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H.367

Introduced by Representatives Sibia of Dover, Sims of Craftsbury, Hango of Berkshire, Priestley of Bradford, Andriano of Orwell, Anthony of Barre City, Austin of Colchester, Boyden of Cambridge, Burrows of West Windsor, Buss of Woodstock, Campbell of St. Johnsbury, Chapin of East Montpelier, Demrow of Corinth, Farlice-Rubio of Barnet, Gregoire of Fairfield, Harrison of Chittenden, LaBounty of Lyndon, Leavitt of Grand Isle, Lipsky of Stowe, McGill of Bridport, Morgan of Milton, Nicoll of Ludlow, Noyes of Wolcott, O'Brien of Tunbridge, Pajala of Londonderry, Roberts of Halifax, Surprenant of Barnard, Taylor of Milton, Templeman of Brownington, Torre of Moretown, White of Bethel, Williams of Barre City, and Williams of Granby

Referred to Committee on

Date:

Subject: Commerce and trade; rural economic development

Statement of purpose of bill as introduced: This bill proposes to adopt miscellaneous provisions to support rural economic development, administrative capacity, and vitality.

1 An act relating to promoting economic development, administrative
2 capacity, and vitality in rural communities

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

4 * * * Vermont Rental Housing Improvement Program * * *

5 Sec. 1. 10 V.S.A. § 699 is amended to read:

6 § 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

7 (a) Creation of Program.

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

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

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

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

21 (A) the unit has been unoccupied for not less than 90 days prior to the
22 date of application; or

1 (B) the landlord agrees to antidisplacement measures developed by
2 the Department.

3 (2) New accessory dwelling unit. The unit will be a newly created
4 accessory dwelling unit that meets the requirements of 24 V.S.A. § 4412(1)(E).
5 The unit may be created within an existing structure or may be a new, or part
6 of a new, structure built on the existing parcel.

7 (3) New dwelling unit. The unit will be a newly created dwelling unit.
8 The unit may be created within an existing structure or may be a new, or part
9 of a new, structure built on an existing parcel.

10 (c) Administration.

11 (1) The Department shall require a housing organization that receives
12 funding under the Program to adopt:

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

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

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

1 (2) A housing organization that receives funding under the Program may
2 use a portion of the funding for reasonable administrative expenses, as
3 determined by the Department.

4 (d) General Program requirements ~~applicable to grants and forgivable~~
5 ~~loans.~~

6 (1) A grant or loan shall not exceed \$50,000.00 per unit. In determining
7 the amount of a grant or loan, a housing organization shall consider the number
8 of bedrooms in the unit and whether the unit is being rehabilitated or newly
9 created.

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

12 (3) A project may include a weatherization component.

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

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

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

1 (7) A landlord shall not offer a unit assisted through the Program as a
2 short-term rental as defined in 18 V.S.A. § 4301.

3 (8)(A) In a project with multiple new dwelling units, not more than five
4 units are eligible for Program funding.

5 (B) The Department may adopt additional Program parameters to
6 ensure a wide distribution of units among developers and geographic areas.

7 (9) The Department or housing organization shall use amounts that are
8 repaid or recaptured to provide additional grants or loans under the Program.

9 (e) Program requirements applicable to grants for new or non-code-
10 compliant units. For a grant awarded under subdivision (b)(1) or (b)(3) of this
11 section for a unit that is ~~non-code-compliant~~ non-code-compliant or a new
12 dwelling unit, the following requirements apply for a minimum period of five
13 years:

14 (1)(A) A landlord shall coordinate with nonprofit housing partners and,
15 local coordinated entry organizations, or other similar organizations as
16 determined by the Department to identify potential tenants qualifying
17 households.

18 (B) As used in this subsection (e), “qualifying household” means a
19 household that is:

20 (i) exiting homelessness or in need of resettlement; and

1 (ii) referred by a local coordinated entry organization, refugee
2 resettlement program, or another similar organization or program approved by
3 the Department.

4 (2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a
5 landlord shall lease the unit to a qualifying household ~~that is exiting~~
6 ~~homelessness or actively working with an immigrant or refugee resettlement~~
7 ~~program.~~

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

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

14 (ii) ~~if such a household is unavailable, to another household with~~
15 ~~the approval of the Department or housing organization~~ at or below the
16 applicable fair market rent, including utilities not covered by rent payments, as
17 established by the U.S. Department of Housing and Urban Development.

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

20 (B) ~~If no housing voucher or federal or State subsidy is available, the~~
21 ~~total cost of rent for the unit, including utilities not covered by rent payments,~~

1 shall not exceed the applicable fair market rent established by the Department
2 of Housing and Urban Development.

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

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

8 (f) Requirements applicable to forgivable loans for new or non-code-
9 compliant units. For a forgivable loan awarded under subdivision (b)(1) or
10 (b)(3) of this section for a unit that is ~~non-code-compliant~~ new or non-code-
11 compliant, the following requirements apply for a minimum period of 10
12 years:

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

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

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

21 (g) Requirements for an accessory dwelling unit.

1 ~~(1)~~ For a grant or forgivable loan awarded under subdivision (b)(2) of
2 this section for a unit that is a new accessory dwelling unit, for a minimum
3 period of five years, the total cost of rent for the unit, including utilities not
4 covered by rent payments, shall not exceed the applicable fair market rent
5 established by the Department of Housing and Urban Development.

6 ~~(2) A landlord shall not offer an accessory dwelling unit created through~~
7 ~~the Program as a short-term rental, as defined in 18 V.S.A. § 4301.~~

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

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

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

16 (i) Loan conversion.

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

19 (2) A landlord who converts a grant to a forgivable loan shall receive a
20 10 percent credit for loan forgiveness for each year in which the landlord
21 participates in the grant program.

1 Sec. 2. VHIP; APPROPRIATION

2 In fiscal year 2024, the amount of \$15,000,000.00 is appropriated from the
3 General Fund to the Department of Housing and Community Development for
4 the Vermont Rental Housing Improvement Program.

5 * * * Missing Middle-Income Homeownership
6 Development Pilot Program * * *

7 Sec. 3. 2022 Acts and Resolves No. 182, Sec. 11 is amended to read:

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

10 (a) The following amounts are appropriated from the America Rescue Plan
11 Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Department of
12 Housing and Community Development to grant to the Vermont Housing
13 Finance Agency to establish the Missing Middle-Income Homeownership
14 Development Pilot Program:

15 (1) \$5,000,000.00 in fiscal year 2022; and

16 (2) \$10,000,000.00 in fiscal year 2023.

17 (b) As used in this section:

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

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

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

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

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

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

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

1 (B) the subsidy is subject to a housing subsidy covenant, as defined
2 in 27 V.S.A. § 610, that preserves the affordability of the home for a period of
3 99 years or longer.

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

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

9 (1) project location;

10 (2) geographic distribution, including in communities that score 50 or
11 higher on the Vermont Underserved Communities Index developed by the
12 Agency of Administration;

13 (3) leveraging of other programs;

14 (4) housing market needs;

15 (5) project characteristics, including whether the project includes the use
16 of existing housing as part of a community revitalization plan;

17 (6) construction standards, including considerations for size;

18 (7) priority for plans with deeper affordability and longer duration of
19 affordability requirements;

20 (8) sponsor characteristics;

21 (9) energy efficiency of the development; and

1 (10) historic nature of the project.

2 (f)(1) When designing and implementing the Program, the Agency shall
3 consult experts in the field and stakeholders to inform the design of the
4 Program.

5 (2) The Program shall include a streamlined and minimal application
6 process for applicants to apply.

7 (3) The Program design shall establish:

8 (A) an outreach and education plan including specific tactics to reach
9 and support eligible applicants, especially those from underserved regions or
10 sectors; and

11 (B) an equitable system for distributing grants statewide on the basis
12 of need according to a system of priorities, including:

13 (i) geographic location;

14 (ii) community size; and

15 (iii) whether an application has already received a grant or is from
16 an applicant in a community that has already received Program funding.

17 (4) The Agency shall use its best efforts to ensure:

18 (A) that grant funds awarded are targeted to the geographic
19 communities or regions with the most pressing economic and employment
20 needs; and

1 (B) that the allocation of grant funds provides equitable access to the
2 benefits to all eligible geographical areas.

