

House Calendar

Friday, March 1, 2024

59th DAY OF THE ADJOURNED SESSION

House Convenes at 9:30 A.M.

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ACTION CALENDAR

Committee of Conference Report

H. 839

An act relating to fiscal year 2024 budget adjustments.

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

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

H. 839 An act relating to fiscal year 2024 budget adjustments.

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

Sec. 1. 2023 Acts and Resolves No. 78, Sec. B.209 is amended to read:

Sec. B.209 Public safety - state police

Personal services	67,754,321	69,564,321
Operating expenses	13,861,460	13,861,460
Grants	<u>1,591,501</u>	<u>1,591,501</u>
Total	83,207,282	85,017,282
Source of funds		
General fund	53,896,213	55,706,213
Transportation fund	20,250,000	20,250,000
Special funds	3,166,387	3,166,387
Federal funds	4,311,304	4,311,304
Interdepartmental transfers	<u>1,583,378</u>	<u>1,583,378</u>
Total	83,207,282	85,017,282

Sec. 2. 2023 Acts and Resolves No. 78, Sec. B.216 is amended to read:

Sec. B.216 Military - air service contract

Personal services	9,124,240	9,224,240
Operating expenses	<u>1,396,315</u>	<u>1,396,315</u>
Total	10,520,555	10,620,555
Source of funds		
General fund	665,922	765,922
Federal funds	<u>9,854,633</u>	<u>9,854,633</u>
Total	10,520,555	10,620,555

Sec. 3. 2023 Acts and Resolves No. 78, Sec. B.240 is amended to read:

Sec. B.240 Cannabis Control Board

Personal services	4,829,061	4,917,181
Operating expenses	<u>341,631</u>	<u>764,181</u>
Total	5,170,692	5,681,362
Source of funds		
Special funds	<u>5,170,692</u>	<u>5,681,362</u>
Total	5,170,692	5,681,362

Sec. 4. 2023 Acts and Resolves No. 78, Sec. B.241 is amended to read:

Sec. B.241 Total protection to persons and property

Source of funds		
General fund	208,539,656	210,449,656
Transportation fund	20,250,000	20,250,000
Special funds	<u>109,230,607</u>	<u>109,741,277</u>
Tobacco fund	635,843	635,843
Federal funds	133,784,669	133,784,669
Interdepartmental transfers	13,729,981	13,729,981
Enterprise funds	<u>13,816,313</u>	<u>13,816,313</u>
Total	499,987,069	502,407,739

Sec. 5. 2023 Acts and Resolves No. 78, Sec. B.300 is amended to read:

Sec. B.300 Human services - agency of human services - secretary's office

Personal services	14,083,686	15,401,686
Operating expenses	5,402,086	5,402,086
Grants	<u>2,895,202</u>	<u>2,895,202</u>
Total	22,380,974	23,698,974
Source of funds		
General fund	9,767,874	10,226,874
Special funds	135,517	135,517
Federal funds	<u>11,678,441</u>	<u>12,537,441</u>
Interdepartmental transfers	<u>799,142</u>	<u>799,142</u>
Total	22,380,974	23,698,974

Sec. 6. 2023 Acts and Resolves No. 78, Sec. B.301 is amended to read:

Sec. B.301 Secretary's office - global commitment

Grants	<u>1,990,896,293</u>	<u>2,039,037,932</u>
Total	1,990,896,293	2,039,037,932
Source of funds		
General fund	648,528,785	657,710,193

Special funds	32,994,384	32,994,384
Tobacco fund	21,049,373	21,049,373
State health care resources fund	<u>25,265,312</u>	25,438,836
Federal funds	<u>1,259,024,269</u>	1,298,107,936
Interdepartmental transfers	<u>4,034,170</u>	<u>3,737,210</u>
Total	<u>1,990,896,293</u>	2,039,037,932

Sec. 7. 2023 Acts and Resolves No. 78, Sec. B.306 is amended to read:

Sec. B.306 Department of Vermont health access - administration

Personal services	136,568,959	127,889,514
Operating expenses	44,391,640	44,391,640
Grants	<u>2,912,301</u>	<u>2,912,301</u>
Total	183,872,900	175,193,455
Source of funds		
General fund	35,605,917	39,109,628
Special funds	4,753,011	4,753,011
Federal funds	134,621,243	122,016,027
Global Commitment fund	4,220,337	4,220,337
Interdepartmental transfers	<u>4,672,392</u>	<u>5,094,452</u>
Total	183,872,900	175,193,455

Sec. 8. 2023 Acts and Resolves No. 78, Sec. B.307 is amended to read:

Sec. B.307 Department of Vermont health access - Medicaid program - global commitment

Personal services	547,983	547,983
Grants	<u>932,542,238</u>	<u>936,811,294</u>
Total	933,090,221	937,359,277
Source of funds		
Global Commitment fund	<u>933,090,221</u>	<u>937,359,277</u>
Total	933,090,221	937,359,277

Sec. 9. 2023 Acts and Resolves No. 78, Sec. B.309 is amended to read:

Sec. B.309 Department of Vermont health access - Medicaid program - state only

Grants	<u>53,067,318</u>	<u>55,742,931</u>
Total	<u>53,067,318</u>	55,742,931
Source of funds		
General fund	53,062,626	54,861,587
Global Commitment fund	<u>4,692</u>	<u>881,344</u>
Total	<u>53,067,318</u>	55,742,931

Sec. 10. 2023 Acts and Resolves No. 78, Sec. B.310 is amended to read:

Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched

Grants	<u>34,621,472</u>	<u>34,672,534</u>
Total	34,621,472	34,672,534
Source of funds		
General fund	12,634,069	12,493,853
Federal funds	<u>21,987,403</u>	<u>22,178,681</u>
Total	<u>34,621,472</u>	<u>34,672,534</u>

Sec. 11. 2023 Acts and Resolves No. 78, Sec. B.312 is amended to read:

Sec. B.312 Health - public health

Personal services	64,592,946	64,592,946
Operating expenses	13,047,530	13,047,530
Grants	<u>45,946,724</u>	<u>53,342,870</u>
Total	123,587,200	130,983,346
Source of funds		
General fund	12,408,429	12,408,429
Special funds	<u>25,017,725</u>	31,148,098
Tobacco fund	1,088,918	1,306,918
Federal funds	66,753,896	66,753,896
Global Commitment fund	<u>16,582,951</u>	17,630,724
Interdepartmental transfers	1,710,281	1,710,281
Permanent trust funds	<u>25,000</u>	<u>25,000</u>
Total	123,587,200	130,983,346

Sec. 12. 2023 Acts and Resolves No. 78, Sec. B.314 is amended to read:

Sec. B.314 Mental health - mental health

Personal services	47,716,644	50,489,379
Operating expenses	5,272,240	5,272,240
Grants	<u>264,539,814</u>	<u>264,343,558</u>
Total	317,528,698	320,105,177
Source of funds		
General fund	<u>25,282,556</u>	26,278,924
Special funds	1,708,155	1,708,155
Federal funds	10,999,654	10,999,654
Global Commitment fund	<u>279,524,193</u>	281,104,304
Interdepartmental transfers	<u>14,140</u>	<u>14,140</u>
Total	317,528,698	320,105,177

Sec. 13. 2023 Acts and Resolves No. 78, Sec. B.316 is amended to read:

Sec. B.316 Department for children and families - administration & support services

Personal services	44,446,942	46,323,033
Operating expenses	17,162,151	17,162,151
Grants	<u>3,919,106</u>	<u>3,919,106</u>
Total	65,528,199	67,404,290
Source of funds		
General fund	37,090,554	38,841,112
Special funds	2,781,912	2,781,912
Federal funds	23,540,549	23,540,549
Global Commitment fund	<u>1,659,321</u>	1,784,854
Interdepartmental transfers	<u>455,863</u>	<u>455,863</u>
Total	65,528,199	67,404,290

Sec. 14. 2023 Acts and Resolves No. 78, Sec. B.317 is amended to read:

Sec. B.317 Department for children and families - family services

Personal services	43,987,652	43,987,652
Operating expenses	5,180,385	5,180,385
Grants	<u>93,421,639</u>	<u>93,703,581</u>
Total	142,589,676	142,871,618
Source of funds		
General fund	59,707,017	59,046,300
Special funds	729,587	729,587
Federal funds	33,937,204	34,378,330
Global Commitment fund	48,178,131	48,679,664
Interdepartmental transfers	<u>37,737</u>	<u>37,737</u>
Total	142,589,676	142,871,618

Sec. 15. 2023 Acts and Resolves No. 78, Sec. B.318 is amended to read:

Sec. B.318 Department for children and families - child development

Personal services	5,670,999	5,670,999
Operating expenses	810,497	810,497
Grants	<u>95,860,842</u>	<u>99,707,882</u>
Total	102,342,338	106,189,378
Source of funds		
General fund	35,016,309	35,016,309
Special funds	16,745,000	16,745,000
Federal funds	37,419,258	41,266,298
Global Commitment fund	<u>13,161,771</u>	<u>13,161,771</u>

Total	102,342,338	106,189,378
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Sec. 16. 2023 Acts and Resolves No. 78, Sec. B.320 is amended to read:

Sec. B.320 Department for children and families - aid to aged, blind and disabled

Personal services	2,252,206	2,252,206
Grants	<u>10,431,118</u>	<u>11,181,118</u>
Total	12,683,324	13,433,324
Source of funds		
General fund	7,533,333	7,533,333
Global Commitment fund	<u>5,149,991</u>	<u>5,899,991</u>
Total	12,683,324	13,433,324

Sec. 17. 2023 Acts and Resolves No. 78, Sec. B.323 is amended to read:

Sec. B.323 Department for children and families - reach up

Operating expenses	30,633	30,633
Grants	<u>35,536,413</u>	<u>36,683,099</u>
Total	35,567,046	36,713,732
Source of funds		
General fund	23,233,869	24,114,082
Special funds	5,970,229	5,970,229
Federal funds	3,531,330	2,806,330
Global Commitment fund	<u>2,831,618</u>	<u>3,823,091</u>
Total	35,567,046	36,713,732

Sec. 18. 2023 Acts and Resolves No. 78, Sec. B.330 is amended to read:

Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants

Grants	<u>22,380,328</u>	<u>22,922,275</u>
Total	22,380,328	22,922,275
Source of funds		
General fund	9,220,695	9,220,695
Federal funds	7,321,114	7,321,114
Global Commitment fund	<u>5,838,519</u>	<u>6,380,466</u>
Total	22,380,328	22,922,275

Sec. 19. 2023 Acts and Resolves No. 78, Sec. B.334 is amended to read:

Sec. B.334 Disabilities, aging, and independent living - TBI home and community based waiver

Grants	<u>6,638,028</u>	<u>6,938,028</u>
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Total	6,638,028	6,938,028
Source of funds		
Global Commitment fund	<u>6,638,028</u>	<u>6,938,028</u>
Total	<u>6,638,028</u>	<u>6,938,028</u>

Sec. 20. 2023 Acts and Resolves No. 78, Sec. B.334.1 is amended to read:

Sec. B.334.1 Disabilities, aging and independent living - Long Term Care

Grants	<u>268,715,683</u>	<u>289,878,189</u>
Total	<u>268,715,683</u>	<u>289,878,189</u>
Source of funds		
General fund	498,579	498,579
Federal funds	2,450,000	2,450,000
Global Commitment fund	<u>265,767,104</u>	<u>286,929,610</u>
Total	<u>268,715,683</u>	<u>289,878,189</u>

Sec. 21. 2023 Acts and Resolves No. 78, Sec. B.338 is amended to read:

Sec. B.338 Corrections - correctional services

Personal services	<u>139,473,576</u>	<u>152,714,793</u>
Operating expenses	<u>24,600,099</u>	<u>24,600,099</u>
Total	<u>164,073,675</u>	<u>177,314,892</u>
Source of funds		
General fund	<u>159,502,946</u>	<u>167,744,163</u>
Special funds	935,963	935,963
ARPA State Fiscal	0	5,000,000
Federal funds	492,196	492,196
Global Commitment fund	2,746,255	2,746,255
Interdepartmental transfers	<u>396,315</u>	<u>396,315</u>
Total	<u>164,073,675</u>	<u>177,314,892</u>

Sec. 22. 2023 Acts and Resolves No. 78, Sec. B.338.1 is amended to read:

Sec. B.338.1 Corrections - Justice Reinvestment II

Grants	<u>10,659,519</u>	<u>11,206,413</u>
Total	<u>10,659,519</u>	<u>11,206,413</u>
Source of funds		
General fund	8,081,831	8,081,831
Federal funds	13,147	13,147
Global Commitment fund	<u>2,564,541</u>	<u>3,111,435</u>
Total	<u>10,659,519</u>	<u>11,206,413</u>

Sec. 23. 2023 Acts and Resolves No. 78, Sec. B.342 is amended to read:

Sec. B.342 Vermont veterans' home - care and support services

Personal services	18,187,631	24,284,571
Operating expenses	<u>5,978,873</u>	<u>6,813,344</u>
Total	24,166,504	31,097,915
Source of funds		
General fund	4,199,478	9,579,745
Special funds	11,655,797	13,627,301
Federal funds	<u>8,311,229</u>	<u>7,890,869</u>
Total	24,166,504	31,097,915

Sec. 24. 2023 Acts and Resolves No. 78, Sec. B.347 is amended to read:

Sec. B.347 Total human services

Source of funds		
General fund	1,231,153,062	1,262,543,832
Special funds	124,537,345	132,639,222
Tobacco fund	23,088,208	23,306,208
State health care resources fund	25,265,312	25,438,836
ARPA State Fiscal	0	5,000,000
Federal funds	1,785,709,992	1,816,381,527
Global Commitment fund	1,943,848,077	1,976,541,555
Internal service funds	1,746,397	1,746,397
Interdepartmental transfers	28,591,925	28,717,025
Permanent trust funds	<u>25,000</u>	<u>25,000</u>
Total	5,163,965,318	5,272,339,602

