18 apply for a waiver.

19 (5) If the Commissioner denies an application for a waiver, the
20 Commissioner shall provide written notice of:

1 (A) the denial with enough information to ensure that the person can
2 understand the reason for the denial; and

3 (B) the person’s right to appeal the determination pursuant to
4 subsection (h) of this section.

5 (6)(A) A person whose request to waive an overpayment pursuant to this
6 subsection has been denied pursuant to subdivision (5) of this subsection (f)
7 and whose rights to appeal the denial pursuant to subsection (h) have been
8 exhausted shall be permitted to submit an additional request to waive the
9 overpayment if the person can demonstrate a material change in the person’s
10 circumstances such that recovery of the overpayment would be against equity
11 and good conscience.

12 (B) The Commissioner may dismiss a request to waive an
13 overpayment that is submitted pursuant to this subdivision (6) if the
14 Commissioner finds that there is no material change in the person’s
15 circumstances such that recovery of the overpayment would be against equity
16 and good conscience. The Commissioner’s determination pursuant to this
17 subdivision (6) shall be final and shall not be subject to appeal.

18 (7) In the event that an overpayment is waived on appeal, the
19 Commissioner shall, as soon as practicable, refund any amounts collected or
20 withheld in relation to the overpayment pursuant to the provisions of this
21 section.

1 (g) The provisions of subsection (f) of this section shall, to the extent
2 permitted by federal law, apply to overpayments made in relation to any
3 federal unemployment insurance benefits or similar federal benefits.

4 (h) Interested parties shall have the right to appeal from any determination
5 under this section and the same procedure shall be followed as provided for in
6 subsection 1348(a) and section 1349 of this title.

7 (i) The Commissioner shall not attempt to recover an overpayment or
8 withhold any amounts of unemployment insurance benefits from a person:

9 (1) until after the Commissioner has made a final determination
10 regarding whether an overpayment of benefits to the person occurred and the
11 person's right to appeal the determination has been exhausted; or

12 (2) if the person filed an application for a waiver, until after the
13 Commissioner has made an initial determination regarding the application.

14 (j)(1) The Commissioner shall provide any person who received an
15 overpayment of benefits and is not currently receiving benefits pursuant to this
16 chapter with the option of entering into a plan to repay the amount of the
17 overpayment. The plan shall provide for reasonable weekly, biweekly, or
18 monthly payments in an amount that permits the person to continue to afford
19 the person's ordinary living expenses.

1 Sec. 5. 21 V.S.A. § 1368 is amended to read:

2 § 1368. FALSE STATEMENTS TO INCREASE PAYMENTS

3 (a) A person shall not willfully and who intentionally make makes a false
4 statement or representation to obtain or, increase, or initiate any benefit or
5 other payment under this chapter, either for himself, herself, whether for
6 themselves or any other person, shall, after notice and an opportunity for a
7 hearing, be:

8 (1) liable to repay the amount of overpaid benefits and any applicable
9 penalty imposed pursuant to section 1347 of this chapter;

10 (2) assessed a further administrative penalty of up to \$5,000.00; and

11 (3) ineligible to receive benefits pursuant to this chapter for a period of
12 up to five years from the date on which the false statement or representation
13 was discovered.

14 (b) Interested parties shall have the right to appeal from any determination
15 under this section and the same procedure shall be followed as provided for in
16 subsection 1348(a) and section 1349 of this chapter.

17 (c) The Commissioner may collect an unpaid administrative penalty by
18 filing a civil action in the Superior Court.

1 the State. At the end of each calendar quarter, or at the end of any other period
2 as determined by the Commissioner, the Commissioner shall bill the State for
3 the amount of benefits paid during ~~such~~ the quarter or other prescribed period
4 that is attributable to service in the employ of the State. Subdivisions (c)(3)(C)
5 through (3)(F), inclusive, and subdivisions (c)(5) and (6) of this section as they
6 apply to nonprofit organizations shall also apply to the State of Vermont,
7 except that the State shall be liable for all benefits paid, including the full
8 amount of extended benefits paid, attributable to service in the employ of the
9 State.