3 (g) The Agency may assign its rights under any investment or subsidy
4 made under this section to the Vermont Housing and Conservation Board or
5 any State agency or nonprofit organization qualifying under 26 U.S.C. §
6 501(c)(3), provided such assignee acknowledges and agrees to comply with the
7 provisions of this section.

8 ~~(g)~~(h) The Agency shall ensure that initial investments made under this
9 Program are obligated by December 31, 2024 and expended by December 31,
10 2026.

11 ~~(h)~~(i) The Department shall report to the House Committee on General,
12 ~~Housing, and Military Affairs~~ and Housing and Senate Committee on
13 Economic Development, Housing and General Affairs on the status of the
14 Program annually, on or before January 15, through 2027.

15 Sec. 4. MISSING MIDDLE-INCOME HOMEOWNERSHIP

16 DEVELOPMENT PILOT PROGRAM; APPROPRIATION

17 In fiscal year 2024, the amount of \$10,000,000.00 is appropriated from the
18 General Fund to the Vermont Housing Finance Agency to provide funding
19 through the Missing Middle-Income Homeownership Development Pilot
20 Program.

1 * * * Middle-Income Rental Housing Revolving Loan Program * * *

2 Sec. 5. 10 V.S.A. § 629 is added to read:

3 § 629. MIDDLE-INCOME RENTAL HOUSING REVOLVING LOAN
4 PROGRAM

5 (a) Creation; administration. The Agency shall design and implement the
6 Middle-Income Rental Housing Revolving Loan Program and shall create and
7 administer a revolving loan fund to provide subsidized loans for rental housing
8 developments that serve middle-income households.

9 (b) Loans; eligibility; criteria.

10 (1) The Agency shall adopt processes, procedures, and guidelines to
11 implement the Program consistent with this section, including a simple
12 application process that is accessible to small developers, builders, and
13 contractors.

14 (2) To be eligible for a subsidized loan through the Program, a project
15 shall create two or more new rental housing units, which may include market
16 rate and affordable units, provided that at least 25 percent of the units in the
17 project are affordable to a household earning between 65 and 120 percent of
18 the applicable area median income. Projects may include new construction,
19 acquisition with substantial rehabilitation, and preservation of naturally
20 occurring affordable housing.

1 (3) A loan is available only for the costs of the project allocable to the
2 affordable units.

3 (4) The Agency shall calculate the maximum amount of a loan, which
4 shall not exceed the lesser of:

5 (A) 35 percent of the costs of the project allocable to the affordable
6 units; or

7 (B) the following amounts based on area median income bands:

8 (i) \$125,000.00 per unit for each unit that is affordable to a
9 household earning between 65 and 80 percent of area median income; and

10 (ii) \$100,000.00 per unit for each unit that is affordable to a
11 household earning between 81 and 120 percent of area median income.

12 (5) The Agency shall determine the term and interest rate of a loan. The
13 Agency may adopt one or more mechanisms to provide an enhanced subsidy to
14 incentivize projects, including:

15 (A) a lower interest rate;

16 (B) an interest-only option with deferred principal repayment; and

17 (C) partial loan forgiveness.

18 (6) The Agency shall adopt a Program plan that allows for an enhanced
19 subsidy for a project that meets one or more of the following:

20 (A) The project receives five percent or more of the total funding
21 from an employer or employer-capitalized loan or grant.

1 (B) The project receives five percent or more of the total funding
2 from a municipal or regional housing fund, local or State fiscal recovery fund,
3 or other form of direct government affordable housing investment.

4 (C) The project utilizes tax-exempt bond funding or federal low-
5 income housing tax credits for at least 20 percent of the project's total units.

6 (D) The project is small in scale and provides infill development
7 within a historic settlement pattern.

8 (E) The project is located in an underserved rural community that
9 scores 50 percent or higher on the Vermont Underserved Communities Index
10 developed by the Agency of Administration.

11 (7) The Agency shall use one or more legal mechanisms to ensure that a
12 subsidized unit remains affordable to a household earning the applicable
13 percent of area median income for the longer of seven years or full repayment
14 of the loan.

15 (c) Revolving funds; costs of administration.

16 (1) The Agency may use not more than six percent of Program funds for
17 the costs of administration.

18 (2) The Agency shall retain payments of principal, interest, and any fees
19 in a revolving loan fund, the amounts of which it shall use to issue future loans
20 through the Program.

1 Sec. 6. APPROPRIATION

2 In fiscal year 2024, the amount of \$15,000,000.00 is appropriated from the
3 General Fund to the Vermont Housing Finance Agency to implement the
4 Middle-Income Rental Housing Revolving Loan Program created in 10 V.S.A.
5 § 629.

6 * * * Bylaw Modernization Grants * * *

7 Sec. 7. 24 V.S.A. § 4307 is amended to read:

8 § 4307. MUNICIPAL BYLAW MODERNIZATION GRANTS

9 * * *

10 (b) Disbursement to municipalities shall be administered by the
11 Department of Housing and Community Development through a competitive
12 process providing the opportunity for all regions and any eligible municipality
13 to compete regardless of size. However, municipalities with communities
14 score 75 percent or higher on the Vermont Underserved Community Priority
15 Index receive priority status in grant applications.

16 * * *

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

18 * * *

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

1 pedestrians, except municipalities with populations of less than 1,500 persons,
2 which are exempt from this requirement;

3 * * *

4 * * * Grant Appropriation * * *

5 Sec. 8. APPROPRIATION

6 The sum of \$500,000.00 is appropriated in Fiscal Year 24 for Municipal
7 Bylaw Modernization Grants established under 24 V.S.A. § 4307.
8 Municipalities that do not yet have a municipal plan or do not yet have zoning
9 bylaws that apply for the grants shall be given priority.

10 * * * Housing Navigator * * *

11 Sec. 9. HOUSING RESOURCE NAVIGATOR FOR REGIONAL
12 PLANNING COMMISSIONS

13 (a) The Vermont Association of Planning and Development Agencies shall
14 hire Housing Resource Navigators, who shall serve underserved communities
15 by working with municipalities, local housing organizations, and private
16 developers to identify housing opportunities, match communities with funding
17 resources, and provide project management support.

18 (b) There is appropriated the sum of \$300,000.00 in fiscal year 2024 to the
19 Vermont Association of Regional Planning and Development Agencies for the
20 purpose of hiring the Housing Resource Navigators as described in subsection
21 (a) of this section.

1 ~~adverse effect on the character of the area affected under subdivision 4414(3)~~
2 ~~of this title.~~ Other elements of the determination made by the appropriate
3 municipal panel may be appealed.

4 * * * Act 250* * *

5 Sec. 12. 10 V.S.A. § 6001 is amended to read:

6 § 6001. DEFINITIONS

7 As used in this chapter:

8 * * *

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

10 * * *

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

12 * * *

13 (ix) The construction of improvements for a housing project
14 within a designated downtown or village center designated under 24 V.S.A.
15 chapter 76A with permanent zoning and subdivision bylaws.

16 * * *

17 (19)(A) “Subdivision” means each of the following:

18 * * *

19 (iv) A tract or tracts of land, owned or controlled by a person, that
20 the person has partitioned or divided for the purpose of resale into 10 or more
21 lots located within a designated downtown or designated village center.

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* * * Zoning Appeals * * *

Sec. 13. 24 V.S.A. § 4465 is amended to read:

§ 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

* * *

(b) For the purposes of this chapter, an interested person means any one of the following:

* * *

~~(4) Any ten persons who may be any combination of voters or real property owners within a municipality listed in subdivision (2) of this subsection who, by signed petition to the appropriate municipal panel of a municipality, the plan or a bylaw of which is at issue in any appeal brought under this title, allege that any relief requested by a person under this title, if granted, will not be in accord with the policies, purposes, or terms of the plan or bylaw of that municipality. This petition to the appropriate municipal panel must designate one person to serve as the representative of the petitioners regarding all matters related to the appeal.~~

~~(5)~~ Any department and administrative subdivision of this State owning property or any interest in property within a municipality listed in subdivision (2) of this subsection, and the Agency of Commerce and Community Development of this State.

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* * * Wastewater * * *

Sec. 14. 10 V.S.A. § 1974 is amended to read:

§ 1974. EXEMPTIONS

Notwithstanding any other requirements of this chapter, the following projects and actions are exempt:

* * *

(9) A project completed by a person who receives an authorization from a municipality that administers a program registered with the Secretary pursuant to section 1983 of this title.