Sec. 25. 2023 Acts and Resolves No. 78, Sec. B.500 is amended to read:

Sec. B.500 Education - finance and administration

Personal services	17,683,192	16,733,192
Operating expenses	4,387,522	4,407,522
Grants	<u>15,270,700</u>	<u>15,270,700</u>
Total	37,341,414	36,411,414
Source of funds		
General fund	7,415,742	7,465,742
Special funds	16,575,926	16,595,926
Education fund	3,486,447	3,486,447
Federal funds	9,220,942	8,220,942
Global Commitment fund	260,000	260,000
Interdepartmental transfers	<u>382,357</u>	<u>382,357</u>
Total	37,341,414	36,411,414

Sec. 26. 2023 Acts and Resolves No. 78, Sec. B.502 is amended to read:

Sec. B.502 Education - special education: formula grants

Grants	<u>226,195,600</u>	<u>229,821,806</u>
Total	<u>226,195,600</u>	<u>229,821,806</u>
Source of funds		
Education fund	<u>226,195,600</u>	<u>229,821,806</u>
Total	<u>226,195,600</u>	<u>229,821,806</u>

Sec. 27. 2023 Acts and Resolves No. 78, Sec. B.505 is amended to read:

Sec. B.505 Education - adjusted education payment

Grants	1,703,317,103	<u>1,711,148,481</u>
Total	1,703,317,103	<u>1,711,148,481</u>
Source of funds		
Education fund	1,703,317,103	<u>1,711,148,481</u>
Total	1,703,317,103	<u>1,711,148,481</u>

Sec. 28. 2023 Acts and Resolves No. 78, Sec. B.509 is amended to read:

Sec. B.509 Education - Afterschool Grant Program

Grants	<u>4,000,000</u>	<u>4,000,000</u>
Total	<u>4,000,000</u>	<u>4,000,000</u>
Source of funds		
Special funds	0	4,000,000
Education fund	<u>4,000,000</u>	<u>0</u>
Total	<u>4,000,000</u>	<u>4,000,000</u>

Sec. 29. 2023 Acts and Resolves No. 78, Sec. B.516 is amended to read:

Sec. B.516 Total general education

Source of funds		
General fund	<u>216,199,064</u>	<u>216,249,064</u>
Special funds	<u>19,495,486</u>	<u>23,515,486</u>
Tobacco fund	<u>750,388</u>	<u>750,388</u>
Education fund	2,070,971,937	<u>2,078,429,521</u>
Federal funds	<u>493,305,099</u>	<u>492,305,099</u>
Global Commitment fund	<u>260,000</u>	<u>260,000</u>
Interdepartmental transfers	<u>382,357</u>	<u>382,357</u>
Pension trust funds	<u>3,448,255</u>	<u>3,448,255</u>
Total	<u>2,804,812,586</u>	<u>2,815,340,170</u>

Sec. 30. 2023 Acts and Resolves No. 78, Sec. B.603 is amended to read:

Sec. B.603 Vermont state colleges - allied health

Grants	<u>1,157,775</u>	<u>1,774,148</u>
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Total	1,157,775	1,774,148
Source of funds		
General fund	748,314	274,148
Global Commitment fund	<u>409,461</u>	<u>1,500,000</u>
Total	1,157,775	1,774,148

Sec. 31. 2023 Acts and Resolves No. 78, Sec. B.608 is amended to read:

Sec. B.608 Total higher education

Source of funds		
General fund	128,339,478	127,865,312
Education fund	41,225	41,225
Global Commitment fund	409,461	<u>1,500,000</u>
Total	128,790,164	129,406,537

Sec. 32. 2023 Acts and Resolves No. 78, Sec. B.702 is amended to read:

Sec. B.702 Fish and wildlife - support and field services

Personal services	21,567,730	22,223,023
Operating expenses	7,140,027	7,140,027
Grants	<u>936,232</u>	<u>936,232</u>
Total	29,643,989	30,299,282
Source of funds		
General fund	7,173,206	7,603,314
Special funds	370,644	385,694
Fish and wildlife fund	10,921,090	10,921,090
Federal funds	9,793,589	10,003,724
Interdepartmental transfers	<u>1,385,460</u>	<u>1,385,460</u>
Total	29,643,989	30,299,282

Sec. 33. 2023 Acts and Resolves No. 78, Sec. B.710 is amended to read:

Sec. B.710 Environmental conservation - air and waste management

Personal services	26,006,961	29,506,961
Operating expenses	10,026,393	10,026,393
Grants	<u>4,905,988</u>	<u>4,905,988</u>
Total	40,939,342	44,439,342
Source of funds		
General fund	193,565	193,565
Special funds	26,236,633	29,736,633
Federal funds	14,342,090	14,342,090
Interdepartmental transfers	<u>167,054</u>	<u>167,054</u>
Total	40,939,342	44,439,342

Sec. 34. 2023 Acts and Resolves No. 78, Sec. B.714 is amended to read:

Sec. B.714 Total natural resources

Source of funds		
General fund	37,999,582	38,429,690
Special funds	79,971,986	83,487,036
Fish and wildlife fund	10,921,090	10,921,090
Federal funds	93,077,302	93,287,437
Interdepartmental transfers	<u>13,215,308</u>	<u>13,215,308</u>
Total	235,185,268	239,340,561

Sec. 35. 2023 Acts and Resolves No. 78, Sec. B.800 is amended to read:

Sec. B.800 Commerce and community development - agency of commerce and community development - administration

Personal services	2,610,304	2,510,304
Operating expenses	982,307	982,307
Grants	<u>539,820</u>	<u>539,820</u>
Total	4,132,431	4,032,431
Source of funds		
General fund	3,666,442	3,566,442
Federal funds	351,000	351,000
Interdepartmental transfers	<u>114,989</u>	<u>114,989</u>
Total	4,132,431	4,032,431

Sec. 36. 2023 Acts and Resolves No. 78, Sec. B.802 is amended to read:

Sec. B.802 Housing and community development

Personal services	6,428,334	6,528,334
Operating expenses	705,584	705,584
Grants	<u>23,739,005</u>	<u>25,967,039</u>
Total	30,872,923	33,200,957
Source of funds		
General fund	5,031,943	5,131,943
Special funds	6,937,054	9,165,088
Federal funds	15,854,615	15,854,615
Interdepartmental transfers	<u>3,049,311</u>	<u>3,049,311</u>
Total	30,872,923	33,200,957

Sec. 37. 2023 Acts and Resolves No. 78, Sec. B.813 is amended to read:

Sec. B.813 Total commerce and community development

Source of funds		
General fund	21,222,221	21,222,221

Special funds	32,106,330	34,334,364
Federal funds	93,013,297	93,013,297
Interdepartmental transfers	<u>5,062,973</u>	<u>5,062,973</u>
Total	151,404,821	153,632,855

Sec. 38. 2023 Acts and Resolves No. 78, Sec. B.1000 is amended to read:

Sec. B.1000 Debt service

Operating expenses	<u>75,705,398</u>	<u>675,000</u>
Total	<u>75,705,398</u>	<u>675,000</u>
Source of funds		
General fund	<u>75,377,993</u>	<u>675,000</u>
Transportation fund	<u>327,405</u>	<u>0</u>
Total	<u>75,705,398</u>	<u>675,000</u>

Sec. 39. 2023 Acts and Resolves No. 78, Sec. B.1001 is amended to read:

Sec. B.1001 Total debt service

Source of funds		
General fund	<u>75,377,993</u>	<u>675,000</u>
Transportation fund	<u>327,405</u>	<u>0</u>
Total	<u>75,705,398</u>	<u>675,000</u>

Sec. 40. 2023 Acts and Resolves No. 78, Sec. B.1100 is amended to read:

Sec. B.1100 MISCELLANEOUS FISCAL YEAR 2024 ONE-TIME
APPROPRIATIONS

(a) Agency of Administration. In fiscal year 2024, funds are appropriated for the following:

* * *

(4) \$30,000,000 General Fund to be used as Federal Emergency Management Agency (FEMA) matching funds for costs incurred due to the July 2023 flooding event.

(5) \$6,250,000 General Fund for local economic damage grants to municipalities that were impacted by the July 2023 flooding event in counties that are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declaration DR-4720-VT. It is the intent of the General Assembly that these local economic damage grants be distributed to municipalities throughout the state to address the secondary economic impacts of the July 2023 flooding event. Monies from these grants shall not be expended on FEMA-related projects.

(A) \$3,250,000 of the funds appropriated in this subdivision (a)(5) for local economic damage grants shall be distributed as follows:

(i) \$1,000,000 to each municipality that as of February 1, 2024 has at least 450 FEMA-approved Individuals and Households Program registrations for Individual Assistance relating to the July 2023 flooding event.

(ii) \$750,000 to each municipality that as of February 1, 2024 has less than 450 and at least 95 FEMA-approved Individuals and Households Program registrations for Individual Assistance relating to the July 2023 flooding event.

(B) \$3,000,000 of the funds appropriated in this subdivision (a)(5) for local economic damage grants shall be distributed as follows:

(i) \$75,000 to each municipality that as of February 1, 2024 has at least \$5,000,000 in estimated reported damages to public infrastructure relating to the July 2023 flooding event.

(ii) \$50,000 to each municipality that as of February 1, 2024 has less than \$5,000,000 and at least \$2,000,000 in estimated reported damages to public infrastructure relating to the July 2023 flooding event.

(iii) \$30,000 to each municipality that as of February 1, 2024 has less than \$2,000,000 and at least \$1,000,000 in estimated reported damages to public infrastructure relating to the July 2023 flooding event.

(iv) \$20,000 to each municipality that as of February 1, 2024 has less than \$1,000,000 and at least \$250,000 in estimated reported damages to public infrastructure relating to the July 2023 flooding event.

(v) \$10,000 to each municipality that as of February 1, 2024 has less than \$250,000 and at least \$100,000 in estimated reported damages to public infrastructure relating to the July 2023 flooding event.

(C) To the extent that the funds appropriated in this subdivision (a)(5) have not been granted by June 30, 2024, they shall revert the General Fund and be transferred to the Emergency Relief and Assistance Fund.

* * *

(c) Department of Human Resources. In fiscal year 2024, funds are appropriated for the following:

(1) ~~\$725,000~~ \$600,000 General Fund to fund ~~seven~~ six new permanent full-time positions in the Operations division in fiscal year 2024. These position costs shall be funded through the Department of Human Resources – Internal Service Fund beginning in fiscal year 2025;

(2) ~~\$75,000~~ \$200,000 General Fund to fund ~~one~~ two new permanent full-time ~~position~~ positions in the VTHR Operations division in fiscal year 2024. These position costs shall be funded through the ~~Department of Human Resources~~ Financial Management – Internal Service Fund beginning in fiscal year 2025; and

* * *

(d) ~~\$200,000 General Fund to the~~ Department of Libraries in In fiscal year 2024, funds are appropriated for the following:

(1) \$200,000 General Fund to support the FiberConnect project relating to ~~Internet~~ internet access in public libraries; and

(2) \$11,500 General Fund for contract costs incurred in support of the Working Group on the Status of Libraries in Vermont pursuant to 2021 Acts and Resolves No. 66, Sec. 1.

* * *

(i) Agency of Agriculture, Food and Markets. In fiscal year 2024, funds are appropriated for the following:

(1) \$110,000 General Fund for electric vehicle charger inspections. Funds shall be used for the purchase of two testing units and related equipment to support the development and implementation of the Commercial Electric Vehicle Fueling Systems regulatory program;

(2) \$1,070,000 General Fund for replacement of the existing Food Safety Inspection Database; and

(3) \$500,000 General Fund for a grant to Salvation Farms to expand access to locally grown food for all Vermonters; and

(4) \$6,000,000 American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Fund for water quality grants to partners and farmers, in accordance with the Clean Water Board’s fiscal year 2023 and fiscal year 2024 budget recommendations and 2021 Acts and Resolves No. 74, Sec. G.700(a)(6)(A).

* * *

(k) Green Mountain Care Board. In fiscal year 2024, funds are appropriated for the following:

(1) \$620,000 General Fund for costs associated with the implementation of the Vermont Health Care Uniform Reporting and Evaluation System (VHCURES) database; and

(2) ~~\$120,500 General Fund for the implementation of a new financial database solution; and~~

(3) \$50,000 General Fund for the development of the statutorily required Health Resources Allocation Plan Tool.

(l) Agency of Human Services Central Office. In fiscal year 2024, funds are appropriated for the following:

* * *

(3) \$10,000,000 General Fund to continue to address the emergent and exigent circumstances impacting health care providers following the COVID-19 pandemic. All or a portion of these funds may also be used as matching funds to the Agency of Human Services Global Commitment Program to provide state match. If funds are used as matching funds to the Agency of Human Services Global Commitment Program to provide state match, the commensurate amount of Global Commitment Fund spending authority may be requested during the Global Commitment Transfer process pursuant to 2023 Acts and Resolves No. 78, Sec. E.301.1; and

(4) \$10,534,603 General Fund and \$13,693,231 Federal Revenue Fund #2205 for use as Global Commitment matching funds for one-time caseload pressures due to the suspension of Medicaid eligibility redeterminations; and

(5) \$671,000 General Fund to the State Refugee Office for grants to support transitional housing for refugees.