10 Sec. 8. 21 V.S.A. § 1361 is amended to read:

11 § 1361. MANAGEMENT OF FUNDS UPON DISCONTINUANCE OF
12 UNEMPLOYMENT TRUST FUND

13 The provisions of sections 1358–1360 of this ~~title~~ subchapter to the extent
14 that they relate to the federal Unemployment Trust Fund, shall be operative
15 only ~~so long as such~~ if the federal Unemployment Trust Fund continues to
16 exist and ~~so long as~~ the U.S. Secretary of the Treasury continues to maintain
17 for this State a separate book account of all Funds deposited ~~therein~~ in the
18 federal Unemployment Trust Fund by this State for benefit purposes, together
19 with this State’s proportionate share of the earnings of ~~such~~ the Unemployment
20 Trust Fund, from which only the Commissioner of Labor is permitted to make
21 withdrawals. If and when ~~such Unemployment Trust Fund shall~~ federal law no

1 longer ~~be required by the laws of the United States~~ requires the federal
2 Unemployment Trust Fund to be maintained ~~as aforesaid~~ as a condition of
3 approval of this chapter as provided in Title III of the Social Security Act, then
4 all monies, properties, or securities ~~therein~~ in the federal Unemployment Trust
5 Fund, belonging to the Unemployment Compensation Trust Fund of this State,
6 shall be transferred to the treasurer of the Unemployment Compensation Trust
7 Fund, who shall hold, invest, transfer, sell, deposit, and release ~~such the~~
8 monies, properties, or securities in a manner approved by the Commissioner
9 and appropriate for trust funds, subject to all claims for benefits under this
10 chapter.

11 Sec. 9. 21 V.S.A. § 1362 is amended to read:

12 § 1362. UNEMPLOYMENT COMPENSATION ADMINISTRATION
13 FUND

14 ~~There is hereby created the~~ The Unemployment Compensation
15 Administration Fund is created to consist of all monies received by the State or
16 by the Commissioner for the administration of this chapter. ~~This special fund~~
17 The Unemployment Compensation Administration Fund shall be a special
18 fund managed pursuant to 32 V.S.A. chapter 7, subchapter 5. The
19 Unemployment Compensation Administration Fund shall be handled through
20 the State Treasurer as other State monies are handled, but it shall be expended
21 solely for the purposes and in the amounts found necessary by the Secretary of

1 Labor for the proper and efficient administration of ~~such~~ this chapter and its
2 balance shall not lapse at any time but shall remain continuously available to
3 the Commissioner for expenditures consistent ~~herewith~~ with the provisions of
4 this section. All federal monies allotted or apportioned to the State by the
5 Secretary of Labor, or other agency, for the administration of this chapter shall
6 be paid into the Unemployment Compensation Administration Fund and are
7 hereby appropriated to ~~such~~ the Unemployment Compensation Administration
8 Fund.

9 Sec. 10. 21 V.S.A. § 1365 is amended to read:

10 § 1365. CONTINGENT FUND

11 (a) There is ~~hereby~~ created a special fund to be known as the Contingent
12 Fund. All interest, fines, and penalties collected under the provisions of ~~the~~
13 ~~unemployment compensation law after April 1, 1947~~ this chapter, together
14 with any voluntary contributions tendered as a contribution to ~~this~~ the
15 Contingent Fund, shall be paid into ~~this~~ the Contingent Fund. ~~Such~~ The
16 monies shall not be expended or available for expenditures in any manner
17 ~~which~~ that would permit their substitution for, or a corresponding reduction in,
18 federal funds ~~which~~ that would in the absence of ~~such~~ the monies be available
19 to finance expenditures for the administration of the unemployment
20 compensation law.

1 **(b)** ~~But nothing~~ Nothing in this chapter shall prevent ~~such the~~ monies from
2 being used as a revolving fund to cover expenditures, necessary and proper
3 under the law for which federal funds have been duly requested but not yet
4 received, subject to the charging of ~~such the~~ expenditures against ~~such the~~
5 funds when received.

6 **(c)** The monies in ~~this~~ the Contingent Fund shall be used by the
7 Commissioner for the payment of costs of administration ~~which that~~ are found
8 not to have been properly and validly chargeable against federal grants, or
9 other funds, received for or in the Unemployment Compensation
10 Administration Fund ~~on or after January 1, 1947~~. No expenditure of the
11 Contingent Fund shall be made unless and until the Commissioner finds that
12 no other funds are available or can properly be used to finance ~~such the~~
13 expenditures.