Sec. 15. 10 V.S.A. § 1983 is added to read:

§ 1983. AUTHORIZATION FOR MUNICIPAL WASTEWATER SYSTEM AND POTABLE WATER SUPPLY CONNECTIONS

(a) A municipality may issue an authorization for a connection or an existing connection with a change in use to the municipal sanitary sewer collection line via a sanitary sewer service line or a connection to a water main via a new water service line in lieu of permits issued under this chapter, provided that the municipality documents the following in a form prescribed by the Secretary:

(1) The municipality owns or has legal control over connections to a public community water system permitted pursuant to chapter 56 of this title

1 and over connections to a wastewater treatment facility permitted pursuant to
2 chapter 47 of this title.

3 (2) The municipality shall only issue authorizations for:

4 (A) a sanitary sewer service line that connects to the sanitary sewer
5 collection line; and

6 (B) a water service line that connects to the water main.

7 (3) The building or structure authorized under this section connects to
8 both the sanitary sewer collection line and public community water system.

9 (4) The authorizations from the municipality comply with the technical
10 standards for sanitary sewer service lines and water service lines in the
11 Wastewater System and Potable Water Supply Rules.

12 (5) The municipality requires documentation issued by a professional
13 engineer or licensed designer that is filed in the land records that the
14 connection authorized by the municipality was installed in accordance with the
15 technical standards.

16 (6) The municipality requires the retention of plans that show the
17 location and design of authorized connections.

18 (b) The municipality shall notify the Secretary 30 days in advance of
19 terminating any authorization. The municipality shall provide all
20 authorizations and plans to the Secretary as a part of this termination notice.

1 (c) A municipality issuing an authorization under this section shall require
2 the person to whom the authorization is issued to post notice of the
3 authorization as part of the notice required for a permit issued under 24 V.S.A.
4 § 4449 or other bylaw authorized under this chapter.

5 Sec. 16. FISCAL YEAR 2024; FEDERAL FUNDS; VILLAGE

6 WASTEWATER; PRIORITY

7 In fiscal year 2024, the General Assembly shall prioritize reallocating any
8 unexpended American Rescue Plan Act (ARPA) funds remaining at the end of
9 fiscal year 2023 to support village wastewater treatment.

10 * * * Prime Agricultural Soils * * *

11 Sec. 17. 10 V.S.A. § 6093 is amended to read:

12 § 6093. MITIGATION OF PRIMARY AGRICULTURAL SOILS

13 (a) Mitigation for loss of primary agricultural soils. Suitable mitigation for
14 the conversion of primary agricultural soils necessary to satisfy subdivision
15 6086(a)(9)(B)(iv) of this title shall depend on where the project tract is located.

16 (1) Project located in certain designated areas. This subdivision applies
17 to projects located in the following areas designated under 24 V.S.A. chapter
18 76A: a downtown development district, a growth center, a new town center
19 ~~designated on or before January 1, 2014~~, and a neighborhood development area
20 ~~associated with a designated downtown development district~~. If the project
21 tract is located in one of these designated areas, an applicant who complies

1 with subdivision 6086(a)(9)(B)(iv) of this title shall deposit an offsite
2 mitigation fee into the Vermont Housing and Conservation Trust Fund
3 established under section 312 of this title for the purpose of preserving primary
4 agricultural soils of equal or greater value with the highest priority given to
5 preserving prime agricultural soils as defined by the U.S. Department of
6 Agriculture. Any required offsite mitigation fee shall be derived by:

7 (A) Determining the number of acres of primary agricultural soils
8 affected by the proposed development or subdivision.

9 (B) Multiplying the number of affected acres of primary agricultural
10 soils by a factor resulting in a ratio established as follows:

11 (i) For development or subdivision within a designated area
12 described in this subdivision (a)(1), the ratio shall be 1:1.

13 (ii) For residential construction that has a density of at least eight
14 units of housing per acre, of which at least eight units per acre or at least
15 40 percent of the units, on average, in the entire development or subdivision,
16 whichever is greater, meets the definition of affordable housing established in
17 this chapter, no mitigation shall be required, regardless of location in or outside
18 a designated area described in this subdivision (a)(1). However, all affordable
19 housing units shall be subject to housing subsidy covenants, as defined in
20 27 V.S.A. § 610, that preserve their affordability for a period of 99 years or
21 longer. As used in this section, housing that is rented shall be considered

1 affordable housing when its inhabitants have a gross annual household income
2 that does not exceed 60 percent of the county median income or 60 percent of
3 the standard metropolitan statistical area income if the municipality is located
4 in such an area.

5 (iii) For an alternative or community wastewater system that will
6 serve development within a designated area, no mitigation shall be required.

7 * * *

8 * * * Rural Capacity * * *

9 Sec. 18. RURAL INFRASTRUCTURE ASSISTANCE PROGRAM

10 (a) Program created. The Agency of Administration shall develop the
11 Rural Infrastructure Assistance Program to support rural communities in
12 accessing and managing competitive grant funds available for clean water
13 initiatives, development of a wide array of housing, broadband development,
14 community recovery, workforce development, and business supports and
15 climate change mitigation and resiliency infrastructure projects to be
16 administered by the State.

17 (b) Eligible communities.

18 (1) The Agency shall partner with the Vermont League of Cities and
19 Towns to design an index to prioritize the distribution of resources based on
20 municipal administrative capacity and shall give priority to municipalities with
21 the highest need.

1 (2) The Agency may expand the Program to additional communities
2 after one calendar year from the date of implementation to the extent funds
3 remain available.

4 (c) Community services. The Agency shall make available to
5 municipalities upon request services to advance priority projects, including the
6 following:

7 (1) a community needs assessment to evaluate need, as directed by a
8 municipality, in the following categories:

9 (A) water quality infrastructure improvement;

10 (B) housing development;

11 (C) community recovery, workforce development, and business
12 support;

13 (D) climate change mitigation and resilience; and

14 (E) other projects related to community economic development
15 identified by the Agency of Administration.

16 (2) an opportunity assessment to identify available State and federal
17 funding programs;

18 (3) application and permitting support to assist municipalities in
19 applying for applicable funding sources and necessary permits;

1 (4) project management and implementation support to assist successful
2 grant recipients with project management and funding program compliance;
3 and

4 (5) other capacity-building activities to advance projects identified by
5 communities.

6 (d) Administration. The Agency shall publish and publicize the
7 organizations and businesses that are put on retainer to provide services to
8 municipalities through the Program. A municipality may choose to work
9 directly with an entity on the retainer list, and the contracted entity shall bill
10 the Agency for services rendered.

11 (e) Outreach and facilitation. The regional planning commissions, the
12 regional development corporations, the Vermont League of Cities and Towns,
13 and the Agency shall conduct direct outreach to eligible municipalities to
14 encourage and ensure eligible municipalities utilize the resources available to
15 them through the Program.

16 Sec. 19. APPROPRIATION; RURAL INFRASTRUCTURE ASSISTANCE
17 PROGRAM

18 In fiscal year 2024, the amount of \$3,000,000.00 is appropriated from the
19 General Fund to the Agency of Administration for the Rural Infrastructure
20 Assistance Program.

1 Sec. 20. EQUITABLE DISTRIBUTION OF FEDERAL RELIEF FUNDS

2 Of the amounts remaining from the federal American Rescue Plan Act and
3 the Coronavirus State and Local Fiscal Recovery Funds, when considering
4 distribution of funds, the Secretary of Administration shall give priority
5 application status to communities with the highest need, as determined by an
6 index designed by the Agency in collaboration with the Vermont League of
7 Cities and Towns that prioritizes the distribution of resources based on
8 municipal administrative capacity.

9 Sec. 21. 24 V.S.A. § 4306 is amended to read:

10 § 4306. MUNICIPAL AND REGIONAL PLANNING FUND

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

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

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

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

3 (B) 70 percent shall be disbursed to the Secretary of Commerce and
4 Community Development pursuant to subdivision (b)(1) of this section for
5 performance contracts with regional planning commissions to provide regional
6 planning services pursuant to section 4341a of this title; and

7 (C) 20 percent shall be disbursed to municipalities.