* * *

(n) Department of Health. In fiscal year 2024, funds are appropriated for the following

* * *

(7) \$5,000,000 General Fund for the purpose of supporting the Community Violence Prevention Program established by legislation enacted in 2023. An amount not to exceed five percent of this appropriation may be used for the administrative costs of the program, including the funding of an existing limited service position at the Department of Health. Unexpended appropriations shall carry forward into the subsequent fiscal year and remain available for use for this purpose. All or part of this appropriation may be transferred to the Department of Health for this Program if necessary;

* * *

(o) Department for Children and Families. In fiscal year 2024, funds are appropriated for the following:

* * *

(3) ~~\$40,000 General Fund the purchase of a driving school vehicle for the Youth Development Program to support foster and former foster youth access to driver's education~~ to fund costs associated with supporting youth in foster care, or formerly in foster care, to learn to drive and to obtain their drivers' licenses and independent transportation;

* * *

(9) \$130,000 General Fund for a grant to the Snelling Center to restart the Early Childhood Education Leadership Program; ~~and~~

(10) \$300,000 General Fund for a grant to Prevent Child Abuse Vermont to provide education regarding the prevention of unsafe infant sleep and to expand programming and support services regarding child abuse often related to parental substance misuse;

(11) \$11,304,802 General Fund for emergency housing needs through the end of fiscal year 2024; and

(12) \$1,329,000 General Fund for standing up shelters.

* * *

(r) Agency of Education. In fiscal year 2024, funds are appropriated for the following:

(1) ~~\$200,000 General Fund in fiscal year 2024 to the Agency of Education~~ for the work of the School Construction Task Force; and

(2) \$1,924,495 Education Fund to hold Local Education Agencies harmless for the Special Education Census Block Grant miscalculation.

* * *

(v) Public Service Department. In fiscal year 2024, funds are appropriated for the following:

(1) \$500,000 Regulation/Energy Efficiency Fund #21698 to upgrade and expand the ePSD case management system;

(2) \$400,000 Regulation/Energy Efficiency Fund #21698 to complete the Telecom Plan Update scheduled for June 2024; ~~and~~

(3) \$300,000 Regulation/Energy Efficiency Fund #21698 to craft policy proposals to reform and streamline electric sector policy; and

(4) \$20,000,000 General Fund for the appropriation established in 2022 Acts and Resolves No. 185, Sec. B.1100(a)(28), as amended by 2023 Acts and Resolves No. 3, Sec. 45, to replenish the \$20,000,000 of General Fund

spending authority transferred by the Emergency Board on July 31, 2023, per 32 V.S.A. §§ 133(b) and 706(2), as directed by order of the Emergency Board under Item 5(a) – Business Emergency Gap Assistance Program.

* * *

(x) Judiciary. In fiscal year 2024, funds are appropriated for the following:

(1)(A) \$4,680,000 General Fund ~~to the Judiciary~~ for the Judiciary network replacement project.

(1)(B) Judiciary shall update the Joint Information Technology Oversight Committee on the status of this project on or before December 1, 2023.

(2) \$300,000 General Fund for the Essex County Courthouse renovation planning.

* * *

Sec. 41. 2023 Acts and Resolves No. 78, Sec. B.1101 is amended to read:

Sec. B.1101 WORKFORCE AND ECONOMIC DEVELOPMENT –
FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

* * *

(b) Youth workforce and high school completion.

* * *

(2) In fiscal year 2024, the amount of ~~\$1,000,000~~ \$1,380,000 is appropriated from the General Fund to the Agency of Education for grants to Adult Basic Education programs to provide deficit assistance and bridge funding for Adult Basic Education programs while the study and report required by Sec. E.504 of this act is completed. Of the funds appropriated in this section, \$380,000 shall be allocated to Adult Basic Education providers as follows:

(A) \$300,000 to Vermont Adult Learning;

(B) \$40,000 to Northeast Kingdom Learning Services;

(C) \$20,000 to Central Vermont Adult Education; and

(D) \$20,000 to the Tutorial Center.

* * *

(d) Healthcare and social services workforce.

(1) In fiscal year 2024, the amount of \$1,000,000 is appropriated from the General Fund to the Department of Health to be ~~transferred~~ granted as

needed to the Vermont Student Assistance Corporation for the Vermont Psychiatric Mental Health Nurse Practitioner Forgivable Loan Incentive Program created in 18 V.S.A. § 39.

* * *

(4) In fiscal year 2024, the amount of \$3,000,000 is appropriated from the General Fund to the ~~Department of Mental Health~~ Agency of Human Services to address workforce needs at the designated and specialized services agencies. These funds shall not be released until a plan to meet training and retention is mutually agreed upon by the Department of Disabilities, Aging, and Independent Living and the designated and specialized services agencies and approved by the General Assembly or the Joint Fiscal Committee if the ~~legislature~~ General Assembly is not in session. All or a portion of these funds may be used as matching funds to the Agency of Human Services Global Commitment program to provide State match if any part of the plan is eligible to draw federal funds. It is the intent of the General Assembly to maximize the value of this one-time funding through eligible Global Commitment investment.

(5) In fiscal year 2024, the amount of \$6,899,724 is appropriated from the Global Commitment Fund to the Department of Mental Health for purposes of leveraging the appropriation in subdivision (4) of this subsection for Global Commitment investment.

* * *

(g) Agriculture Economic Development.

* * *

(3) In fiscal year 2024, the amount of ~~\$6,900,000~~ \$7,025,492 General Fund is appropriated to the Agency of Agriculture, Food and Markets to fund Agriculture Development Grants for the Organic Dairy Farm Assistance Program. Farms eligible for assistance that timely filed a complete application in calendar year 2023 that have continuously remained eligible since they applied and that are currently operating as of the passage of the fiscal year 2024 budget adjustment act shall be eligible for an award under the Program.

* * *

Sec. 42. 2023 Acts and Resolves No. 78, Sec. B.1102 is amended to read:

Sec. B.1102 AFFORDABLE HOUSING DEVELOPMENT –
FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

* * *

(c) In fiscal year 2024, the amount of ~~\$50,000,000~~ \$52,000,000 General Fund is appropriated to the Vermont Housing and Conservation Board (VHCB):

(1) \$10,000,000 to provide support and enhance capacity for emergency shelter and permanent homes for those experiencing homelessness. The funds shall be used to expand Vermont's shelter capacity, provide homes for those experiencing homelessness, and decrease reliance on the General Assistance Emergency Housing hotel and motel program. The Vermont Housing and Conservation Board shall consult with the Agency of Human Services to ensure new investments in homes and shelters are paired with appropriate support services for residents, including services supported through Medicaid. Funded projects may utilize a range of housing options, including the expansion of shelter capacity, the conversion of hotels to housing, creation of permanent supportive housing, and utilization of manufactured homes on infill sites.

(2) ~~\$40,000,000~~ \$30,000,000 to provide support and enhance capacity for the production and preservation of affordable mixed-income rental housing and homeownership units, including improvements to manufactured homes and communities, permanent homes for those experiencing homelessness, recovery residences, and housing available to farm workers and refugees. The Board is authorized to utilize up to 10 percent of these resources for innovative approaches to helping communities meet their housing needs.

(3) \$10,000,000 to:

(A) Provide support and enhance the capacity, availability, and utilization of manufactured homes in cooperatively owned, nonprofit, and privately owned manufactured home parks with vacant and available lots. The Vermont Housing and Conservation Board shall consult with the Department of Housing and Community Development to ensure that new investments prioritize individuals and families exiting from hotels and motels in accordance with 2023 Acts and Resolves No. 81.

(B) Provide support, expand emergency shelter capacity, and provide permanent homes to households experiencing homelessness, while decreasing reliance on motels and hotels used by beneficiaries of the emergency housing transition benefit established in 2023 Acts and Resolves No. 81 and participants of the General Assistance emergency housing program. The Vermont Housing and Conservation Board shall consult with the Agency of Human Services to ensure that new investments in emergency shelters and permanent homes are paired with appropriate support services for residents.

(4) \$2,000,000 for emergency shelter projects in central Vermont and

southeastern Vermont.

Sec. 43. 2023 Acts and Resolves No. 78, Sec. B.1103 is amended to read:

Sec. B.1103 CLIMATE AND ENVIRONMENT – FISCAL YEAR 2024
ONE-TIME APPROPRIATIONS

* * *

(h) In fiscal year 2024, the amount of \$2,500,000 General Fund is appropriated to the Department of Environmental Conservation for the Brownfields Reuse and Environmental Liability Limitation Act as codified in 10 V.S.A. chapter 159. Funds shall be used for the assessment and cleanup planning ~~for a maximum~~ of 25 brownfields sites.

* * *

(n) In fiscal year 2024, the amount of \$165,000 General Fund is appropriated to the Department of Environmental Conservation to complete the engineering assessment for the Green River Reservoir Dam. The Department shall share the findings of the assessment with Morrisville Water and Light.

Sec. 44. 2023 Acts and Resolves No. 78, Sec. B.1104 is amended to read:

Sec. B.1104 FISCAL YEAR 2024 ONE-TIME APPROPRIATION;
RETIRED TEACHERS' COST OF LIVING PAYMENT

(a) In fiscal year 2024, notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, the amount of \$3,000,000 is appropriated to the Vermont State Teachers' Retirement System from the Education Fund for Calendar Year 2023 supplemental payments made in Sec. E.514.2(b) of this act and associated costs and to fund the present value of modifications to the postretirement adjustments allowance.

Sec. 45. 2023 Acts and Resolves No. 78, Sec. B.1105(d) is amended to read:

(d) In fiscal year 2024, to the extent funds are available from transfers made in Sec. C.109 of this act, and before the appropriation identified in 2023 Acts and Resolves No. 81, Sec. 7(a), the projects in this subsection shall receive an appropriation from the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments in the following order:

* * *

Sec. 46. 29 V.S.A. § 161 is amended to read:

§ 161. REQUIREMENTS ON STATE CONSTRUCTION PROJECTS

* * *

(b) Each contract awarded under this section for any State project with a construction cost exceeding \$100,000.00, a construction project with a construction cost exceeding \$200,000.00 that is authorized and is at least 50 percent funded by a capital construction act pursuant to 32 V.S.A. § 701a, or a construction project with a construction cost exceeding \$200,000.00 that is at least 50 percent funded by the Cash Fund for Capital Infrastructure and Other Essential Investments established in 32 V.S.A. § ~~1001~~ 1001b shall provide that all construction employees working on the project shall be paid not less than the mean prevailing wage published periodically by the Vermont Department of Labor in its occupational employment and wage survey plus an additional fringe benefit of 42 and one-half percent of wage, as calculated by the current Vermont prevailing wage survey. As used in this section, “fringe benefits” means benefits, including paid vacations and holidays, sick leave, employer contributions and reimbursements to health insurance and retirement benefits, and similar benefits that are incidents of employment.

Sec. 47. 2023 Acts and Resolves No. 78, Sec. C.108 is amended to read:

Sec. C.108 RESERVES FOR INFRASTRUCTURE INVESTMENT AND
JOBS ACT (IIJA) MATCH

* * *

(b) To the extent available in fiscal years 2023 and 2024, the amount of \$14,500,000 is reserved in the Other Infrastructure, Essential Investments, and Reserves subaccount of the Cash Fund for Capital and Essential Investments, from the transfer provided in subdivision D.101(a)(1)(D)(ii) of this act, to provide the State match in fiscal years 2025 and 2026 needed for federal funding for water and wastewater related projects under the IIJA. These funds shall only be expended if authorized by the General Assembly.

Sec. 48. 2023 Acts and Resolves No. 78, Sec. C.109 is amended to read:

Sec. C.109 SUPPLEMENTAL CONTINGENT TRANSFERS TO CASH
FUND FOR CAPITAL AND ESSENTIAL INVESTMENTS:

(a) Notwithstanding any other law to the contrary, to the extent any fund specified in 2022 Acts and Resolves No. 185, Sec. D.101(b)(2) as amended by 2023 Acts and Resolves No. 3, Sec. 48 has ~~an~~ a remaining unobligated fund balance in fiscal year 2023 after the transfers to the General Fund are made, the Commissioner of Finance and Management shall transfer to the subaccount created under 32 V.S.A. § 1001b(b)(2) the respective fiscal year 2023 unobligated special fund balances. The Commissioner shall report the

amounts transferred pursuant to this provision to the Joint Fiscal Committee in July 2023.

* * *

Sec. 49. 2022 Acts and Resolves No. 185, Sec. B.1100, as amended by 2023 Acts and Resolves No. 78, Sec. C.115, is further amended to read:

Sec. B.1100 FISCAL YEAR 2023 ONE-TIME GENERAL FUND
APPROPRIATIONS

* * *

(b) \$11,000,000 is appropriated from the General Fund to the Department of Public Safety for regional dispatch funding. The funds are subject to the following conditions:

(1) Up to \$1,000,000 shall be available for the retention of technical experts to assist the Public Safety Communications Task Force with the analysis and planning required by ~~Sec. C.112 of this act~~ 2023 Acts and Resolves No. 78, Sec. C.114 and to fund the administrative expenses incurred by the Public Safety Communications Task Force. If the Task Force determines ~~in calendar year 2023~~ that additional funding is necessary to achieve its purposes, it may submit a request to the Joint Fiscal Committee. The Joint Fiscal Committee is authorized to approve up to an additional \$1,000,000.

(2) Up to \$4,500,000 shall be available to provide funding for pilot projects pursuant to ~~Sec. C.112(f), of this act~~ 2023 Acts and Resolves No. 78, Sec. C.114(f).

(3) Any remaining amounts not obligated pursuant to subdivisions (1) and (2) of this subsection ~~(b)~~ shall ~~be held in reserve~~ remain unobligated and unexpended until approval to expend the funds is authorized by further enactment of the General Assembly.