14 **(d)** The State Treasurer shall co-sign all expenditures from ~~this~~ the
15 Contingent Fund authorized by the Commissioner.

16 **(e)** The monies in ~~this~~ the Contingent Fund are ~~hereby specifically made~~
17 available to replace, within a reasonable time, any monies received by this
18 State pursuant to ~~section 302 of the federal Social Security Act, as amended,~~
19 ~~which~~ 42 U.S.C. § 502 that because of any action or contingency, have been
20 lost or have been expended for purposes other than, or in amounts in excess of,

1 those necessary for the proper administration of the unemployment
2 compensation law.

3 (f) The monies in ~~this~~ the Contingent Fund shall be continuously available
4 to the Commissioner for expenditure in accordance with the provisions of this
5 section and shall not lapse at any time or be transferred to any other fund
6 except as ~~herein~~ provided pursuant to this section.

7 (g) ~~Provided, however, that on~~ On December 31 of each year, all monies in
8 excess of \$10,000.00 in ~~this~~ the Contingent Fund shall be transferred to the
9 Unemployment Compensation Trust Fund. On or before March 31 of each
10 year, an audit of ~~this~~ the Contingent Fund ~~will~~ shall be completed and a report
11 of that audit ~~will~~ shall be made public.

12 (h) In the event that a refund of interest, a fine, or a penalty is found
13 necessary, and ~~such~~ the interest, fine, or penalty has been deposited in the
14 Contingent Fund, ~~such~~ the refund shall be made from the Contingent Fund.

15 * * * Workers' Compensation * * *

16 Sec. 11. 2023 Acts and Resolves No. 76, Sec. 38 is amended to read:

17 Sec. 38. ADOPTION OF RULES

18 The Commissioner of Labor shall, on or before July 1, 2024, adopt rules as
19 necessary to implement the provisions of Secs. 29, 30, 31, 32, 33, 34, ~~35~~, 36,
20 and 37, ~~and 38~~ of this act.

1 Sec. 12. 21 V.S.A. § 601 is amended to read:

2 § 601. DEFINITIONS

3 As used in this chapter:

4 * * *

5 (11) “Personal injury by accident arising out of and in the course of
6 employment” includes an injury caused by the willful act of a third person
7 directed against an employee because of that employment.

8 * * *

9 (I)(i) In the case of police officers, rescue or ambulance workers, ~~or~~
10 firefighters, or State employees, as that term is defined pursuant to subdivision
11 (iii)(VI) of this subdivision (11)(I), post-traumatic stress disorder that is
12 diagnosed by a mental health professional shall be presumed to have been
13 incurred during service in the line of duty and shall be compensable, unless it
14 is shown by a preponderance of the evidence that the post-traumatic stress
15 disorder was caused by nonservice-connected risk factors or nonservice-
16 connected exposure.

17 (ii) A police officer, rescue or ambulance worker, ~~or firefighter, or~~
18 State employee who is diagnosed with post-traumatic stress disorder within
19 three years ~~of following~~ the last active date of employment as a police officer,
20 rescue or ambulance worker, ~~or firefighter, or State employee~~ shall be eligible
21 for benefits under this subdivision (11).

1 (iii) As used in this subdivision (11)(I):

2 (I) “Classified employee” means an employee in the classified
3 service, as defined pursuant to 3 V.S.A. § 311.

4 (II) “Firefighter” means a firefighter as defined in 20 V.S.A.
5 § 3151(3) and (4).

6 ~~(H)~~(III) “Mental health professional” means a person with
7 professional training, experience, and demonstrated competence in the
8 treatment and diagnosis of mental conditions, who is certified or licensed to
9 provide mental health care services and for whom diagnoses of mental
10 conditions are within ~~his or her~~ the person’s scope of practice, including a
11 physician, nurse with recognized psychiatric specialties, psychologist, clinical
12 social worker, mental health counselor, or alcohol or drug abuse counselor.

13 ~~(H)~~(IV) “Police officer” means a law enforcement officer who
14 has been certified by the Vermont Criminal Justice Council pursuant to
15 20 V.S.A. chapter 151.