8 (b)(1) Allocations for performance contract funding to regional planning
9 commissions shall be determined according to ~~a formula to be adopted by rule~~
10 ~~under 3 V.S.A. chapter 25 by the Department for the assistance of the regional~~
11 ~~planning commissions~~ the number of Vermont member municipalities in each
12 commission's service area as of July 1 of each year. Disbursement of funding
13 to regional planning commissions shall be predicated upon meeting
14 performance goals and targets pursuant to the terms of the performance
15 contract.

16 (2) Disbursement to municipalities shall be awarded annually on or
17 before December 31 through a competitive program administered by the
18 Department providing the opportunity for any eligible municipality or
19 municipalities to compete regardless of size, provided that to receive funds, a
20 municipality:

21 (A) shall be confirmed under section 4350 of this title; or

1 (B)(i) shall use the funds for the purpose of developing a municipal
2 plan to be submitted for approval by the regional planning commission, as
3 required for municipal confirmation under section 4350 of this title; and

4 (ii) shall have voted at an annual or special meeting to provide
5 local funds for municipal and regional planning purposes.

6 (3) For disbursements to municipalities pursuant to subdivision (2) of
7 this subsection, the Department shall give priority to municipalities that have
8 not adopted a municipal plan or zoning bylaws.

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

10 (1) funding the regional planning commission in undertaking capacity
11 studies;

12 (2) carrying out the provisions of subchapters 5 through 10 of this
13 chapter;

14 (3) acquiring development rights, conservation easements, or title to
15 those lands, areas, and strictures identified in either regional or municipal plans
16 as requiring special consideration for provision of needed housing, aquifer
17 protection, open space, farmland preservation, or other conservation purposes;
18 and

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

1 (d) New funds allocated to municipalities under this section may take the
2 form of Municipal Bylaw Modernization Grants in accordance with section
3 4307 of this title.

4 Sec. 22. 10 V.S.A. § 1 is added to read:

5 § 1. GRANT PROGRAMS; EQUITABLE DISTRIBUTION

6 (a) The Secretary of Administration shall adopt rules, processes, and
7 procedures consistent with this section that apply to all State-funded grant
8 programs to ensure equitable access and distribution of funds throughout the
9 State.

10 (b)(1) When designing and implementing a grant program, the
11 administering authority shall consult experts in the field and stakeholders to
12 inform the design of the program.

13 (2) A program shall include a streamlined and minimal application
14 process for applicants to apply and the following components:

15 (A) an outreach and education plan including specific tactics to reach
16 and support eligible applicants, especially those from underserved regions or
17 sectors; and

18 (B) an equitable system for distributing grants statewide on the basis
19 of need according to a system of priorities, including:

20 (i) geographic location;

21 (ii) community size; and

1 (iii) whether the applicant has already received a grant or is from a
2 community that has already received funding from the grant program.

3 (3) The administering authority shall use its best efforts to ensure:

4 (A) that grant funds awarded are targeted to applicants from the
5 geographic communities or regions with the most pressing economic and
6 employment needs; and

7 (B) that the allocation of grant funds provides equitable access to the
8 benefits to all eligible geographical areas.

9 (4) Whenever possible, a program shall use a formula-based distribution
10 model instead of a competitive grant process.

11 Sec. 23. RURAL RECOVERY COORDINATION COUNCIL

12 (a) Goals. The Rural Recovery Coordination Council is created to
13 strengthen coordination by providing clear policy direction to the agencies and
14 stakeholders involved in rural development.

15 (b) Purposes. The Council shall consider and identify strategies to:

16 (1) prioritize areas of investment into Vermont's economy and persons
17 in order to ensure equitable access to resources to meet Vermont's climate
18 goals, rural economic development objectives, and environmental
19 sustainability requirements;

20 (2) build long-term emergency and disaster preparedness and recovery;
21 and

1 (3) ensure intergovernmental communications and coordination.

2 (c) Powers and duties. The Council shall identify structural changes and
3 improve coordination across all levels of government to support rural
4 economic development, including addressing the following issues:

5 (1) a permanent structure for ensuring rural program development
6 within State government;

7 (2) how to better prioritize rural voices and regional collaboration and
8 prioritization;

9 (3) how municipal, regional, and State plans, policies, and investments
10 can be integrated and mutually supportive;

11 (4) where to establish an office of Rural Economic Development and
12 how long the office should be authorized for;

13 (5) how to support capacity at the municipal level and how to support
14 multitown coordination and collaboration; and

15 (6) how to maximize rural voices and regional collaboration and
16 prioritization.

17 (d) Report. On or before January 15, 2024, the Council shall report to the
18 General Assembly and to the Agency of Administration with its findings,
19 recommendations, and draft legislation.

20 (e) Members. The Council shall comprise the following members:

21 (1) the Vermont Chief Performance Officer;

- 1 (2) the Secretary of Commerce and Community Development;
- 2 (3) the Commissioner of Public Service;
- 3 (4) the Secretary of Transportation;
- 4 (5) the Director of Racial Equity or designee;
- 5 (6) one or more representatives from the regional planning
6 commissions and regional development corporations;
- 7 (7) the Executive Director of the Vermont League of Cities and Towns;
- 8 (8) a member, appointed by the Vermont Communications Union
9 Districts Association;
- 10 (9) the Secretary of Natural Resources;
- 11 (10) a member, appointed by the University of Vermont Office of
12 Engagement;
- 13 (11) a member, appointed by the Vermont Housing and Conservation
14 Board;
- 15 (12) a member of the House of Representatives, appointed by the
16 Speaker of the House; and
- 17 (13) a member of the Senate, appointed by the Committee on
18 Committees.
- 19 (f) Compensation and reimbursement.

1 (1) For attendance at meetings during adjournment of the General
2 Assembly, a legislative member of the Council shall be entitled to per diem
3 compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23.

4 (2) Other members of the Council shall be entitled to per diem
5 compensation and reimbursement of expenses as permitted under 32 V.S.A.
6 § 1010.

7 (g) Meetings; administration.

8 (1) The Council shall meet at least five times and take testimony from a
9 variety of stakeholders, including from those with experience in state land use
10 planning, regional planning, municipal planning, economic planning, or
11 strategic planning.

12 (2) The Council shall receive administrative support from the Vermont
13 Council on Rural Development, which shall convene the first meeting.

14 (3) The Council shall cease to exist on December 31, 2024.

15 (h) Appropriation. In fiscal year 2024, the amount of \$50,000.00 is
16 appropriated from the General Fund to the Agency of Commerce and
17 Community Development to provide funding for the Council as follows:

18 (1) \$40,000.00 to the Vermont Council on Rural Development to
19 convene meetings of the Council and provide administrative and policy
20 support; and

1 (2) \$10,000.00 to provide per diem compensation and reimbursement of
2 expenses for members of the Council.

3 * * * Technical Assistance * * *

4 Sec. 24. 10 V.S.A. § 2 is added to read:

5 § 2. RURAL BUSINESS TECHNICAL ASSISTANCE EXCHANGE

6 (a) There is created the Rural Business Technical Assistance Exchange, a
7 business assistance program through which the regional development
8 corporations shall provide small- and mid-sized businesses with professional
9 and technical assistance:

10 (1) through in-house Business Navigators;

11 (2) through partnerships with organizations specializing in outreach to
12 historically underserved populations; and

13 (3) through grants to private providers for professional services,
14 including:

15 (A) business operations, financial management, and grant writing;

16 (B) digital strategies;

17 (C) architecture and physical space design;

18 (D) reconfiguring manufacturing equipment and processes and
19 incorporating safety measures;

20 (E) technology and software consulting;

21 (F) legal and other professional services; and

1 (G) other technical assistance.

2 (b)(1) Through the Exchange, the regional development corporations shall
3 maintain a directory of, and build connections to, Vermont technical assistance
4 providers who have demonstrated the ability and expertise to assist businesses
5 with critical tools to grow and adapt their businesses to the everchanging
6 business climate.

7 (2) The Exchange shall award technical assistance grants of not more
8 than \$5,000.00 per business for technical services from approved providers.

9 (3) To be eligible to receive technical assistance through the Exchange,
10 a business:

11 (A) must be a for-profit entity located in a rural area of Vermont; and

12 (B) must have at least \$5,000.00 in average annual revenue.

13 (4) A business whose owner's income is higher than the federal labor
14 market area in which the business operates shall provide a 50 percent match for
15 the costs of professional services funded by a grant.