(4) ~~It is the intent of the General Assembly that the Department of Public Safety~~ In order to extract the greatest value from the limited State and federal dollars currently available for public safety communications modernization, it is the intent of the General Assembly that all such funding is expended in an efficient and complementary manner. To that end, the Commissioner of Public Safety shall seek to draw and deploy the \$9,000,000 in Congressionally Directed Spending to support Vermont's transition to a modernized, regional communications network in a manner that coordinates with and advances, to the greatest extent possible, the goals of a statewide public safety communications system developed by the Public Safety Communications Task Force. The Commissioner of Public Safety shall

~~consult with~~ promptly inform the Public Safety Communications Task Force as the federal parameters for expending the funds become available and as the Commissioner develops a and, if necessary, revises the plan to expend such funds. The Commissioner shall solicit recommendations from the Task Force regarding the plan, including any revisions to the plan, the implementation schedule, and specific expenditures. In addition, the Commissioner shall update the Joint Fiscal Committee on planned expenditures.

* * *

Sec. 50. 2023 Acts and Resolves No. 78, Sec. C.114(f) is amended to read:

(f)(1) If the Task Force determines that sufficient minimum technical and operational standards have been developed to warrant the funding of one or more pilot projects, the Task Force may submit for approval a pilot project plan to the Joint Fiscal Committee ~~in calendar year 2023.~~

* * *

Sec. 51. 2023 Acts and Resolves No. 78, Sec. C.120 is amended to read:

Sec. C.120 ~~BALANCE RESERVE UNRESERVED; RESERVED FOR~~
~~VCBB~~

~~(a) In fiscal year 2024, \$20,000,000 is unreserved from the General Fund Balance Reserve established by 32 V.S.A. § 308e.~~

~~(b) In fiscal year 2024, \$20,000,000 is reserved in the General Fund for the exclusive benefit of the Vermont Community Broadband Board and for the sole purpose of securing federal funding under the National Telecommunications and Information Administration's Enabling Middle Mile Broadband Infrastructure Program. The State's pending application requires a commitment to provide contingency reserve funding equal to 25percent of the total award amount if the application is approved and the award is accepted by the State.~~

~~(1) In the fiscal year 2024 budget adjustment act, any funds reserved, but not required, for the purpose described in Sec. C.120(b) of this act shall be unreserved and reserved within the General Fund Balance Reserve established by 32 V.S.A. § 308e. [Repealed.]~~

Sec. 52. 2023 Acts and Resolves No. 78, Sec. C.123 is amended to read:

Sec. C.123 ~~HOUSING TRANSITION; RESOURCES FOR~~
~~COMPREHENSIVE COMMUNITY RESPONSE~~

* * *

(d) \$9,400,000 of the funds described in subsection (c) of this section shall be transferred to the Department for Children and Families as set forth in this subsection. The Agency of Administration shall structure the program in accordance with the requirements of 31 C.F.R. Part 35 and in a manner designed to achieve rapid deployment and administrative efficiency, and may reallocate funds across governmental units in a net-neutral manner as follows for a total of \$9,400,000:

(1) The Commissioner of Finance and Management is authorized to reallocate General Fund appropriations made to the ~~Vermont Housing and Conservation Board in 2023 Acts and Resolves No. 3, Sec. 45~~ Department of Corrections in 2022 Acts and Resolves No. 185, Sec. B.338. In exchange, the Secretary of Administration shall provide an amount equal to the reallocation amount to the ~~Vermont Housing and Conservation Board from the federal funds appropriated through the Emergency Rental Assistance Program, which was originally approved by the Joint Fiscal Committee pursuant to Grant Request #3034.~~

(2) ~~The Commissioner of Finance and Management is authorized to reallocate American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds appropriated to the Agency of Human Services in 2021 Acts and Resolves No. 74, Sec. G.300(a)(31), as amended by 2022 Acts and Resolves No. 83, Sec. 68~~ Department of Corrections from American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Fund dollars appropriated to the Agency of Human Services in 2021 Acts and Resolves No. 74, Sec. G.300(a)(31), as amended by 2022 Acts and Resolves No. 83, Sec. 68.

* * *

Sec. 53. 2023 Acts and Resolves No. 78, Sec. D.100 is amended to read:

Sec. D.100 APPROPRIATIONS ALLOCATIONS; PROPERTY
TRANSFER TAX

(a) This act contains the following amounts ~~appropriated from~~ allocated to special funds that receive revenue from the property transfer tax. ~~Expenditures from these appropriations~~ These allocations shall not exceed available revenues.

(1) The sum of \$560,000 is ~~appropriated~~ allocated from the Current Use Administration Special Fund to the Department of Taxes for administration of the Use Tax Reimbursement Program. Notwithstanding 32 V.S.A. § 9610(c), amounts in excess of \$560,000 from the property transfer tax deposited into

the Current Use Administration Special Fund shall be transferred into the General Fund.

(2) ~~The sum of \$21,462,855 is appropriated from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board (VHCB).~~ Notwithstanding 10 V.S.A. § 312, amounts in excess of \$21,462,855 from the property transfer tax and surcharge established by 32 V.S.A. § 9602a that are deposited into the Vermont Housing and Conservation Trust Fund shall be transferred into the General Fund.

(A) The dedication of \$2,500,000 in revenue from the property transfer tax pursuant to 32 V.S.A. § 9610(d) for the debt payments on the affordable housing bond (10 V.S.A. § 314) shall be offset by the reduction of \$1,500,000 in the appropriation to the Vermont Housing and Conservation Board and \$1,000,000 from the surcharge established by 32 V.S.A. § 9602a. The fiscal year 2024 appropriation of \$21,462,855 to the Vermont Housing and Conservation Board reflects the \$1,500,000 reduction. The affordable housing bond and related property transfer tax and surcharge provisions are repealed after the life of the bond on July 1, 2039. Once the bond is retired, it is the intent of the General Assembly that the \$1,500,000 reduction in the appropriation to the Vermont Housing and Conservation Board should be restored.

(3) ~~The sum of \$7,545,993 is appropriated from the Municipal and Regional Planning Fund.~~ Notwithstanding 24 V.S.A. § 4306(a), amounts in excess of \$7,545,993 from the property transfer tax that are deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The \$7,545,993 shall be allocated for the following:

(A) \$6,211,650 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) \$898,283 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b); and

(C) \$436,060 to the Agency of Digital Services for the Vermont Center for Geographic Information.

Sec. 54. 2023 Acts and Resolves No. 78, Sec. D.100.1 is amended to read:

Sec. D.100.1 LEGISLATIVE INTENT FOR FISCAL YEAR 2024
PLANNING FUNDS

(a) ~~It is the intent of the General Assembly that an~~ An amount not to exceed \$500,000 of the planning funds provided in Sec. D.100 of this act shall be used for municipal bylaw modernization.

Sec. 55. 2023 Acts and Resolves No. 78, Sec. D.101 is amended to read:

Sec. D.101 FUND TRANSFERS, REVERSIONS, AND RESERVES

(a) Notwithstanding any other provision of law to the contrary, the following amounts shall be transferred from the funds indicated:

(1) From the General Fund to:

* * *

(E) the Fire Prevention/Building Inspection Special Fund (21901): \$1,500,000.00; and

(F) the Tax Computer System Modernization Fund (21909): \$3,600,000.00;

(G) the State Liability Insurance Fund (56200): \$9,500,000.00;

(H) the Emergency Relief and Assistance Fund (21555): \$17,250,000.00;

(I) the Act 250 Permit Fund (21260): \$120,300.00;

(J) the General Government Projects Fund (31100): \$139.24;

(K) the Protection Projects Fund (31200): \$1,180,584.31;

(L) the Natural Resources Projects Fund (31500): \$2,127,949.51;

(M) the Commerce and Community Development Projects Fund (31600): \$545,295.85; and

(N) the General Obligation Bonds Debt Service Fund (35100): \$71,202,993.00.

* * *

(2) From the Education Fund to:

(A) the Tax Computer System Modernization Fund (21909): \$1,300,000.00; and

(B) the Universal Afterschool and Summer Special Fund: \$2,836,982.94.

* * *

(4) From the Transportation Fund to:

(A) the Downtown Transportation and Related Capital Improvement Fund (21575) established by 24 V.S.A. § 2796 to be used by the Vermont

Downtown Development Board for the purposes of the Fund: \$523,966.00; and

(B) the General Obligation Bonds Debt Service Fund (35100): \$327,405.00.

(5) From the Waste Management Assistance Fund (21285) to:

(A) the Environmental Contingency Fund (21275): \$3,500,000.00.

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2024:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

22005 AHS Central Office Earned Federal Receipts	\$4,641,960
50300 Liquor Control Fund	\$21,200,000
<u>50250 Sports Wagering Fund</u>	<u>\$1,204,000 \$3,200,000</u>
Caledonia Fair	\$5,000
North Country Hospital Loan Repayment	\$24,047
Springfield Hospital Promissory Note Repayment	\$121,416
<u>21970 Registration Fees Fund</u>	<u>\$605,273.01</u>
<u>21065 Financial Institutions Supervision Fund</u>	<u>\$4,024,748</u>

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred to the General Fund. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July meeting the final amounts transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

21638 AG-Fees and reimbursement		
– Court order	\$1,000,000	<u>\$4,000,000</u>
621000 Unclaimed Property Fund	\$3,270,225	<u>\$4,806,692</u>

* * *

(3) Notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, ~~\$60,044,000~~ \$57,667,840 of the unencumbered balances in the Insurance Regulatory and Supervision Fund (21075), the Captive Insurance Regulatory and Supervision Fund (21085), and the Securities Regulatory and Supervision Fund (21080) shall be transferred to the General Fund.

(c)(1)(A) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts amount shall revert to the General Fund from the accounts indicated general funds appropriated in Sec. B.301 of this act for the Global Commitment Program:

3400004000 ~~Agency of Human Services – Secretary’s Office~~— Global Commitment \$15,103,683

(B) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the General Fund from the accounts indicated:

<u>1130892201</u>	<u>Lib – Working Group Per Diem</u>	<u>\$11,550.00</u>
<u>1140070000</u>	<u>Use Tax Reimbursement Program</u>	<u>\$120,096.98</u>
<u>1140330000</u>	<u>Renter Rebates</u>	<u>\$943,487.35</u>
<u>1150891901</u>	<u>Electric Vehicle Charge</u>	<u>\$4,412.78</u>
<u>1250010000</u>	<u>Auditor of Accounts</u>	<u>\$21,067.71</u>
<u>1260010000</u>	<u>Office of the Treasurer</u>	<u>\$110,821.00</u>
<u>2110010000</u>	<u>Assigned Counsel</u>	<u>\$3.37</u>
<u>2120892203</u>	<u>JUD – County Courthouse HVAC</u>	<u>\$300,000.00</u>
<u>2130200000</u>	<u>Sheriffs</u>	<u>\$29,880.53</u>
<u>2130400000</u>	<u>SIUS Parent Account</u>	<u>\$167,678.27</u>
<u>2130500000</u>	<u>Crime Victims Advocates</u>	<u>\$18,465.95</u>
<u>2150010000</u>	<u>Military – Administration</u>	<u>\$100,782.00</u>
<u>2160892102</u>	<u>CCVS-BCJC for St Jo’s Orphan</u>	<u>\$88.00</u>
<u>2200010000</u>	<u>Administration Division</u>	<u>\$389,654.70</u>
<u>2230892202</u>	<u>SOS – One-Time FY22 Election Cost</u>	<u>\$171,400.78</u>
<u>2320020000</u>	<u>Liquor Enforcement & Licensing</u>	<u>\$15,000.00</u>
<u>3150070000</u>	<u>Mental Health</u>	<u>\$2,772,735.17</u>
<u>3310000000</u>	<u>Commission on Women</u>	<u>\$11,173.77</u>
<u>3330010000</u>	<u>Green Mountain Care Board</u>	<u>\$250,000.00</u>
<u>3400001000</u>	<u>Secretary’s Office Admin Costs</u>	<u>\$475,775.00</u>
<u>3400004000</u>	<u>Global Commitment</u>	<u>\$11,676,230.24</u>

<u>3400010000</u>	<u>Human Services Board</u>	<u>\$110,000.00</u>
<u>3400892109</u>	<u>St Match – Act 155 4(a),5(a)</u>	<u>\$34,350.00</u>
<u>3400892203</u>	<u>AHSCO – COVID-19 Emergent/Exigen</u>	<u>\$4,868,985.74</u>
<u>3400892205</u>	<u>AHSCO – Workforce Recruitment</u>	<u>\$4,367,147.39</u>
<u>3400892312</u>	<u>AHSCO – VT Nursing Forgivable Loan</u>	<u>\$13,403.00</u>
<u>3410018000</u>	<u>DVHA – Medicaid-Non- Waiver Program</u>	<u>\$525,610.73</u>
<u>3420060000</u>	<u>Substance Use Programs</u>	<u>\$119,130.89</u>
<u>3440010000</u>	<u>DCFS – Admin & Support Services</u>	<u>\$2,595,167.55</u>
<u>3440020000</u>	<u>DCFS – Family Services</u>	<u>\$2,864,970.25</u>
<u>3440030000</u>	<u>DCFS – Child Development</u>	<u>\$3,131,063.24</u>
<u>3440050000</u>	<u>DCFS – AABD</u>	<u>\$451,263.27</u>
<u>3440060000</u>	<u>DCFS – General Assistance</u>	<u>\$1,414,739.60</u>
<u>3440080000</u>	<u>DCFS – Reach Up</u>	<u>\$979,674.76</u>
<u>3440100000</u>	<u>DCFS – OEO Office of Economic Opp.</u>	<u>\$273,038.00</u>
<u>3440120000</u>	<u>DCFS – Secure Res. Treatment</u>	<u>\$2,752,270.00</u>
<u>3440130000</u>	<u>DCFS – DDS</u>	<u>\$80,299.43</u>
<u>3440891908</u>	<u>Weatherization Assist Bridge</u>	<u>\$1,892.85</u>
<u>3440892214</u>	<u>DCF – Childcare Provider Workforce</u>	<u>\$2,879,549.25</u>
<u>3440892309</u>	<u>DCF – Worker Retention Grant</u>	<u>\$564,500.00</u>
<u>3480007000</u>	<u>Corrections – Justice Reinvest</u>	<u>\$831,964.28</u>
<u>4100500000</u>	<u>VT Department of Labor</u>	<u>\$2,400,000.00</u>
<u>5100010000</u>	<u>Administration</u>	<u>\$0.03</u>
<u>5100060000</u>	<u>Adult Basic Education</u>	<u>\$136.13</u>