16 ~~(H)~~(V) “Rescue or ambulance worker” means ambulance
17 service, emergency medical personnel, first responder service, and volunteer
18 personnel as defined in 24 V.S.A. § 2651.

19 (VI) “State employees” means:

20 (aa) facility employees of the Department of Corrections;

1 following information, to the extent such information is available to the
2 departments:

3 (1) the number of firefighters in the department;

4 (2) the number of firefighters in the department who use tobacco
5 products; and

6 (3) for each firefighter in the department, the firefighter's:

7 (A) age;

8 (B) gender;

9 (C) position or rank in the department;

10 (D) if a professional firefighter, the date of hire, and if a volunteer
11 firefighter, the date on which service in the department began;

12 (E) the period of employment or service with the department;

13 (F) if the firefighter's employment or service with the department
14 terminated during the previous 24 months, the date on which the employment
15 or service terminated;

16 (G) if a professional firefighter, the annual salary or hourly wage paid
17 by the department;

18 (H) if a volunteer firefighter, the annual salary or hourly wage paid
19 by the volunteer firefighter's regular employment; and

20 (I) the number of fires responded to during the previous 24 months.

1 (b)(1) Except as provided pursuant to subsection (c) of this section, all
2 information obtained as part of the surveys conducted pursuant to subsection
3 (a) of this section shall be kept confidential and shall be exempt from public
4 inspection and copying under the Public Records Act.

5 (2) The reports prepared pursuant to subsection (c) of this section shall
6 present the results of the surveys conducted pursuant to subsection (a) of this
7 section in an aggregated and anonymized manner and shall not include
8 personally identifying information for any firefighter.

9 (c) On or before December 15 of 2025, 2027, and 2029, the Executive
10 Director shall report to the Commissioner of Financial Regulation, the Senate
11 Committee on Economic Development, Housing and General Affairs and the
12 House Committee on Commerce and Economic Development regarding the
13 results of the survey.

14 Sec. 14. FIREFIGHTERS' WORKERS' COMPENSATION CLAIMS FOR
15 CANCER; ANNUAL REPORT

16 (a) The Commissioner of Financial Regulation shall, on or before
17 February 1 of 2026, 2028, and 2030, report to the Senate Committee on
18 Economic Development, Housing and General Affairs and the House
19 Committee on Commerce and Economic Development regarding:

20 (1) the number of workers' compensation claims for cancer that were
21 submitted by Vermont firefighters in the previous 24 months;

1 (2) the number and percentage of those claims that were approved;

2 (3) the types of cancer for which the claims were submitted; and

3 (4) national trends with respect to workers' compensation claims for

4 cancer submitted by firefighters during the previous 24 months, including, to

5 the extent that information is available, the number of claims filed, the rate of

6 claim approval, and, to the extent information is available, the types of cancer

7 for which claims were submitted.

8 (b) All workers' compensation insurers doing business in Vermont shall

9 report to the Commissioner of Financial Regulation, in a time and manner

10 specified by the Commissioner:

11 (1) the number of workers' compensation claims for cancer that were

12 received by the insurer from Vermont firefighters;

13 (2) the number of those claims that were approved; and

14 (3) the types of cancer for which the claims were submitted.

15 (c) The February 1, 2030 report required pursuant to subsection (a) of this

16 section shall, in addition to setting forth the information required pursuant to

17 subsection (a):

18 (1) aggregate and summarize the data required pursuant to subsection

19 (a) for the preceding six years;

20 (2) compare the incidence of cancer among firefighters in Vermont to

21 the incidence of cancer among firefighters nationally; and

1 (3) include a recommendation regarding any legislative action needed to
2 better address the occurrence of cancer among firefighters in Vermont.

3 Sec. 15. DIVISION OF FIRE SAFETY; FIRE DEPARTMENTS;

4 SUBSIDY FOR ANNUAL CANCER SCREENING

5 (a) The Division of Fire Safety shall subsidize the cost of providing cancer
6 screening to Vermont professional and volunteer firefighters, as well as all
7 enrollees in the Vermont Fire Academy Firefighter I program, during fiscal
8 year 2025 to the extent that funds are appropriated for that purpose.