16 (c) The regional development corporations shall operate the Exchange to
17 produce benefits for both the client companies as well as the vendors providing
18 the assistance, and to expand the capabilities of the regional development
19 corporations to serve an even larger portion of the rural business community,
20 including historically underserved populations.

1 (d) The regional development corporations shall publish a report on the
2 activities and performance of the Exchange on or before January 15 and July
3 15 each year.

4 * * * Fair Repair; Agricultural Equipment * * *

5 Sec. 25. 9 V.S.A. chapter 106 is added to read:

6 CHAPTER 106. AGRICULTURAL EQUIPMENT; FAIR REPAIR

7 § 4051. DEFINITIONS

8 As used in this chapter:

9 (1) “Agricultural equipment” means a device, part of a device, or an
10 attachment to a device designed to be used principally for an agricultural
11 purpose, including a tractor, trailer, or combine; implements for tillage,
12 planting, or cultivation; and other equipment associated with livestock or crop
13 production, horticulture, or floriculture.

14 (2) “Authorized repair provider” means an individual or business that
15 has an arrangement with the original equipment manufacturer under which the
16 original equipment manufacturer grants to the individual or business a license
17 to use a trade name, service mark, or other proprietary identifier for the
18 purposes of offering the services of diagnosis, maintenance, or repair of
19 equipment under the name of the original equipment manufacturer or other
20 arrangement with the original equipment manufacturer to offer such services
21 on behalf of the original equipment manufacturer. An original equipment

1 manufacturer that offers the services of diagnosis, maintenance, or repair of its
2 own equipment and that does not have an arrangement described in this
3 subdivision with an unaffiliated individual or business shall be considered an
4 authorized repair provider with respect to such equipment.

5 (3) “Documentation” means any manual, diagram, reporting output,
6 service code description, schematic diagram, security code, password, or other
7 guidance or information used in effecting the services of diagnosis,
8 maintenance, or repair of agricultural or forestry equipment.

9 (4) “Fair and reasonable terms” with respect to a part, tool, software, or
10 documentation offered by an original equipment manufacturer, means the
11 following:

12 (A) For parts:

13 (i) Costs are fair to both parties, considering the agreed-upon
14 conditions, promised quality, and timeliness of delivery. Fair and reasonable
15 costs are subject to statutory and regulatory limitations.

16 (ii) Terms:

17 (I) do not impose on an owner or an independent repair
18 provider any substantial obligation to use or any restriction on the use of the
19 part to diagnose, maintain, or repair equipment sold, leased, or otherwise
20 supplied by the original farm equipment manufacturer, including a condition
21 that the owner or independent repair provider become an authorized repair

1 provider of the original equipment manufacturer, or a requirement that a part
2 be registered, paired with, or approved by the original equipment manufacturer
3 or an authorized repair provider before such part is operational; and

4 (II) prohibit an original equipment manufacturer from imposing
5 any additional cost or burden that is not reasonably necessary or is designed to
6 be an impediment on the owner or independent repair provider.

7 (B) For tools and documentation:

8 (i) Costs are equivalent to the lowest actual cost for which the
9 original equipment manufacturer offers the tool, software, or documentation to
10 an authorized repair provider, including any discount, rebate, or other financial
11 incentive offered to an authorized repair provider.

12 (ii) Terms:

13 (I) are equivalent to the most favorable terms under which an
14 original equipment manufacturer offers the part, tool, software, or
15 documentation to an authorized repair provider, including the methods and
16 timeliness of delivery of the part, tool, software, or documentation;

17 (II) do not impose on an owner or an independent repair
18 provider any substantial obligation to use or any restriction on the use of the
19 tool, software, or documentation to diagnose, maintain, or repair equipment
20 sold, leased, or otherwise supplied by the original equipment manufacturer,
21 including a condition that the owner or independent repair provider become an

1 authorized repair provider of the original equipment manufacturer, or a
2 requirement that a tool be registered, paired with, or approved by the original
3 equipment manufacturer or an authorized repair provider before such part or
4 tool is operational; and

5 (III) prohibit an original equipment manufacturer from
6 imposing any additional cost or burden that is not reasonably necessary or is
7 designed to be an impediment on the owner or independent repair provider.

8 (C) For documentation, the documentation is made available by the
9 original equipment manufacturer at no charge, except that, when the
10 documentation is requested in physical printed form, a charge may be included
11 for the reasonable actual costs of preparing and sending the copy.

12 (5) “Forestry equipment” means nondivisible equipment, implements,
13 accessories, and contrivances used directly and principally in cutting or
14 removing timber or other sold wood forest products, including equipment used
15 to construct, maintain, or install infrastructure necessary to and associated with
16 a logging operation.

17 (6) “Independent repair provider” means a person operating in this State,
18 that does not have an arrangement described in subdivision (2) of this section
19 with an original equipment manufacturer, and that is engaged in the services of
20 diagnosis, maintenance, or repair of agricultural or forestry equipment.

1 (7) “Original equipment manufacturer” means a person engaged in the
2 business of selling, leasing, or otherwise supplying new agricultural or forestry
3 equipment manufactured by or on behalf of itself to any individual or business.

4 (8) “Owner” means an individual or business that owns or leases
5 agricultural or forestry equipment purchased or used in this State.

6 (9) “Part” means any replacement part, either new or used, made
7 available by an original equipment manufacturer for purposes of effecting the
8 services of maintenance or repair of agricultural or forestry equipment
9 manufactured by or on behalf of, sold or otherwise supplied by, the original
10 equipment manufacturer.

11 (10) “Tools” means any software program, hardware implement, or
12 other apparatus used for the diagnosis, maintenance, or repair of agricultural or
13 forestry equipment, including software or other mechanisms that provision,
14 program, or pair a new part; calibrate functionality; or perform any other
15 function required to bring the product back to fully functional condition,
16 including any updates.

17 (11) “Trade secret” has the same meaning as in section § 4601 of this
18 title.

19 § 4052. REQUIREMENTS.

20 (a) For agricultural or forestry equipment, and parts for such equipment,
21 sold or used in this State, an original equipment manufacturer shall make

1 available, for purposes of diagnosis, maintenance, or repair of such equipment,
2 to any independent repair provider, or to the owner of electronics-enabled
3 agricultural equipment manufactured by or on behalf of, or sold or otherwise
4 supplied by, the original equipment manufacturer, on fair and reasonable
5 terms, documentation, parts, and tools required for the diagnosis, maintenance,
6 or repair of such equipment and parts for such equipment, including any
7 updates to information. An original equipment manufacturer shall make the
8 documentation, parts, and tools available either directly or through an
9 authorized repair provider.

10 (b) For equipment that contains an electronic security lock or other
11 security-related function, the original equipment manufacturer shall make
12 available to the owner and to independent repair providers, on fair and
13 reasonable terms, any special documentation, tools, and parts needed to access
14 and reset the lock or function when disabled in the course of diagnosis,
15 maintenance, or repair of the equipment. Such documentation, tools, and parts
16 may be made available by means of an appropriate secure system.

17 § 4053. ENFORCEMENT

18 (a) A person who violates a provision of this chapter commits an unfair and
19 deceptive act in trade and commerce in violation of section 2453 of this title.

1 (b) The Attorney General has the same authority to make rules, conduct
2 civil investigations, enter into assurances of discontinuance, and bring civil
3 actions as provided in chapter 63, subchapter 1 of this title.

4 § 4054. LIMITATION

5 (a) Nothing in this chapter shall be construed to require an original
6 equipment manufacturer to divulge a trade secret to an owner or an
7 independent service provider.

8 (b) No provision in this chapter shall be construed to alter the terms of any
9 arrangement described in subdivision 4051(2) of this title in force between an
10 authorized repair provider and an original equipment manufacturer, including
11 the performance or provision of warranty or recall repair work by an
12 authorized repair provider on behalf of an original equipment manufacturer
13 pursuant to such arrangement, except that any provision in such terms that
14 purports to waive, avoid, restrict, or limit the original equipment
15 manufacturer's obligations to comply with this chapter shall be void and
16 unenforceable.

17 * * * Community Resilience and Disaster Mitigation * * *

18 Sec. 26. 20 V.S.A. § 48 is added to read:

19 § 48. COMMUNITY RESILIENCE AND DISASTER MITIGATION

20 GRANT PROGRAM

1 (a) Program established. There is established the Community Resilience
2 and Disaster Mitigation Grant Program to award grants to covered
3 municipalities to provide support for disaster mitigation activities.