<u>5100892214</u>	<u>AOA – School Food Program</u> <u>Admin</u>	<u>\$50,670.70</u>
<u>5100892301</u>	<u>AOE – Child Nutrition</u>	<u>\$244,648.60</u>
<u>5100892309</u>	<u>AOE – Staffing</u>	<u>\$146,649.08</u>
<u>6100040000</u>	<u>Property Tax Assessment</u> <u>Approp.</u>	<u>\$9,542.14</u>
<u>6130030000</u>	<u>Parks</u>	<u>\$3.85</u>
<u>6130891903</u>	<u>Logger Safety, Value Added</u>	<u>\$108.51</u>
<u>6140040000</u>	<u>Water Programs Appropriation</u>	<u>\$0.20</u>
<u>7110010000</u>	<u>Housing & Community Development</u>	<u>\$1.86</u>
<u>7120010000</u>	<u>Economic Development</u>	<u>\$0.71</u>
<u>7130000000</u>	<u>Dept. of Tourism & Marketing</u>	<u>\$230.47</u>

(2) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Transportation Fund from the accounts indicated:

<u>1150400000</u>	<u>BGS – Information Centers</u>	<u>\$183,952.35</u>
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(3) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Transportation Infrastructure Bond Fund from the accounts indicated:

<u>8100001100</u>	<u>Program Development</u>	<u>\$3,239,445.00</u>
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(4) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Education Fund from the accounts indicated:

<u>5100010000</u>	<u>Administration</u>	<u>\$1,280,710.79</u>
<u>5100110000</u>	<u>Small School Grant</u>	<u>\$391,067.00</u>
<u>5100200000</u>	<u>Education – Technical Education</u>	<u>\$1,204,216.38</u>
<u>5100892310</u>	<u>Education – Universal Meals</u>	<u>\$6,823,849.84</u>

(5) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Clean Water Fund from the accounts indicated:

<u>1100010000</u>	<u>Secretary of Administration</u>	<u>\$100,000.00</u>
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(6) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Fund from the accounts indicated:

<u>6140892207</u>	<u>Department of Environmental Conservation – Clean Water Board</u>	<u>\$6,000,000.00</u>
<u>1110892111</u>	<u>University of Vermont – Workforce Upskill</u>	<u>\$131,670.00</u>
<u>1110892112</u>	<u>VSAC HS Grad Advancement</u>	<u>\$24,539.92</u>
<u>1110892219</u>	<u>University of Vermont – New Career</u>	<u>\$181,485.00</u>
<u>2200892308</u>	<u>AAFM – Soil Quality Practices</u>	<u>\$200,000.00</u>
<u>3400892204</u>	<u>AHSCO – Workforce Retention</u>	<u>\$2,000,000.00</u>
<u>3440892205</u>	<u>DCF – OEO – Community Action Agc</u>	<u>\$3,182.48</u>
<u>4100892203</u>	<u>DOL-COVID-19 Unemployment Syst</u>	<u>\$2,459,122.60</u>

(7) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Tobacco Fund from the accounts indicated:

<u>3400891802</u>	<u>Invest Substance Use Treat</u>	<u>\$1,500,000.00</u>
<u>3400891803</u>	<u>Finance Substance Use Treat</u>	<u>\$724,241.80</u>

* * *

(e)(1) Notwithstanding Sec. 1.4.3 of the Rules for State Matching Funds Under the Federal Public Assistance Program, in fiscal year 2024, the Secretary of Administration may provide funding from the Emergency Relief and Assistance Fund that was transferred pursuant to subdivision (a)(1)(H) of this section to subgrantees prior to the completion of a project. In fiscal year 2024, up to 70 percent of the State funding match on the nonfederal share of an approved project for municipalities that were impacted by the July 2023 flooding event in counties that are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declaration DR-4720-VT may be advanced at the request of a municipality.

(2) Notwithstanding Sec. 1.4.1 of the Rules for State Matching Funds Under the Federal Public Assistance Program, the Secretary of Administration shall increase the standard State funding match on the nonfederal share of an approved project to the highest percentage possible given available funding for municipalities in counties that were impacted by the July 2023 flooding event and are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declaration DR-4720-VT.

* * *

Sec. 56. 2023 Acts and Resolves No. 78, Sec. E.100 is amended to read:

Sec. E.100 EXECUTIVE BRANCH POSITIONS

(a) The establishment of ~~68~~ 75 permanent positions is authorized in fiscal year 2024 for the following:

(1) Permanent classified positions:

* * *

(R) Department for Children and Families:

(i) five Family Service Workers;

(S) Cannabis Control Board:

(i) one Compliance Agent; and

(ii) one Deputy Director of Compliance and Enforcement.

* * *

(c) The establishment of 9 ~~12~~ new classified limited service positions is authorized in fiscal year 2024 as follows:

* * *

(3) Department of Finance and Management:

(A) one VISION Reporting Analyst III; and

(B) two VISION Financial Analysts II.

* * *

Sec. 57. 2021 Acts and Resolves No. 74, Sec. G.501(a) is amended to read:

(a) \$52,000,000 is appropriated in fiscal year 2022 from American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds as follows:

* * *

(4) \$12,800,000 to the Agency of Administration for a Human Capital Management ERP upgrade - replacement of the HR system that tracks employee information, timesheets, and contracts, including a VANTAGE budget system upgrade and interface with the new HR system. Up to \$3,000,000 of these funds may be expended for other Enterprise Resource Planning modernization related projects, including business process transformation.

* * *

Sec. 58. 3 V.S.A. § 3306 is amended to read:

§ 3306. TECHNOLOGY MODERNIZATION SPECIAL FUND

(a) Creation. There is created the Technology Modernization Special Fund, to be administered by the Agency of Digital Services. Monies in the Fund shall be used to fund business process transformation and to purchase, implement, and upgrade technology platforms, systems, and cybersecurity services used by State agencies and departments to carry out their statutory functions.

* * *

Sec. 59. AGENCY OF ADMINISTRATION; ENTERPRISE RESOURCE
PLANNING

(a) In fiscal year 2024, the Agency of Administration shall report to the Joint Information Technology Oversight Committee within three business days after any change in status of any contract relating to the Enterprise Resource Planning (ERP) Modernization – Business Transformation project changes.

(b) The Agency of Administration shall share the results of its independent review with the Committee within three business days after its completion.

Sec. 60. 2023 Acts and Resolves No. 78, Sec. E.111.2 is amended to read:

Sec. E.111.2 TAX COMPUTER SYSTEM MODERNIZATION FUND
TRANSFER

(a) Any remaining funds on June 30, 2023 in the Tax Computer System Modernization Fund established by 2007 Acts and Resolves No. 65, Sec. 282, and amended from time to time, shall ~~be deposited into~~ remain in the fund established as codified by 32 V.S.A. § 3209.

Sec. 61. 2023 Acts and Resolves No. 78, Sec. E.131.2 is added to read:

Sec. E.131.2 TREASURER; STATE RESERVES STUDY

(a) On or before December 15, 2024, the Treasurer shall, in consultation with the Department of Finance and Management and the Joint Fiscal Office, submit a written report to the Joint Fiscal Committee on the State’s fiscal reserve practices and the fiscal reserve practices of other states. The report shall include a review of:

(1) the current fiscal reserve practices of the State, including a review of which funds have statutory reserves and which funds do not;

(2) the fiscal reserve practices of other states and best practices;

(3) how Vermont’s fiscal reserve practices compare to those of other states and to best practices; and

(4) the cash reserve policies of the State as it compares to reserve requirements.

(b) The report shall include the Treasurer’s findings and any recommendations for changes in the fiscal reserve practices of the State.

Sec. 62. 2023 Acts and Resolves No. 78, Sec. E.131.3 is added to read:

Sec. E.131.3 TREASURER; STRESS-TESTING REPORT

(a) On or before December 15, 2024, the Treasurer, in consultation with the Department of Finance and Management and the Joint Fiscal Office, shall submit a written report to the Joint Fiscal Committee on fiscal stress-testing practices and methodologies in other states. The report shall address the extent to which such practices may be useful or beneficial and include any recommendations for the implementation of stress-testing practices in State government.

Sec. 63. 2023 Acts and Resolves No. 78, Sec. E.300.2 is amended to read:

Sec. E.300.2 BLUEPRINT FOR HEALTH HUB AND SPOKE
PROGRAM PILOT; FUND SOURCES

(a) The Agency of Human Services, in collaboration with the Departments of Vermont Health Access and of Health, shall identify alternative fund sources, including sales tax revenue from tobacco, cannabis, and liquor, for ongoing funding of the Blueprint for Health Hub and Spoke pilot program funded in Sec. B.1100 of this act and shall update the Joint Fiscal Committee on its findings on or before November 15, 2023.

Sec. 64. 2023 Acts and Resolves No. 78, Sec. E.301 is amended to read:

Sec. E.301 SECRETARY’S OFFICE – GLOBAL COMMITMENT

* * *

(b) In addition to the State funds appropriated in Sec. B.301 of this act, a total estimated sum of ~~\$25,231,644~~ \$25,050,921 is anticipated to be certified as State matching funds under the Global Commitment as follows:

* * *

(c) Up to ~~\$4,034,170~~ \$3,737,210 is transferred from the AHS Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Sec. B.301, Secretary’s Office – Global Commitment, of this act.

Sec. 65. 2023 Acts and Resolves No. 78, Sec. E.312 is amended to read:

Sec. E.312 HEALTH – PUBLIC HEALTH

(a) HIV/AIDS funding:

* * *

(5) In fiscal year 2024, the Department of Health shall provide grants in the amount of \$300,000 in General Funds Fund dollars and \$218,000 Tobacco Litigation Settlement Fund dollars to the current syringe exchange programs in Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for syringe exchange programs. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health, the Vermont AIDS service organizations, and other Vermont HIV/AIDS prevention providers. The performance period for these grants shall be State fiscal year 2024. Grant reporting shall include outcomes and results.

(A) The \$218,000 Tobacco Litigation Settlement Fund dollars appropriated to the Department of Health in Sec. B.312 of this act for grants to the current syringe exchange programs in Vermont shall be distributed as follows:

- (i) \$148,000 to Vermont Cares;
- (ii) \$30,000 to the AIDS Project of Southern Vermont;
- (iii) \$15,000 to the HIV/HCV Resource Center; and
- (iv) \$25,000 to the Howard Center Safe Recovery.

* * *

Sec. 66. 2022 Acts and Resolves No. 185, Sec. B.802, as amended by 2023 Acts and Resolves No. 3, Sec. 41, is further amended to read:

Sec. B.802 Housing and community development

Personal services ~~5,321,306~~ 5,212,164

Operating expenses	673,807	671,358
Grants	77,056,152	27,259,532
Total	83,051,265	33,143,054
Source of funds		
General fund	4,065,708	4,065,708
Special funds	7,204,966	7,747,606
Federal funds	68,364,457	18,456,246
Interdepartmental transfers	2,873,494	2,873,494
Total	83,051,265	33,143,054

Sec. 67. 2022 Acts and Resolves No. 185, Sec. B.1100, as amended by 2023 Acts and Resolves No. 3, Sec. 45 is further amended to read:

Sec. B.1100 FISCAL YEAR 2023 ONE-TIME GENERAL FUND
APPROPRIATIONS

(a) In fiscal year 2023, funds are appropriated from the General Fund for new and ongoing initiatives as follows:

* * *

(38) \$30,000 to the Department of Health ~~for a grant to enter into an agreement~~ with the American Heart Association for CPR and First Aid Training kits to facilitate training in schools.

* * *

Sec. 68. 2022 Acts and Resolves No. 183, Sec. 53(a), as amended by 2023 Acts and Resolves No. 3, Sec. 81 is further amended to read:

(a) Reversion. In fiscal year 2023, of the amounts appropriated in 2021 Acts and Resolves No. 74, Sec. G.300(a)(13) and 2021 Acts and Resolves No. 9, Sec. 3(b)(1), from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Commerce and Community Development for the Economic Recovery Grant Program, ~~\$25,042,000.00~~ \$24,980,874.93 shall revert to the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds.

Sec. 69. 2023 Acts and Resolves No. 22, Sec. 3 is amended to read:

Sec. 3. APPROPRIATION; COMMUNITY NEEDLE AND SYRINGE
DISPOSAL PROGRAMS

~~In~~ Notwithstanding any provision of law to the contrary, in fiscal year 2024, \$150,000.00 is ~~authorized~~ appropriated from the Evidence-Based Education and Advertising Fund ~~in established by~~ 33 V.S.A. § 2004a to the Department of Health’s Division of Substance Use Programs to provide grants and consultations for municipalities, hospitals, community health centers, and

other publicly available community needle and syringe disposal programs that participated in a stakeholder meeting pursuant to Sec. 2 of this act.