9 (b)(1) Cancer screening subsidized pursuant to this section shall consist of:

10 (A) a multi-cancer early detection blood test;

11 (B) an ultrasound of vital organs, including abdominal aorta, thyroid,
12 liver, gallbladder, spleen, bladder, kidney, testicles for males, and exterior
13 pelvis for females; and

14 (C) any additional screening that the Executive Director determines
15 to be appropriate.

16 (2) The Executive Director shall determine the specific types of
17 screening tests to subsidize pursuant to the provision of this section in
18 consultation with appropriate licensed medical professionals.

19 (c) The Executive Director may utilize the funds appropriated pursuant to
20 subsection (a) of this section to:

1 (h) Except for serious ~~illness~~ health condition of the employee, an
2 employee who does not return to employment with the employer who provided
3 the leave shall return to the employer the value of any compensation paid to or
4 on behalf of the employee during the leave, except payments for accrued sick
5 leave or vacation leave.

6 * * * Baby Bonds Trust Program * * *

7 Sec. 18. 3 V.S.A. chapter 20 is added to read:

8 CHAPTER 20. VERMONT BABY BOND TRUST

9 § 601. DEFINITIONS

10 As used in this chapter:

11 (1) “Designated beneficiary” means an individual born on or after July
12 1, 2024 who was eligible at birth for coverage in the Dr. Dynasaur program
13 established in accordance with Title XIX (Medicaid) and Title XXI (SCHIP) of
14 the Social Security Act or for coverage available pursuant to 33 V.S.A. chapter
15 19, subchapter 9.

16 (2) “Eligible expenditure” means an expenditure associated with any of
17 the following, each as prescribed by the Treasurer:

18 (A) education of a designated beneficiary;

19 (B) purchase of a dwelling unit or real property in Vermont by a
20 designated beneficiary;

1 (C) investment in a business in Vermont by a designated beneficiary;

2 or

3 (D) investment or rollover in a qualified retirement account,

4 Section 529 account, or Section 529A account established for the benefit of a

5 designated beneficiary.

6 (3) “Trust” means the Vermont Baby Bond Trust established by this

7 chapter.

8 § 602. VERMONT BABY BOND TRUST; ESTABLISHMENT

9 (a) There is established the Vermont Baby Bond Trust, to be administered

10 by the Office of the State Treasurer. The Trust shall constitute an

11 instrumentality of the State and shall perform essential governmental functions

12 as provided in this chapter. The Trust shall receive and hold until disbursed in

13 accordance with section 607 of this title all payments, deposits, and

14 contributions intended for the Trust; as well as gifts, bequests, and

15 endowments; federal, State, and local grants; any other funds from any public

16 or private source; and all earnings on these funds.

17 (b)(1) The amounts on deposit in the Trust shall not constitute property of

18 the State, and the Trust shall not be construed to be a department, institution, or

19 agency of the State. Amounts on deposit in the Trust shall not be commingled

20 with State funds, and the State shall have no claim to or against, or interest in,

21 the amounts on deposit in the Trust.

1 (2) Any contract entered into by, or any obligation of, the Trust shall not
2 constitute a debt or obligation of the State, and the State shall have no
3 obligation to any designated beneficiary or any other person on account of the
4 Trust.

5 (3) All amounts obligated to be paid from the Trust shall be limited to
6 the amounts available for that obligation on deposit in the Trust, and the
7 availability of amounts for a class of designated beneficiaries does not
8 constitute an assurance that amounts will be available to the same degree, or at
9 all, to another class of designated beneficiaries. The amounts on deposit in the
10 Trust shall only be disbursed in accordance with the provisions of section 607
11 of this title.

12 (4) The Trust shall continue in existence until it no longer holds any
13 deposits or has any obligations and its existence is terminated by law. Upon
14 termination, any unclaimed assets shall return to the State and shall be
15 governed by the provisions of 27 V.S.A chapter 18.

16 (c) The Treasurer shall be responsible for receiving, maintaining,
17 administering, investing, and disbursing amounts from the Trust. The Trust
18 shall not receive deposits in any form other than cash.