4 (b) Definition. As used in this section, “covered municipality” means a
5 city, town, fire district or incorporated village, and all other governmental
6 incorporated units.

7 (c) Administration; implementation.

8 (1) Grant awards. The Department of Public Safety shall administer the
9 Program, which shall award grants for the following:

10 (A) technical assistance on natural disaster mitigation to
11 municipalities; and

12 (B) projects that implement disaster mitigation measures, including
13 slope stabilization, watershed restoration, fuels mitigation, drought mitigation,
14 and similar activities that directly reduce risks to communities, lives, and
15 property.

16 (2) Grant Program design. The Department of Public Safety shall
17 design the Program. The Program design shall:

18 (A) establish an equitable system for distributing grants statewide on
19 the basis of need according to a system of priorities, including the following,
20 ranked in priority order:

1 (i) projects that use funding as a match for other grants, including
2 grants from the Federal Emergency Management Agency (FEMA);

3 (ii) projects that are in hazard mitigation plans; and

4 (iii) projects that are in communities identified as high on the
5 municipal vulnerability index, as determined by the Vermont Climate Council;

6 (B) establish guidelines for disaster mitigation measures and costs
7 that will be eligible for grant funding; and

8 (C) establish eligibility criteria for covered municipalities.

9 Sec. 27. 20 V.S.A. § 49 is added to read:

10 § 49. COMMUNITY RESILIENCE AND DISASTER MITIGATION

11 FUND

12 (a) Creation. There is established the Community Resilience and Disaster
13 Mitigation Fund to provide funding to the Community Resilience and Disaster
14 Mitigation Grant Program established in section 48 of this title. The Fund
15 shall be administered by the Department of Public Safety.

16 (b) Monies in the Fund. The Fund shall consist of:

17 (1) monies appropriated to the Fund; and

18 (2) any amounts deposited into the Fund from the premium assessment
19 set forth in 32 V.S.A. § 8557.

20 (c) Fund administration.

1 (1) The Commissioner of Finance and Management may anticipate
2 receipts to this Fund and issue warrants based thereon.

3 (2) The Commissioner of Public Safety shall maintain accurate and
4 complete records of all receipts by and expenditures from the Fund.

5 (3) All balances remaining at the end of a fiscal year shall be carried
6 over to the following year.

7 (d) Reports. On or before January 15 each year, the Commissioner of
8 Public Safety shall submit a report to the House Committee on Environment
9 and Energy and the Senate Committee on Natural Resources and Energy with
10 an update on the expenditures from the Fund. For each fiscal year, the report
11 shall include a summary of each project receiving funding. The provisions of
12 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to
13 be made under this subsection.

14 Sec. 28. COMMUNITY RESILIENCE AND DISASTER MITIGATION
15 GRANT PROGRAM; APPROPRIATION

16 In fiscal year 2024, the amount of \$15,000,000.00 in general funds shall be
17 appropriated to the Community Resilience and Disaster Mitigation Fund
18 established in 20 V.S.A. § 49.

19 Sec. 29. 32 V.S.A. § 8557 is amended to read:

20 § 8557. ~~VERMONT FIRE SERVICE TRAINING COUNCIL~~ PREMIUM
21 ASSESSMENT; INSURANCE COMPANIES

1 (a) Assessment.

2 (1) Annually on or before July 1, the Commissioner of Financial
3 Regulation shall impose an assessment totaling not more than \$4,300,000.00
4 on all insurance companies, writing fire, homeowners multiple peril, allied
5 lines, farm owners multiple peril, commercial multiple peril (fire and allied
6 lines), private passenger and commercial auto, and inland marine policies on
7 property and persons situated within the State of Vermont. Captive companies
8 shall be excluded from the effect of this section.

9 (2) The Commissioner shall apportion such charges among all such
10 companies based on the amounts set forth in this section and shall assess them
11 for the charges on a fair and reasonable basis as a percentage of their gross
12 direct written premiums on such insurance written during the second prior
13 calendar year on property situated in the State. The assessment shall be
14 imposed within 30 days after notice from the Commissioner of Financial
15 Regulation of such estimated expenses.

16 (3) The Department of Taxes shall collect all assessments under this
17 section.

18 (4) All administrative provisions of chapter 151 of this title, including
19 those relating to the collection and enforcement of the income tax by the
20 Commissioner, shall apply to this section.

1 (b) Vermont Fire Service Training Council. ~~Sums for the expenses of the~~
2 ~~operation of training facilities and curriculum of the Vermont Fire Service~~
3 ~~Training Council.~~ An amount not to exceed \$1,200,000.00 per year of the
4 assessment described in subsection (a) of this section shall be paid to the Fire
5 Safety Special Fund created by 20 V.S.A. § 3157 ~~by insurance companies,~~
6 ~~writing fire, homeowners multiple peril, allied lines, farm owners multiple~~
7 ~~peril, commercial multiple peril (fire and allied lines), private passenger and~~
8 ~~commercial auto, and inland marine policies on property and persons situated~~
9 ~~within the State of Vermont within 30 days after notice from the~~
10 ~~Commissioner of Financial Regulation of such estimated expenses. Captive~~
11 ~~companies shall be excluded from the effect of this section.~~

12 ~~(2) The Commissioner shall annually, on or before July 1, apportion such~~
13 ~~charges among all such companies and shall assess them for the charges on a~~
14 ~~fair and reasonable basis as a percentage of their gross direct written premiums~~
15 ~~on such insurance written during the second prior calendar year on property~~
16 ~~situated in the State. The Department of Taxes shall collect all assessments~~
17 ~~under this section.~~

18 ~~(3) An~~ Of this sum, an amount not less than \$100,000.00 shall be
19 specifically allocated to the provision of what are now or were formerly
20 referred to as Level I, units I, II, and III (basic) courses for entry-level
21 firefighters.

1 ~~(4)~~(c) Emergency medical services. An amount not less than
2 \$150,000.00 of the assessment described in subsection (a) of this section shall
3 be specifically allocated to the Emergency Medical Services Special Fund
4 established under 18 V.S.A. § 908 for the provision of training programs for
5 certified Vermont EMS first responders and licensed emergency medical
6 responders, emergency medical technicians, advanced emergency medical
7 technicians, and paramedics.

8 ~~(5) The Department of Health shall present a plan to the Joint Fiscal~~
9 ~~Committee that shall review the plan prior to the release of any funds.~~

10 ~~(b) All administrative provisions of chapter 151 of this title, including those~~
11 ~~relating to the collection and enforcement of the income tax by the~~
12 ~~Commissioner, shall apply to this section.~~

13 (d) Allocation. An amount not less than \$3,000,000.00 of the assessment
14 described in subsection (a) of this section shall be specifically allocated to the
15 Community Resilience and Disaster Mitigation Fund established in 20 V.S.A.
16 § 49.

17 * * * Rural Electric Vehicle Supply Equipment Grant Program; Report * * *

18 Sec. 30. RURAL ELECTRIC VEHICLE SUPPLY EQUIPMENT GRANT

19 PROGRAM

20 (a) Definitions. As used in this section:

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

3 (2) “Eligible community” means a municipality that scores at or above
4 the 75th percentile on the Agency of Administration’s Vermont Underserved
5 Communities Index, as required to be developed pursuant to the fiscal year
6 2023 budget adjustment act and designed to rank Vermont municipalities
7 based on their relative administrative capacity to access and maximize the
8 benefits of technical assistance and funding that is available from State,
9 federal, and other sources.

10 (3) “Level 1 charger” or “level 1 EVSE” means EVSE that plugs
11 directly into a standard 120-volt AC outlet and supplies an average output of
12 1.3 to 2.4 kilowatts.

13 (4) “Level 2 charger” or “level 2 EVSE” means galvanically connected
14 EVSE with a single-phase input voltage range from 208 to 240 volts AC and a
15 maximum output current less than or equal to 80 amperes AC.

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

19 (6) “State highway” has the same meaning as in 19 V.S.A. § 1(20).

20 (b) Creation; administration.

1 (1) There is created the Rural Electric Vehicle Supply Equipment
2 (EVSE) Grant Program, which shall be administered by the Agency of
3 Commerce and Community Development in consultation with the EVSE
4 Interagency Working Group.