Sec. 70. 2023 Acts and Resolves No. 22, Sec. 14 is amended to read:

Sec. 14. APPROPRIATION; OPIOID ABATEMENT SPECIAL FUND

In fiscal year 2023, the following monies shall be appropriated from the Opioid Abatement Special Fund pursuant to 18 V.S.A. § 4774:

* * *

(9) All appropriations made in this section shall carry forward into fiscal year 2024 unless reverted as part of the fiscal year 2024 budget adjustment act.

Sec. 71. 2022 Acts and Resolves No. 185, Sec. G.600(b), as amended by 2023 Acts and Resolves No. 3, Sec. 85, and 2023 Acts and Resolves No. 62, Sec. 26, is further amended to read:

(b) In fiscal year 2023, \$32,200,000 is appropriated from the General Fund and \$550,000 is appropriated from the Transportation Fund for electric vehicle charging infrastructure, electrification incentives and public transportation investments as follows:

* * *

(4) ~~\$3,000,000~~ \$4,000,000 to the Agency of Transportation to grant to the Community Action Agencies to support the MileageSmart Program, established in 2019 Acts and Resolves No. 59, Sec. 34, as amended.

(5) ~~\$2,350,000.00~~ \$1,350,000 to the Agency of Transportation for the Replace Your Ride Program, established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.

(6) ~~\$2,200,000~~ \$2,350,000 general funds and \$550,000 Transportation funds to the Agency of Transportation for the following:

* * *

(C) \$50,000 Transportation funds and ~~\$100,000~~ \$150,000 general funds to the Agency of Transportation for electric bicycle incentives.

(7) \$500,000 to the Agency of Transportation Electrify Your Fleet Program.

Sec. 72. 2023 Acts and Resolves No. 81, Sec. 8 is amended to read:

Sec. 8. EMERGENCY HOUSING TRANSITION; FUNDING; FISCAL YEAR 2024 BUDGET ADJUSTMENT

(a) The Agency of Human Services shall ~~hold in reserve~~ revert as much ~~funding~~ spending authority as possible ~~from~~ during the Agency's fiscal year

~~2023 closeout process as carryforward for potential investment in assisting households with transitioning out of the pandemic-era General Assistance Emergency Housing Program. The reserved funds shall not be used unless pursuant to the Secretary of Administration's discretion under 2023 Acts and Resolves No. 3, Sec. 109. If the amounts appropriated pursuant to Sec. 7 of this act are not sufficient to fully implement the phase-out of the pandemic-era General Assistance Emergency Housing Program as set forth in this act, then the General Assembly may provide additional spending authority as needed.~~

* * *

Sec. 73. 10 V.S.A. § 6083a is amended to read:

§ 6083a. ACT 250 FEES

(a) All applicants for a land use permit under section 6086 of this title shall be directly responsible for the costs involved in the publication of notice in a newspaper of general circulation in the area of the proposed development or subdivision and the costs incurred in recording any permit or permit amendment in the land records. In addition, applicants shall be subject to each of the following fees for each individual permit or permit application for the purpose of compensating the State of Vermont for the direct and indirect costs incurred with respect to the administration of the Act 250 program:

* * *

Sec. 74. 16 V.S.A. § 4025(b)(2) is amended to read:

(2) To cover the cost of fund auditing, accounting, revenue collection, and of short-term borrowing to meet fund cash flow requirements.

Sec. 75. 18 V.S.A. § 1001 is amended to read:

§ 1001. REPORTS TO COMMISSIONER OF HEALTH

* * *

(b) Public health records developed or acquired by State or local public health agencies that relate to HIV or AIDS and that contain either personally identifying information or information that may indirectly identify a person shall be confidential and only disclosed following notice to and written authorization from the individual subject of the public health record or the individual's legal representative. Notice otherwise required pursuant to this section shall not be required for disclosures to the federal government; other departments, agencies, or programs of the State; or other states' infectious disease surveillance programs if the disclosure is for the purpose of comparing the details of potentially duplicative case reports, public health surveillance, or epidemiological follow-up, provided the information shall be shared using the

least identifying information first so that the individual's name shall be used only as a last resort.

* * *

Sec. 76. 33 V.S.A. § 3511 is amended to read:

§ 3511. DEFINITIONS

As used in this chapter:

* * *

(7) "Family child care home" means a child care facility that provides care on a regular basis in the caregiver's own residence for ~~not more than 10~~ children at any one time. ~~Of this number, up to six children may be provided care on a full-time basis and the remainder on a part-time basis. As used in this subdivision, care of a child on a part-time basis shall mean care of a school-age child for not more than four hours a day. These limits shall not include children who reside in the residence of the caregiver, except:~~

(A) ~~These part-time, school-age children may be cared for on a full-day basis during school closing days, snow days, and vacation days that occur during the school year.~~

(B) ~~During the school summer vacation, up to 12 children may be cared for provided that at least six of these children are of school age and a second staff person is present and on duty when the number of children in attendance exceeds six. These limits shall not include children who are required by law to attend school (seven years of age and older) and who reside in the residence of the caregiver.~~

* * *

Sec. 77. 29 V.S.A. chapter 61 is amended to read:

CHAPTER 61. MUNICIPAL EQUIPMENT LOAN FUND

* * *

§ 1602. APPLICATION; LOANS; CONDITIONS

(a) Upon application of a municipality or two or more municipalities applying jointly, the State Treasurer may loan money from the Fund to that municipality or municipalities for the purchase of equipment. Purchases of equipment eligible for loans from the Fund shall have a useful life of at least five years and a purchase price of at least \$20,000.00 but shall not be eligible for loans in excess of ~~\$110,000.00~~ \$150,000.00 from this Fund.

(b) The Treasurer is authorized to establish terms and conditions, including repayment schedules of up to five years for loans from the Fund to ensure repayment of loans to the Fund. Before a municipality may receive a loan from the Fund, it shall give to the Treasurer security for the repayment of the funds. The security shall be in such form and amount as the Treasurer may determine and may include a lien on the equipment financed by the loan.

(c) The rates of interest shall be as established by this section to assist municipalities in purchasing equipment upon terms more favorable than in the commercial market. Such rates shall be ~~no~~ not more than two percent per annum for a loan to a single municipality, and loans shall bear no interest charge if made to two or more municipalities purchasing equipment jointly.

(d) In any fiscal year, new loans from the Municipal Equipment Fund shall not exceed an aggregate of \$1,500,000.00. The Treasurer shall put forth recommendations to the General Assembly on a maximum loan amount every five years, commencing on January 15, 2028, based on requests received and loans granted pursuant to this chapter.

* * *

Sec. 78. 3 V.S.A. chapter 18 is amended to read:

CHAPTER 18. VT SAVES

* * *

§ 532. VT SAVES PROGRAM; ESTABLISHMENT

* * *

(c) Contributions.

(1) Unless otherwise specified by the covered employee, a covered employee shall automatically initially contribute five percent of the covered employee's ~~salary or~~ wages to the Program. A covered employee may elect to opt out of the Program at any time or contribute at any higher or lower rate, expressed as a percentage of ~~salary or~~ wages, or, as permitted by the Treasurer, expressed as a flat dollar amount, subject in all cases to the IRA contribution and eligibility limits applicable under the Internal Revenue Code at no additional charge.

(2) The Treasurer shall provide for, on a uniform basis, an annual increase of each active participant's contribution rate, by not less than one percent, but not more than eight percent, of ~~salary or~~ wages each year. Any such increases shall apply to active participants, including participants by default with an option to opt out or participants who are initiated by affirmative participant election, provided that any increase is subject to the

IRA contribution and eligibility limits applicable under the Internal Revenue Code.

* * *

§ 535. PENALTIES

(a) Failure to ~~enroll~~ comply. If a covered employer fails to ~~enroll~~ a covered employee be in compliance with this chapter without reasonable cause, the covered employer is subject to a penalty for each covered employee for each calendar year or portion of a calendar year during which the covered employee was not enrolled in the Program or had not opted out of participation in the Program. The amount of any penalty imposed on a covered employer for the failure to enroll a covered employee without reasonable cause is determined as follows:

* * *

(b) Waivers. The Treasurer is authorized to establish a rule waiving the penalty for a covered employer ~~for any failure to enroll a covered employee that fails to be in compliance with this chapter~~ for which it is established that the covered employer did not know that the failure existed and exercised reasonable diligence to meet the requirements of this chapter, provided that:

* * *

Sec. 79. 2023 Acts and Resolves No. 43, Sec. 2 is amended to read:

Sec. 2. VT SAVES; IMPLEMENTATION

(a) Subject to an appropriation from the General Assembly, the State Treasurer shall implement the VT Saves Program (Program), established in 3 V.S.A. chapter 18, ~~as follows:~~ in stages as determined by the Treasurer, which may include phasing in the Program based on the size of employers or other factors. The Program shall be implemented so that all covered employees will begin participation and make contributions on or before July 1, 2026

~~(1) Beginning on July 1, 2025, all covered employers with 25 or more covered employees shall offer the Program to all covered employees.~~

~~(2) Beginning on January 1, 2026, all covered employers with 15 to 24 covered employees shall offer the Program to all covered employees.~~

~~(3) Beginning on July 1, 2026, all covered employers with five to 14 covered employees shall offer the Program to all covered employees.~~

(b) As used in this section, “covered employer” and “covered employee” have the same meanings as in 3 V.S.A. § 531.

Sec. 80. 17 V.S.A. § 2732(a) is amended to read:

(a) The electors shall meet at the State House on the first ~~Monday~~ Tuesday after the second Wednesday in December next following their election to vote for the President and Vice President of the United States, agreeably to the laws of the United States.

Sec. 81. 18 V.S.A. § 9435 is amended to read:

§ 9435. EXCLUSIONS

* * *

(g) With the approval of the Commissioner of Health, excluded from this subchapter is a facility in which the prescription, distribution, or administration of medication for opioid use disorder is a principal activity.

Sec. 82. 18 V.S.A. § 4772 is amended to read:

§ 4772. OPIOID SETTLEMENT ADVISORY COMMITTEE

* * *

(f) Meetings.

(1) The Commissioner of Health shall call the first meeting of the Advisory Committee to occur on or before June 30, 2022.

(2) The Advisory Committee shall meet at least quarterly but not more than ~~six~~ 12 times per calendar year.

(3) The Advisory Committee shall adopt procedures to govern its proceedings and organization, including voting procedures and how the staggered terms shall be apportioned among members.

(4) All meetings of the Advisory Committee shall be consistent with Vermont's Open Meeting Law pursuant to 1 V.S.A. chapter 5, subchapter 2.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Advisory Committee serving in the member's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than ~~six~~ 12 meetings per year. These payments shall be appropriated from the Opioid Abatement Special Fund.

(2) Other members of the Advisory Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than ~~six~~ 12 meetings per year. These payments shall be appropriated from the Opioid Abatement Special Fund.

Sec. 83. 27 V.S.A. § 1513 is amended to read:

§ 1513. PAYMENT OR DELIVERY OF PROPERTY TO ADMINISTRATOR

* * *

(f) If property reported to the Administrator under section 1491 of this title is virtual currency, the holder shall liquidate the virtual currency and remit the proceeds to the Administrator. The liquidation shall occur anytime within 30 days prior to the remittance. The owner of the property shall not have recourse against the holder or the Administrator to recover any gain in value that occurs after the liquidation of the virtual currency for property properly reported as set forth in this chapter.

(g) The Administrator shall establish procedures for the registration, issuance, method of delivery, transfer, and maintenance of securities delivered to the Administrator by a holder.

~~(g)~~(h) An issuer, holder, and transfer agent or other person acting under this section under instructions of and on behalf of the issuer or holder is not liable to the apparent owner for, and must be indemnified by the State against, a claim arising with respect to property after the property has been delivered to the Administrator.

~~(h)~~(i) A holder is not required to deliver to the Administrator a security identified by the holder as a ~~non-freely~~ nonfreely transferable security. If the Administrator or holder determines that a security is no longer a ~~non-freely~~ nonfreely transferable security, the holder shall deliver the security on the next regular date prescribed for delivery of securities under this chapter. The holder shall make a determination annually whether a security identified in a report filed under section 1491 of this title as a ~~non-freely~~ nonfreely transferable security is no longer a ~~non-freely~~ nonfreely transferable security.

Sec. 84. 20 V.S.A. § 3173 is amended to read:

§ 3173. MONETARY BENEFIT

(a) The survivors of emergency personnel who dies while in the line of duty or from an occupation-related illness may apply for a payment of ~~\$50,000.00~~ \$80,000.00 from the State.

(b) The State Treasurer shall disburse from the Special Fund established in section 3175 of this title the monetary benefit described in subsection (a) of this section and shall adopt necessary procedures for the disbursement of such funds.

Sec. 85. 16 V.S.A. § 1949 is amended to read:

§ 1949. POSTRETIREMENT ADJUSTMENTS TO RETIREMENT ALLOWANCES

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

(b) Calculation of net percentage increase. Each year, a determination shall be made of any increase or decrease, to the nearest one-tenth of a percent, in the Consumer Price Index for the month ending on June 30 of that year to the average of the Consumer Price Index for the month ending on June 30 of the previous year.

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

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

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

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

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

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

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

(c) Eligibility for postretirement adjustment. In order for a beneficiary to receive a postretirement adjustment allowance, the beneficiary must meet the following eligibility requirements:

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

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

(3) Special rule for Group C early retirement. A Group C member in receipt of an early retirement allowance shall not receive a postretirement adjustment to the member's retirement allowance until such time as the member has reached normal retirement age, provided the member meets all eligibility criteria set forth in this subsection.

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

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

(A) the net percentage increase following the application of any offset as provided in this section equals or exceeds one percent; and

(B) the maximum amount of any adjustment under this section shall be five percent; and

(2) one-half of the net percentage increase calculated pursuant to subsection (b) of this section for all Group C members; ~~and~~, provided that:

(A) For Group C members eligible for normal retirement or who are vested deferred on or before June 30, 2022, the maximum amount of any

adjustment under this section shall be five percent. An adjustment of less than one percent shall be assigned a value of one percent.