19 § 603. TREASURER'S TRUST AUTHORITY

20 The Treasurer, on behalf of the Trust and for purposes of the Trust, may:

- 1 (1) receive and invest monies in the Trust in any instruments,
2 obligations, securities, or property in accordance with section 604 of this title;
3 (2) enter into one or more contractual agreements, including contracts
4 for legal, actuarial, accounting, custodial, advisory, management,
5 administrative, advertising, marketing, or consulting services, for the Trust and
6 pay for such services from the assets of the Trust;
7 (3) procure insurance in connection with the Trust's property, assets,
8 activities, or deposits and pay for such insurance from the assets of the Trust;
9 (4) apply for, accept, and expend gifts, grants, and donations from
10 public or private sources to enable the Trust to carry out its objectives;
11 (5) adopt rules pursuant to 3 V.S.A. chapter 25;
12 (6) sue and be sued;
13 (7) establish one or more funds within the Trust and expend reasonable
14 amounts from the funds for internal costs of administration; and
15 (8) take any other action necessary to carry out the purposes of this
16 chapter.

17 § 604. INVESTMENT OF FUNDS IN THE TRUST

18 The Treasurer shall invest the amounts on deposit in the Trust in a manner
19 reasonable and appropriate to achieve the objectives of the Trust, exercising
20 the discretion and care of a prudent person in similar circumstances with
21 similar objectives. The Treasurer shall give due consideration to the rate of

1 return, risk, term or maturity, and liquidity of any investment; diversification
2 of the total portfolio of investments within the Trust; projected disbursements
3 and expenditures; and the expected payments, deposits, contributions, and gifts
4 to be received. The Treasurer shall not invest directly in obligations of the
5 State or any political subdivision of the State or in any investment or other
6 fund administered by the Treasurer. The assets of the Trust shall be
7 continuously invested and reinvested in a manner consistent with the
8 objectives of the Trust until disbursed for eligible expenditures or expended on
9 expenses incurred by the operations of the Trust.

10 § 605. EXEMPTION FROM TAXATION

11 The property of the Trust and the earnings on the Trust shall be exempt
12 from all taxation by the State or any political subdivision of the State.

13 § 606. MONIES INVESTED IN TRUST NOT CONSIDERED ASSETS OR

14 INCOME

15 (a) Notwithstanding any provision of law to the contrary, and to the extent
16 permitted by federal law, no sum of money invested in the Trust shall be
17 considered to be an asset or income for purposes of determining an
18 individual's eligibility for assistance under any program administered by the
19 Agency of Human Services.

20 (b) Notwithstanding any provision of law to the contrary, no sum of money
21 invested in the Trust shall be considered to be an asset for purposes of

1 determining an individual's eligibility for need-based institutional aid grants
2 offered to an individual by a public postsecondary school located in Vermont.

3 § 607. ACCOUNTING FOR DESIGNATED BENEFICIARY; CLAIMS

4 REQUIREMENTS

5 (a) The Treasurer shall establish in the Trust an accounting for each
6 designated beneficiary in the amount of \$3,200.00. Each accounting shall
7 include the initial amount of \$3,200.00, plus the designated beneficiary's pro
8 rata share of total net earnings from investments of sums held in the Trust.

9 (b) A designated beneficiary shall become eligible to receive the total sum
10 of the accounting under subsection (a) of this section upon the designated
11 beneficiary's 18th birthday and completion of a financial coaching requirement
12 as prescribed by the Treasurer. The sum shall only be used for eligible
13 expenditures.

14 (c) The Treasurer shall create a financial coaching program and materials
15 designed to educate designated beneficiaries and others about the permissible
16 use of funds available under this chapter.

17 (d) A designated beneficiary, or the designated beneficiary's authorized
18 representative in the case of a designated beneficiary unable to make a claim
19 due to disability, may submit a claim for accounting until the designated
20 beneficiary's 30th birthday, provided the designated beneficiary is a resident of
21 the State at the time of the claim. If a designated beneficiary dies before

1 submitting a valid claim or fails to submit a valid claim before the designated
2 beneficiary's 30th birthday, the designated beneficiary's accounting shall be
3 credited back to the assets of the Trust.

4 (e) The Treasurer shall adopt rules pursuant to 3 V.S.A. chapter 25 to carry
5 out the purposes of this section, including prescribing the process for
6 submitting a valid claim for accounting.