5 (2) The Program may build upon the Existing EVSE Grant Program and
6 shall support the deployment of EVSE, with a focus on deploying DCFC, and
7 related infrastructure in eligible communities.

8 (c) Program design.

9 (1) The Agency shall design the Program to provide incentives for
10 property owners hosting EVSE with at least one DCFC port and for
11 municipalities to improve electric infrastructure to support DCFC.

12 (2) The Agency shall prioritize providing incentives for projects in
13 eligible communities and shall only provide incentives under the Program to
14 noneligible communities if there are not a sufficient number of applicants for
15 viable projects from eligible communities.

16 (3) The sites eligible for an incentive shall be those that are consistent
17 with State plans, including the State's National Electric Vehicle Infrastructure
18 (NEVI) Plan; the State's goals established by 2021 Acts and Resolves No. 55,
19 Sec. 30; as amended by 2022 Acts and Resolves No. 184, Sec. 4; and electric
20 distribution utility plans for the deployment of DCFC within Vermont.

1 (4) The Agency may provide incentives for the deployment of level 1
2 and level 2 chargers if the level 1 and level 2 chargers are installed in
3 conjunction with at least one DCFC port.

4 (5) The Program shall be designed to ensure that:

5 (A) not fewer than 25 additional DCFC are constructed at unique
6 locations;

7 (B) each location with an incentivized DCFC is not less than 25
8 driving miles from another location with a DCFC; and

9 (C) each location with an incentivized DCFC is within five driving
10 miles of an access point to a State highway or to the Dwight D. Eisenhower
11 National System of Interstate and Defense Highway.

12 (d) Appropriation. The sum of \$4,000,000.00 in one-time General Fund
13 monies is appropriated to the Agency in fiscal year 2024 to establish the
14 Program.

15 (e) Report. The Agency shall provide a written report on the status of the
16 Program to the House Committees on Appropriations, on Environment and
17 Energy, and on Transportation and the Senate Committees on Appropriations,
18 on Natural Resources and Energy, and on Transportation not later than January
19 15, 2024. At a minimum, the report shall include, through the end of calendar
20 year 2023, the number of incentives provided, broken out by type of EVSE or

1 infrastructure incentivized, and the total amount of money deployed in
2 incentives.

3 * * * Introduction to Trade School Education Grant Pilot Project * * *

4 Sec. 31. INTRODUCTION TO TRADE SCHOOL EDUCATION GRANT
5 PILOT PROJECT

6 (a) Pilot Project creation. There is created the Introduction to Trade School
7 Education Grant Pilot Project to provide funding for schools to create a career
8 technical education program within schools serving students in grades eight
9 and nine as a feeder program for regional career technical education centers.

10 (b) Eligible schools. A school is eligible for the Pilot Project if it:

11 (1) is located within a union school district;

12 (2) is located more than 15 miles from the nearest career and technical
13 education center;

14 (3) agrees to match the grant contribution through the provision of
15 space, transportation, maintenance of equipment costs, or through in-kind

16 support;

17 (4) commits to maintaining its career technical education program for a
18 minimum of five years; and

19 (5) invites local businesses to volunteer and mentor students.

20 (c) Grant administration.

1 (1) Not later than 30 days after the effective date of this section, the
2 Agency of Education shall develop, make available, and review for approval
3 an application for Pilot Project grant funding. The application shall include:

4 (A) the school's name and location;

5 (B) proposed course offerings;

6 (C) the school's plan to match grant contributions and continue to
7 fund and maintain the program for three years after the initial two years of
8 grant funding;

9 (D) certification that the school commits to maintaining its career and
10 technical education program for a minimum of five years;

11 (E) a list of local businesses that have agreed to volunteer and mentor
12 students; and

13 (F) estimated costs for one full-time teacher and equipment.

14 (2) Grants for approved eligible schools shall fund one full-time teacher
15 for two years and equipment costs, with up to \$450,000.00 total per grant.

16 After the initial grant and first two years of the Pilot Program, all costs shall be
17 borne by the school district, including teacher salary and equipment
18 maintenance. Schools are encouraged to accept public, private, and nonprofit
19 donations to support the Pilot Program.

20 (d) Report. The Agency of Education shall report to the House and Senate
21 Committees on Education on or before January 15, 2024 and January 15, 2025

1 regarding the use of funds appropriated in this section, including data on
2 student participation, the number of students who go on to participate in career
3 technical education through the student's regional center, and each
4 participating school's match and sustainability plan to continue the Pilot
5 Program for three additional years.

6 (e) Appropriation.

7 (1) Notwithstanding 16 V.S.A. § 4025(d), the sum of \$5,500,000.00 is
8 appropriated from the Education Fund to the Agency of Education in fiscal
9 year 2024 for the purpose of funding the Introduction to Trade School
10 Education Grant Pilot Project pursuant to this section.

11 (2) The Agency shall not use more than two percent of the funds
12 appropriated under this section for its costs of administration.

13 * * * Emergency Medical Services; Appropriation * * *

14 Sec. 32. APPROPRIATION; EMERGENCY MEDICAL SERVICES
15 SPECIAL FUND; FISCAL YEARS 2024–2028

16 (a) Fiscal year 2024. The sum of \$20,000,000.00 is appropriated from the
17 General Fund to the Emergency Medical Services Special Fund in fiscal year
18 2024 for the purpose of defraying the costs of unreimbursed emergency
19 medical services transport and nontransporting emergency medical services,
20 training and continuing education costs for emergency medical services

1 providers, the purchase of medical equipment to equip ambulances, and
2 Emergency Medical Services District administration costs.

3 (b) Fiscal years 2025 through 2028.

4 (1) It is the intent of the General Assembly that a sum of not more than
5 \$20,000,000.00 is appropriated from the General Fund to the Emergency
6 Medical Services Special Fund annually for fiscal years 2025 through 2028 for
7 the purposes described in subsection (a) of this section.

8 (2) It is the intent of the General Assembly that delivery of emergency
9 medical services is annually funded with \$20,000,000.00 for fiscal years 2025
10 through 2028 by an appropriation from the General Fund to the Emergency
11 Medical Services Special Fund; however, the appropriation amount should be
12 reduced to the maximum extent possible through the utilization of public and
13 private Medicaid match programs.

14 (3) The purpose of State funding under this section is to improve access
15 to emergency medical services while the State works towards establishing a
16 long-term statewide system of funding to provide this essential public service
17 to all Vermonters.

18 * * * Commercial Insurance; Emergency Medical Services * * *

19 Sec. 33. 8 V.S.A. § 4089m is added to read:

20 § 4089m. EMERGENCY MEDICAL SERVICES

21 (a) Definitions. As used in this section:

1 (1) “Emergency medical services providers” and “EMS providers” mean
2 emergency first responders, emergency services responders, emergency
3 medical technicians, advanced emergency medical technicians, and
4 paramedics.

5 (2) “Health insurance plan” means any individual or group health
6 insurance policy; any hospital or medical service corporation or health
7 maintenance organization subscriber contract; or any other health benefit plan
8 offered, issued, or renewed for any person in this State by a health insurer.

9 The term does not include benefit plans providing coverage for specific
10 diseases or other limited benefit coverage.

11 (3) “Health insurer” has the same meaning as in 18 V.S.A. § 9402.

12 (b) Required coverage. A health insurance plan shall cover all reasonably
13 necessary costs associated with the emergency medical services provided by an
14 EMS provider to a patient who was not transported, subject to all copayments,
15 coinsurances, or deductibles.

16 * * * Medicaid; Emergency Medical Services * * *

17 Sec. 34. 33 V.S.A. § 19011 is added to read:

18 § 19011. MEDICAID COVERAGE FOR EMERGENCY MEDICAL

19 SERVICES

20 (a) Definitions. As used in this section:

21 (1) “Ambulance service” has the same meaning as in 24 V.S.A. § 2651.

1 (2) “Emergency medical services provider” has the same meaning as in
2 8 V.S.A. § 4089m.

3 (b) Services without transportation. Vermont Medicaid shall provide
4 coverage of emergency medical services provided by an emergency medical
5 services provider to a Medicaid beneficiary who was not transported to a
6 different location during the period of emergency as defined by the Agency of
7 Human Services by rule.