(B) For Group C members first eligible for normal retirement and who leave active service on or after July 1, 2022, the maximum amount of any adjustment under this section shall be four percent and the minimum amount shall be zero percent.

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

Sec. 86. 2023 Acts and Resolves No. 47, Sec. 36 is amended to read:

Sec. 36 MIDDLE-INCOME HOMEOWNERSHIP DEVELOPMENT PROGRAM

(a) The Vermont Housing Finance Agency shall establish a Middle-Income Homeownership Development Program pursuant to this section.

(b) As used in this section:

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

(2) “Income-eligible homebuyer” means a Vermont household with annual income that does not exceed 150 percent of area median income.

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

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

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

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

(A) the Agency includes conditions in the subsidy, agreement or uses another legal mechanism, to ensure that, ~~to the extent the home value has risen, the amount of the subsidy upon sale of the home, to the extent proceeds are available, the amount of the affordability subsidy either:~~

(i) remains with the home to offset the cost to future homebuyers;
or

(ii) is recaptured by the Agency upon sale of the home for use in a similar program to support affordable homeownership development; or

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

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

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

- (1) project location;
- (2) geographic distribution;
- (3) leveraging of other programs;
- (4) housing market needs;
- (5) project characteristics, including whether the project includes the use of existing housing as part of a community revitalization plan;
- (6) construction standards, including considerations for size;
- (7) priority for plans with deeper affordability and longer duration of affordability requirements;
- (8) sponsor characteristics;
- (9) energy efficiency of the development; and
- (10) the historic nature of the project.

(f)(1) When implementing the Program, the Agency shall consult stakeholders and experts in the field.

(2) The Program shall include:

- (A) a streamlined and appropriately scaled application process;

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

(C) an equitable system for distributing investments statewide on the basis of need according to a system of priorities that includes consideration of:

- (i) geographic distribution;
- (ii) community size;
- (iii) community economic need; and

(iv) whether an application has already received an investment or is from an applicant in a community that has already received Program funding.

(3) ~~The Agency shall use its best efforts to ensure:~~

~~(A) that investments awarded are targeted to the geographic communities or regions with the most pressing economic and employment needs; and~~

~~(B) that the allocation of investments provides equitable access to the benefits to all eligible geographical areas.~~

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

(h) The Department shall report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs on the status of the Program annually, on or before January 15.

Sec. 87. 2023 Acts and Resolves No. 47, Sec. 37 is amended to read:

Sec. 37. ~~MIDDLE-INCOME HOMEOWNERSHIP; IMPLEMENTATION~~

~~The duty to implement Sec. 36 of this act is contingent upon an appropriation of funds in fiscal year 2024 from the General Fund to the Department of Housing and Community Development for a subgrant to the Vermont Housing Finance Agency for the Middle-Income Homeownership Development Program. [Repealed.]~~

Sec. 88. UNRESERVED EDUCATION FUNDS; VERMONT STATE TEACHERS' RETIREMENT SYSTEM TRANSFER

(a) In fiscal year 2024, notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, the amount of \$9,100,000 in Education Fund dollars reserved in 2023 Acts and Resolves No. 78, Sec. D.104(a) is unreserved, and the sum of \$9,340,000 in Education Fund dollars is transferred to the Vermont Teachers' Retirement Fund, established in 16 V.S.A. § 1944, to fund the present value of modifications made to the postretirement adjustments allowance set forth in Sec. 85 of this act.

Sec. 89. TEMPORARY EMERGENCY HOUSING

(a) To the extent emergency housing is available, the Commissioner for Children and Families shall ensure that temporary emergency housing is provided through June 30, 2024 to households eligible for the General Assistance Emergency Housing Program, including beneficiaries of the emergency housing transition benefit that is set to conclude on April 1, 2024 and including those individuals who qualify for temporary emergency housing pursuant to both the Department's adverse weather condition policy and either catastrophic or vulnerable population eligibility. Participation pursuant to this subsection shall not be bound by day limit maximums and shall be subject to the following eligibility criteria:

(1) for beneficiaries of the emergency housing transition benefit, 2023 Acts and Resolves No. 81, Sec. 6, and Department for Children and Families, Emergency Housing Transition Benefit (EH-100), adopted under Secretary of State emergency rule filing number 23-E12 or any future identical emergency rule adopted by the Department; and

(2) for all other participants of the General Assistance Emergency Housing Program, including those individuals who qualify for temporary emergency housing pursuant to both the Department's adverse weather condition policy and either catastrophic or vulnerable population eligibility, Department for Children and Families, General Assistance (CVR 13-170-260) as amended by Department for Children and Families under Secretary of State emergency rule filing number 23-E11 or any future identical emergency rule adopted by the Department.

(b) A household that is otherwise eligible for temporary emergency housing pursuant to subsection (a) of this section, but for the inability to qualify for or document receipt of SSI or SSDI, may use the Department's Emergency Housing Disability Variance Request Form as a means of documenting a qualifying disability or health condition.

(c) Temporary emergency housing required pursuant to subsection (a) of this section may be provided through approved shelters, new unit generation, open units, licensed hotels or motels, or other appropriate shelter space. The

Agency of Human Services shall, when available, prioritize temporary emergency housing at housing or shelter placements other than licensed hotels or motels.

(d) On or before the last day of each month from April 2024 through June 2024, the Agency of Human Services, or other relevant agency or department, shall continue submitting a substantially similar report to that due pursuant to 2023 Acts and Resolves No. 81, Sec. 6(b).

(e) For temporary emergency housing provided beginning on March 1, 2024 and thereafter, the Agency of Human Services shall not pay a licensed hotel or motel establishment more than the lowest advertised room rate and not more than \$80 a day per room to shelter a household experiencing homelessness. The Agency of Human Services may shelter a household in more than one licensed hotel or motel room depending on the household's size and composition.

(f) The Agency of Human Services shall apply the following rules:

(1) Section 2650.1 of the Department for Children and Families, General Assistance (CVR 13-170-260);

(2) Department of Health, Licensed Lodging Establishment Rule (CVR 13-140-023); and

(3) Department of Public Safety, Vermont Fire and Building Safety Code (CVR 28-070-001).

(g)(1) Prior to June 1, 2024, the Agency of Human Services may work with either a shelter provider or a community housing agency to enter into a full facility lease or sales agreement with a hotel or motel provider. Any facility conversion under this section shall comply with the Office of Economic Opportunity's shelter standards.

(2) If the Agency determines that a contractual agreement with a licensed hotel or motel operator to secure temporary emergency housing capacity is beneficial to improve the quality, cleanliness, or access to services for those households temporarily housed in the facility, the Agency shall be authorized to enter into such an agreement in accordance with the per-room rate identified in subsection (e) of this section; provided, however, that in no event shall such an agreement cause a household to become unhoused. The Agency may include provisions to address access to services or related needs within the contractual agreement.

Sec. 90. 2012 Acts and Resolves No. 71, Sec. 1, as amended by 2012 Acts and Resolves No. 143, Sec. 13, 2014 Acts and Resolves No. 189, Sec. 26, and 2017 Acts and Resolves No. 71, Sec. 24, is further amended to read:

Sec. 1. VERMONT STRONG MOTOR VEHICLE PLATES

(a) ~~Intent. It is the intent of this act to recognize all of those who have suffered losses because of the destruction brought by Tropical Storm Irene and the flooding of 2011, and to commemorate the contributions of the many who are helping to rebuild Vermont and to make it stronger. [Repealed.]~~

(b) Authority; accounting and reporting; bundles.

(1) ~~The department of motor vehicles (“department”)~~ Department of Motor Vehicles is authorized to design, manufacture or procure, and distribute one or more commemorative plates that include the text “Vermont Strong” in accordance with this section. ~~The department and Vermont Life magazine are~~ Department is authorized to sell commemorative plates individually or in conjunction with a bundled promotional item. ~~The department~~ Department may also authorize other persons to sell commemorative plates, provided that such persons are required to pay the ~~department~~ Department ~~\$25.00~~ \$35.00 per plate within 30 days of after receiving the plates from the ~~department~~ Department.

(2) ~~A~~ The Vermont Strong commemorative plate fund (the “fund”) Commemorative Plate Fund is established. ~~The fund~~ Fund shall be under the control of the ~~commissioner of motor vehicles~~ Commissioner of Motor Vehicles or designee, and shall consist of all receipts from the sales of Vermont Strong commemorative plates and bundled promotional items. ~~The commissioner~~ Commissioner shall account for all proceeds of sales of commemorative plates and bundled promotional items and all receipts into and disbursements from the ~~fund~~ Fund; shall track the number of plates and bundled promotional items distributed and sold; and shall track and collect payments owed for plates distributed. ~~The commissioner~~ Commissioner shall transfer funds from the ~~fund~~ Fund in accordance with subsection (d) of this section ~~no~~ not less often than once per month. ~~The department~~ Department shall report its accounting of ~~fund~~ Fund receipts and disbursements, plate inventory, and uncollected payments for plates distributed to the ~~joint fiscal committee at its November 2012 meeting~~ House and Senate Committees on Transportation and the Joint Fiscal Committee not later than May 1, 2024.

(c) Use. An approved Vermont Strong commemorative plate may be displayed on a motor vehicle registered in Vermont as a pleasure car or on a motor truck registered in Vermont for less than 26,001 pounds (, but excluding vehicles registered under the International Registration Plan), by covering the front registration plate with the commemorative plate any time from the effective date of this act. The regular front registration plate shall not be

removed. The regular rear registration plate shall be in place and clearly visible at all times.

(d) Price and allocation of revenue.

(1) The retail price of the plate shall be ~~\$25.00~~ \$35.00, except that on or after July 1, ~~2016~~ 2026, plates may be sold by the Commissioner for \$5.00.

(2) Funds received from the sale of plates for \$5.00 shall be allocated to the Department; funds received from the sale of the plates for ~~\$25.00~~ \$35.00 shall be allocated as follows:

~~(1)(A)~~ (A) \$5.00 to the Department;

~~(2)(B)~~ (B) ~~\$18.00 to the Vermont Disaster Relief Fund~~ \$15.00 to the Vermont Community Foundation; and

~~(3)(C)~~ (C) ~~\$2.00 to the Vermont Foodbank~~ \$15.00 to the Agency of Commerce and Community Development's Business Emergency Gap Assistance Program.

(3) Funds received from the sale of bundled promotional items, less any costs to the Department for the purchase of the bundled promotional items, shall be allocated as follows:

(A) 50 percent to the Vermont Community Foundation; and

(B) 50 percent to the Agency of Commerce and Community Development's Business Emergency Gap Assistance Program.

(e) Funding. ~~The department of motor vehicles~~ Department of Motor Vehicles is authorized to obtain an advance from the Vermont Strong ~~commemorative plate fund~~ Commemorative Plate Fund in an anticipation of receipts. ~~The amount to be determined by the commissioner of motor vehicles in anticipation of receipts from the administration of this section~~ Commissioner of Motor Vehicles shall not exceed the projected number of plates to be sold multiplied by the amount provided in subdivision (d)(2)(A) of this section.

(f) Tax exemption. Sales of commemorative plates pursuant to this section shall be exempt from the sales and use tax established by 32 V.S.A. chapter 233.

Sec. 91. 2012 Acts and Resolves No. 71, Sec. 1, as amended by 2012 Acts and Resolves No. 143, Sec. 13, 2014 Acts and Resolves No. 189, Sec. 26, 2017 Acts and Resolves No. 71, Sec. 24, and Sec. 90 of this act is further amended to read:

Sec. 1. VERMONT STRONG MOTOR VEHICLE PLATES

(a) [Repealed.]

(b) Authority; accounting and reporting; ~~bundles.~~

(1) The Department of Motor Vehicles is authorized to design, manufacture or procure, and distribute one or more commemorative plates that include the text “Vermont Strong” in accordance with this section. The Department is authorized to sell commemorative plates ~~individually or in conjunction with a bundled promotional item.~~ The Department may also authorize other persons to sell commemorative plates, provided that such persons are required to pay the Department \$35.00 per plate within 30 days after receiving the plates from the Department.

(2) The Vermont Strong Commemorative Plate Fund is established. The Fund shall be under the control of the Commissioner of Motor Vehicles, or designee, and shall consist of all receipts from the sales of Vermont Strong commemorative plates and bundled promotional items. The Commissioner shall account for all proceeds of sales of commemorative plates and bundled promotional items and all receipts into and disbursements from the Fund; shall track the number of plates and bundled promotional items distributed and sold; and shall track and collect payments owed for plates distributed. The Commissioner shall ~~transfer~~ disburse funds from the Fund in accordance with subsection (d) of this section not less often than once per month. The Department shall report its accounting of Fund receipts and disbursements, plate inventory, and uncollected payments for plates distributed to the House and Senate Committees on Transportation and the Joint Fiscal Committee not later than May 1, 2024.

* * *

(d) Price and allocation of revenue.

(1) The retail price of the plate shall be \$35.00, except that on or after July 1, 2026, plates may be sold by the Commissioner for \$5.00.

(2) Funds received from the sale of plates for \$5.00 shall be allocated to the Department; funds received from the sale of the plates for \$35.00 shall be allocated as follows:

(A) \$5.00 to the Department; and

(B) ~~\$15.00~~ \$30.00 to the Vermont Community Foundation; and

~~(C) \$15.00 to the Agency of Commerce and Community Development’s Business Emergency Gap Assistance Program~~ General Fund. It is the intent of the General Assembly that an amount equal to these receipts be used for natural disaster relief.