7 § 608. DATA SHARING

8 In carrying out the purposes of this chapter, the Treasurer may enter into an
9 intergovernmental agreement or memorandum of understanding with any
10 agency or instrumentality of the State requiring disclosure to execute the
11 purposes of this chapter to receive outreach, technical assistance, enforcement,
12 and compliance services; collection or dissemination of information pertinent
13 to the Trust, including protected health information and personal identification
14 information, subject to such obligations of confidentiality as may be agreed to
15 or required by law; or other services or assistance.

16 § 609. IMPLEMENTATION; PILOT PROGRAM

17 The Treasurer's duty to implement this chapter is contingent upon
18 publication by the Treasurer of an official statement that the Treasurer has
19 received donations designated for purposes of implementation or
20 administration of the Trust in an amount sufficient to operate a pilot program.
21 Upon publication, the Treasurer shall commence a pilot program implementing

1 the Trust pursuant to the provisions of this chapter. The pilot program shall be
2 used to evaluate the impact, effectiveness, and operational necessities of a
3 permanent program consistent with this chapter.

4 Sec. 19. VERMONT BABY BOND TRUST; HOUSING OPPORTUNITIES;
5 REPORT

6 (a) The Office of the State Treasurer, in consultation with interested
7 stakeholders, shall evaluate the following issues and options under the
8 Vermont Baby Bond Trust program established in 3 V.S.A. chapter 20:

9 (1) increasing housing opportunities in Vermont through investment of
10 Trust funds, including:

11 (A) how the Treasurer may, consistent with the Treasurer's fiduciary
12 obligations and subject to the provisions of 32 V.S.A. chapter 7, subchapter 2,
13 invest the funds to advance housing opportunities in Vermont;

14 (B) the amount of funds that could be invested in this manner; and

15 (C) the anticipated impact of these investments on housing in
16 Vermont;

17 (2) potential funding sources for the program;

18 (3) creating eligibility conditions for, and safeguards to protect, a
19 beneficiary's investment in a business in Vermont;

20 (4) additional mechanisms to encourage beneficiaries to stay in
21 Vermont, including:

1 (A) incentives to encourage beneficiaries to expend funds on
2 education at in-State institutions; and

3 (B) the feasibility of limiting expenditures on education to in-State
4 institutions while permitting waivers to access out-of-State institutions based
5 on program availability and capacity;

6 (5) modifications to the financial coaching element of the program,
7 including:

8 (A) ensuring a parent or caretaker of a beneficiary is made aware of
9 the program at or around the time of the beneficiary's birth and offered a
10 financial coaching program substantially similar to that offered beneficiaries;

11 (B) providing additional financial coaching opportunities for
12 beneficiaries who delay withdrawing funds after meeting eligibility conditions;

13 (C) utilizing an advisory board to assist in developing the financial
14 coaching element; and

15 (D) measures to expand financial coaching to all children living in
16 Vermont;

17 (6) measures for achieving inflationary adjustment of the statutorily
18 mandated accounting;

19 (7) whether additional needs-based programs administered by the State
20 may be impacted by a beneficiary's entitlement to funds in the Trust;

1 (8) the feasibility of altering the program to permit unclaimed funds to
2 roll over into a beneficiary's retirement account, including mechanisms for
3 creating an account on behalf of a beneficiary and ensuring funds in the
4 account are not accessible until the beneficiary reaches retirement age; and

5 (9) any other issues relating to the Vermont Baby Bond Trust
6 investments that the Treasurer identifies as warranting study.

7 (b) On or before January 15, 2025, the Office of the State Treasurer shall
8 submit a written report to the General Assembly with its findings and any
9 recommendations for legislative action.

10 * * * Extension of Vermont Employment Growth Incentive Program * * *

11 Sec. 20. 2016 Acts and Resolves No. 157, Sec. H.12, as amended by 2022
12 Acts and Resolves No. 164, Sec. 5 and 2023 Acts and Resolves No. 72,
13 Sec. 39, is further amended to read:

14 Sec. H.12. VEGI; REPEAL OF AUTHORITY TO AWARD INCENTIVES

15 Notwithstanding any provision of law to the contrary, the Vermont
16 Economic Progress Council shall not accept or approve an application for a
17 Vermont Employment Growth Incentive under 32 V.S.A. chapter 105,
18 subchapter 2 on or after ~~January 1, 2025~~ January 1, 2027.