8 (c) Transportation to alternative destination. Vermont Medicaid shall
9 provide coverage of transportation services for a Medicaid beneficiary to an
10 alternative destination when the beneficiary’s condition does not meet the
11 definition of emergency medical condition as defined by the Agency of Human
12 Services by rule. Vermont Medicaid shall not provide coverage of
13 transportation to an alternative destination unless the Medicaid beneficiary
14 consents to being transported to that destination, and no ambulance service
15 shall transport a person to an alternative destination in which the ambulance
16 service has a financial interest. The Agency of Human Services shall establish
17 by rule a reimbursement methodology to cover alternative destination transport
18 by a ground ambulance service provider to ensure that reimbursement rates are
19 reasonable and adequate.

1 Sec. 35. COVERAGE FOR EMERGENCY MEDICAL SERVICES;

2 MEDICAID STATE PLAN AMENDMENT

3 On or before September 1, 2023, the Agency of Human Services shall
4 request approval from the Centers for Medicare and Medicaid Services to
5 amend Vermont's Medicaid state plan to include coverage of services as set
6 forth in Sec. 34 of this act.

7 * * * Medicaid; EMS Provider Reimbursement * * *

8 Sec. 36. MEDICAID; TRANSPORTATION; PROVIDER

9 REIMBURSEMENTS

10 It is the intent of the General Assembly that Vermont's health care system
11 should reimburse all Medicaid-participating emergency medical services
12 (EMS) providers at rates that are equal to 100 percent of the Medicare rates for
13 the services provided. In support of this goal, in its 2024 budget proposal, the
14 Department of Vermont Health Access shall either provide reimbursement
15 rates for Medicaid participating EMS providers for emergency medical
16 services at rates that are equal to 100 percent of the Medicare rates for the
17 services in effect in calendar year 2022, with positive medical inflation
18 adjustment rates in subsequent years, or, in accordance with 32 V.S.A.
19 § 307(d)(6), provide information on the additional amounts that would be
20 necessary to achieve full reimbursement parity for emergency medical services
21 with the Medicare rates.

1 * * * Study Committee; EMS Coordination * * *

2 Sec. 37. REGIONAL EMERGENCY MEDICAL SERVICES

3 COORDINATION; STUDY COMMITTEE; REPORT

4 (a) Creation. There is created the Regional Emergency Medical Services
5 (EMS) Coordination Study Committee to assess the current EMS District
6 structure and the current level and cost of service in each district.

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

9 (1) a member of the House of Representatives, appointed by the Speaker
10 of the House;

11 (2) a member of the Senate, appointed by the Committee on
12 Committees;

13 (3) the EMS Chief of the EMS Office in the Department of Health;

14 (4) the Commissioner of the Department of Health or designee;

15 (5) the Commissioner of the Department of Public Safety or designee;

16 (6) one member, appointed by the Vermont League of Cities and
17 Towns;

18 (7) one member who is a volunteer emergency medical technician or
19 paramedic, appointed by the Vermont Ambulance Association;

20 (8) one member, appointed by the Vermont Association of Hospitals and
21 Health Systems;

1 (9) one member, appointed by the Vermont State Firefighters’

2 Association;

3 (10) one member, appointed by Professional Fire Fighters of Vermont;

4 (11) one member, appointed by the Statewide EMS Medical Director;

5 (12) one member, appointed by the EMS Education Council;

6 (13) three members representing three separate EMS Districts, with at

7 least one selected District primarily covering small, rural communities,

8 appointed by the EMS Chief at the Department of Health; and

9 (14) two members of the public, appointed by the Governor.

10 (c) Powers and duties. The Committee shall study the provision of
11 emergency medical services in the State, including the following issues:

12 (1) ways to decrease costs;

13 (2) ways to improve EMS coordination;

14 (3) ways to increase access to emergency services within each district;

15 and

16 (4) ways to optimize the EMS District structure and authority, including

17 consideration of recommendations on the number and configuration of EMS

18 Districts and their powers, duties, and authority.

19 (d) Assistance. The Committee shall have the administrative, technical,

20 and legal assistance of the Department of Health.

1 (e) Report. On or before December 31, 2023, the Committee shall submit a
2 written report to the House Committees on Government Operations and
3 Military Affairs and on Health Care and the Senate Committees on
4 Government Operations and on Health and Welfare with its findings and any
5 recommendations for legislative action.

6 (f) Meetings.

7 (1) The EMS Chief of the EMS Office in the Department of Health shall
8 call the first meeting of the Committee to occur on or before July 15, 2023.

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

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

12 (4) The Committee shall cease to exist on December 31, 2023.

13 (g) Compensation and reimbursement.

14 (1) For attendance at meetings during adjournment of the General
15 Assembly, a legislative member of the Committee serving in the member's
16 capacity as a legislator shall be entitled to per diem compensation and
17 reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than eight
18 meetings. These payments shall be made from monies appropriated to the
19 General Assembly.

20 (2) Other members of the Committee shall be entitled to per diem
21 compensation and reimbursement of expenses as permitted under 32 V.S.A.

1 § 1010 for not more than eight meetings. These payments shall be made from
2 monies appropriated to the Department of Health.

3 (h) Appropriation. The sum of \$100,000.00 is appropriated to the
4 Department of Health from the General Fund in fiscal year 2024 to support the
5 work of the Committee as set forth in this section, including hiring a consultant
6 to assist the Committee in conducting its study and writing a report on its
7 findings and recommendations.

8 * * * Income Tax Credit * * *

9 Sec. 38. 32 V.S.A. § 5830g is added to read:

10 § 5830g. TAX CREDIT FOR EMERGENCY RESPONDERS

11 (a) A qualified emergency responder shall be eligible for a refundable
12 credit against the tax imposed under section 5822 of this title during the
13 taxable year in the amount of \$500.00.

14 (b) As used in this section, “qualified emergency responder” means:

15 (1) emergency medical personnel as defined in 24 V.S.A. § 2651(6) and
16 first responders as defined in 24 V.S.A. § 2651(10) who are licensed by the
17 Department of Health pursuant to 24 V.S.A. § 2681; and

18 (2) volunteer firefighters, provided the firefighter is an active member of
19 a local volunteer firefighting company as certified by that company.

1 Sec. 39. 32 V.S.A. § 5813(aa) is added to read:

2 (aa) The statutory purpose of the tax credit for emergency responders under
3 section 5830g of this title is to recognize the public service of licensed
4 emergency medical personnel, first responders, and volunteer firefighters who
5 provide life-saving measures in Vermont.

6 Sec. 40. RATE REIMBURSEMENT; HOME-DELIVERED MEALS

7 In fiscal year 2024, \$2,300,000.00 is appropriated to the Department of
8 Disabilities, Aging, and Independent Living for the purpose of adding \$2.00
9 per home-delivered meal to the reimbursement rate paid to providers in fiscal
10 year 2021.

11 Sec. 41. REPORT; MEALS ON WHEELS

12 On or before November 15, 2023, the Department of Disabilities, Aging,
13 and Independent Living, in consultation with the Vermont Association of Area
14 Agencies on Aging and the Vermont Association of Senior Centers and Meal
15 Providers, shall submit a report to the House Committee on Human Services
16 and the Senate Committee on Health and Welfare evaluating the Meals on
17 Wheels nutrition program and making recommendations for short- and long-
18 term program sustainability.

1 * * * Effective Dates * * *

2 Sec. 42. EFFECTIVE DATES

3 (a) Sec. 33 (8 V.S.A. § 4089m) shall take effect on January 1, 2024 and
4 shall apply to all health insurance plans issued on and after January 1, 2024 on
5 such date as a health insurer offers, issues, or renews the health insurance plan,
6 but in no event later than January 1, 2025.

7 (b) Sec. 34 (33 V.S.A. § 19011) shall take effect upon approval by the
8 Centers for Medicare and Medicaid Services of Vermont’s request to provide
9 coverage of emergency medical services as set forth in that section.

10 (c) Notwithstanding 1 V.S.A. § 214, Secs. 38 and 39 (income tax credit)
11 shall take effect retroactively on January 1, 2023 and shall apply to taxable
12 years beginning on and after January 1, 2023.

13 (d) Secs. 40 and 41 (home-delivered meals) shall take effect on July 1,
14 2023.

15 (e) The remaining sections shall take effect on passage.