(3) Funds received from the sale of bundled promotional items prior to the effective date of this section, less any costs to the Department for the purchase of the bundled promotional items, shall be allocated as follows:

(A) 50 percent to the Vermont Community Foundation; and

(B) 50 percent to the Agency of Commerce and Community Development's Business Emergency Gap Assistance Program.

* * *

(g) Bundled promotional items. The State shall not be involved with the sale of any bundled promotional items.

Sec. 92. FEDERAL EMERGENCY MANAGEMENT AGENCY
REPORTING AND OVERSIGHT

(a) The Secretary of Administration shall report to the Joint Fiscal Committee at each of its scheduled meetings in fiscal years 2024 and 2025 on funding received from the Federal Emergency Management Agency (FEMA) Public Assistance Program and associated emergency relief and assistance funds match for the damages due to the July 2023 flooding event. The report shall include:

(1) a projection of the total funding needs for the Federal Emergency Management Agency (FEMA) Public Assistance Program and to the extent possible, details about the projected funding by State agency or municipality;

(2) spending authority (appropriated and excess receipts) granted to date for the FEMA Public Assistance Program and the associated emergency relief and assistance funds match;

(3) information on any audit findings that may result in financial impacts to the State; and

(4) actual expenditures to date made from the spending authority granted and to the extent possible, details about the expended funds by State agency or municipality.

(b) Reports shall be posted on the legislative and administration websites after submission.

Sec. 93. 2010 Acts and Resolves No. 83, Sec. 2, as amended by 2013 Acts and Resolves No. 65, Sec. 1, 2016 Acts and Resolves No. 117, Sec. 2, and 2019 Acts and Resolves No. 5, Sec. 1, is further amended to read:

Sec. 2. CERTIFICATE OF NEED WORK GROUP; MORATORIUM

* * *

(d) Notwithstanding any other provision of law, no CON shall be granted for the offering of home health services, which includes hospice, or for a new home health agency during the period beginning on the effective date of this act and continuing through January 1, ~~2025~~ 2030, or until the General Assembly lifts the moratorium after considering a progress report on the Green Mountain Care Board's implementation of its health care reform initiatives and health planning function and how they relate to home health agencies, whichever occurs first; provided, however, that the moratorium established pursuant to this subsection shall not apply to a continuing care retirement community that has been issued a certificate of authority or to a licensed home for persons who are terminally ill as defined in 33 V.S.A. § 7102.

* * *

Sec. 94. 2013 Acts and Resolves No. 65, Sec. 2, as amended by 2016 Acts and Resolves No. 117, Sec. 3 and 2019 Acts and Resolves No. 5, Sec. 2, is further amended to read:

Sec. 2. PERIODIC HEALTH PLANNING FUNCTION PROGRESS
REPORTS

For as long as the moratorium continues for certificates of need for the offering of home health services, as established in 2010 Acts and Resolves No. 83, Sec. 2 and as amended by 2013 Acts and Resolves No. 65, Sec. 1, 2016 Acts and Resolves No.117, Sec. 2, 2019 Acts and Resolves No. 5, Sec. 1, and this act, the Green Mountain Care Board shall provide to the House Committees on Health Care and on Human Services and the Senate Committee on Health and Welfare any progress reports the Board generates on its implementation of its health care reform initiatives and health planning function and how they relate to home health agencies.

Sec. 95. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

* * *

(b) Notwithstanding subsection (a) of this section, an employer shall not pay an employee less than one and one-half times the regular wage rate for any work done by the employee in excess of 40 hours during a workweek. However, this subsection shall not apply to:

* * *

(8) Permanent employees of the Vermont General Assembly.

* * *

Sec. 96. 2023 Acts and Resolves No. 64, Sec. 3a. is amended to read:

Sec. 3a. APPROPRIATION; SCHOOL MEALS

The sum of ~~\$29,000,000.00~~ \$24,000,000 is appropriated from the Education Fund to the Agency of Education for fiscal year 2024 to provide reimbursement for school meals under 16 V.S.A. § 4017.

Sec. 97. 16 V.S.A. chapter 1, subchapter 3 is added to read:

Subchapter 3. Afterschool and Summer Care

§ 51. UNIVERSAL AFTERSCHOOL AND SUMMER SPECIAL FUND

(a) The Universal Afterschool and Summer Special Fund is created, to be managed by the Agency of Education. The cannabis sales tax revenue shall be deposited into the Universal Afterschool and Summer Special Fund. The Fund shall be used as follows:

(1) To establish a grant program that supports the expansion of universal afterschool and summer programs with a focus on underserved areas of the State.

(2) Cannabis sales tax revenue shall be used to support a mixed delivery system for afterschool and summer programming. Eligible recipients can be public, private, or nonprofit organizations.

(A) Grants may be used for technical assistance, program implementation, program expansion, program sustainability, and related costs.

(B) Funds may be used to directly target communities with low existing capacity to serve youth in afterschool and summer settings.

(C) The award of grants and any subsequent contract or written agreement issued pursuant to the award of a grant shall require that a grantee does not discriminate, and prohibits its employees, agents, subcontractors, and other service providers from discriminating, on the basis of race, creed, color, national origin, marital status, sex, sexual orientation, gender identity, or disability.

(D) The Agency may use up to \$500,000.00 annually for administrative costs to allow for the support of the grant program and technical assistance to communities. This could include subcontracts to support the grant program.

(b) An advisory committee is created to support the Secretary in administering the funds. The Agency shall provide administrative and technical support to the advisory committee. The advisory committee shall be composed of:

- (1) the State's Chief Prevention Officer;
- (2) the Commissioner for Children and Families or designee;
- (3) the Commissioner of Health or designee;
- (4) the Commissioner of Mental Health or designee;
- (5) the Secretary of Natural Resources or designee;
- (6) the Secretary of Commerce and Community Development or designee;
- (7) the Vermont Afterschool Executive Director or designee; and
- (8) a representative from the Governor's office.

(c) Notwithstanding 2 V.S.A. § 20(d), annually on or before November 15, the Agency shall submit to the General Assembly a plan to fund grants pursuant to subsection (a) of this section in the coming year and a report containing outcomes data on the grants made during the previous year. The Agency shall report on the number of programs, slots, weeks, or hours; geographic distribution of programs receiving a grant; and what is known about costs to families participating in programs receiving a grant. The report shall be inclusive of 21st Century programming.

(d) The amount of grant funds awarded shall be in alignment with the actual revenue collected from the sales and use tax imposed by 32 V.S.A. chapter 233 on cannabis or cannabis products in this State. Discrepancies between the amount of grant funds awarded and actual revenue shall be reconciled through the budget adjustment process.

Sec. 98. 32 V.S.A. chapter 207 is amended to read:

CHAPTER 207. CANNABIS EXCISE TAX AND CANNABIS
SALES TAX REVENUE

* * *

§ 7910. CANNABIS SALES TAX REVENUE; UNIVERSAL
AFTERSCHOOL AND SUMMER SPECIAL FUND

Notwithstanding 16 V.S.A. § 4025, revenue from the sales and use tax imposed by chapter 233 of this title on retail sales of cannabis or cannabis products in Vermont shall be deposited into the Universal Afterschool and Summer Special Fund established pursuant to 16 V.S.A. § 51.

Sec. 99. REPEAL; AFTERSCHOOL AND SUMMER LEARNING
PROGRAMS

16 V.S.A § 4018 (afterschool and summer learning programs) is repealed.

Sec. 99a. 2023 Acts and Resolves No. 78, Sec. E.323.7 is amended to read:

Sec. E.323.7 REACH AHEAD PILOT PROGRAM

* * *

(c) The incentive payments provided in subdivision (a)(4) of this section are reimbursements for past or future work expenses incurred by participating families.

Sec. 100. 7 V.S.A. § 843(f) is amended to read:

(f) Executive Director. The Board shall appoint an Executive Director who shall ~~be an attorney with~~ have prior experience in legislative or regulatory matters. The Director shall be a full-time State employee, shall be exempt from the State classified system, and shall serve at the pleasure of the Board. The Director shall be responsible for:

(1) supervising and administering the operation and implementation of this chapter and chapters 35 and 37 of this title and the rules adopted by the Board as directed by the Board;

(2) assisting the Board in its duties and administering the licensing requirements of this chapter and chapters 35 and 37 of this title;

(3) acting as Secretary to the Board, but as a nonvoting member of the Board;

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

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

Sec. 101. FOSTER CARE; SUBSIDIZED ADOPTION; EXPENDITURE

(a) The Department for Children and Families' Family Services Division shall spend funds appropriated in 2023 Acts and Resolves No. 78, Sec. B.317 on a four percent rate increase for foster care and subsidized adoption.

Sec. 102 2021 Acts and Resolves No. 9, Sec. 17 is amended to read:

Sec. 17. PRACTICAL NURSE; WORKFORCE FUNDING

(a) Due to the increasing challenge of the pandemic on the health professions, the sum of \$1,400,000.00 is appropriated from the American Rescue Plan Act of 2021 - Coronavirus State Fiscal Recovery Fund to the Vermont State Colleges to ~~open 40 to 45 seats in the Practical Nurse Program in partnership with skilled nursing facilities across the State to upskill existing staff to achieve certification as a practical nurse~~ purchase nursing simulation

equipment to expand nursing student enrollment capacity and address the critical nursing shortage facing Vermont. These funds shall be used as follows:

(1) Up to \$500,000.00 for administrative and start-up costs for Vermont Technical College.

(2) Up to \$260,000.00 in incentive payments in the amount of \$6,000.00 per student to offset lost income during enrollment in the Program.

(3) All remaining funds shall be allocated for tuition and fees payments for required prerequisite courses at Community College of Vermont and for the Practical Nurse Program at Vermont Technical College after available federal and State financial aid is applied to ensure no cost to the student.

(b) To be eligible to participate in the program, a skilled nursing facility shall provide an incentive match in the amount of \$4,000.00 per student during enrollment in the Program.

Sec. 103. CARRYFORWARD AUTHORITY

(a) Notwithstanding any other provisions of law and subject to the approval of the Secretary of Administration, General, Transportation, Transportation Infrastructure Bond, Education Fund, Clean Water Fund (21932), and Agricultural Water Quality Fund (21933) appropriations remaining unexpended on June 30, 2024 in the Executive Branch shall be carried forward and shall be designated for expenditure.

(b) Notwithstanding any other provisions of law, General Fund appropriations remaining unexpended on June 30, 2024 in the Legislative and Judicial Branches shall be carried forward and shall be designated for expenditure.

(c) As part the fiscal year 2025 budget adjustment presentation, the Commissioner of Finance and Management shall provide the House and Senate Committees on Appropriations with a report on reversions and approved carryforward by appropriation.

Sec. 104. EFFECTIVE DATES

(a) Notwithstanding 1 V.S.A. § 214, Sec. 74 (16 V.S.A. § 4025(b)(2) amendment) is effective retroactively on July 1, 2023.

(b) Notwithstanding 1 V.S.A. § 214, Sec. 20 (B.334.1 amendment) is effective retroactively on January 1, 2024.

(c) Notwithstanding 1 V.S.A. § 214, Sec. 90 (Vermont Strong license plates through passage) shall take effect retroactively on August 23, 2023.

(d) All other sections shall take effect on passage.

And by renumbering all of the sections of the bill to be numerically correct (including internal references) and adjusting all of the totals to be arithmetically correct.

*M. JANE KITCHEL
ANDREW J. PERCHLIK
RICHARD A. WESTMAN*

Committee on the part of the Senate

*DIANE LANPHER
ROBIN SCHEU
THERESA WOOD*

Committee on the part of the House

Action Under Rule 52

J.R.S. 47

Joint resolution providing for a Joint Assembly to vote on the retention of two Superior Judges and one Magistrate

(For text, see House Journal of February 29, 2024)

Action Postponed Until March 13, 2024

Favorable with Amendment

S. 18

An act relating to banning flavored tobacco products and e-liquids

Rep. Brumsted of Shelburne, for the Committee on Human Services, recommends the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

The General Assembly finds that:

(1) Tobacco use is costly. Vermont spends more than \$400 million annually to treat tobacco-caused illnesses, including more than \$90 million each year in Medicaid expenses. This translates into a tax burden each year of over \$1,000.00 per Vermont household. Smoking-related productivity losses add another \$576 million in additional costs each year.

(2) Youth tobacco use is growing due to e-cigarettes. Seven percent of Vermont high school students smoke, but if e-cigarette use is included, 28 percent of Vermont youths use some form of tobacco product. More than one in four Vermont high school students now uses e-cigarettes. Use more

than doubled among this age group, from 12 percent to 26 percent, between 2017 and 2019.

(3) Menthol cigarette use is more prevalent among persons of color who smoke than among white persons who smoke and is more common among lesbian, gay, bisexual, and transgender smokers than among heterosexual smokers. Eighty-five percent of African American adult smokers use menthol cigarettes, and of Black youths 12–17 years of age who smoke, seven out of 10 use menthol cigarettes. Tobacco industry documents show a concerted effort to target African Americans through specific advertising efforts.

Sec. 2. 7 V.S.A. chapter 40 is amended to read:

CHAPTER 40. TOBACCO PRODUCTS

§ 1001. DEFINITIONS

As used in this chapter:

(1) “Bidis” or “Beedies” means a product containing tobacco that is wrapped in temburni leaf (diospyros melanoxylon) or tendu leaf (diospyros exculpra), or any other product that is offered to, or purchased by, consumers as bidis or beedies.

(2) “Board” means the Board of Liquor and Lottery.

(3) “Characterizing flavor” means a taste or aroma, other than the taste or aroma of tobacco, imparted either prior to or during consumption of a tobacco product or tobacco substitute, or a component part or byproduct of a tobacco product or tobacco substitute. The term includes tastes or aromas relating to any fruit, chocolate, vanilla, honey, maple, candy, cocoa, dessert, alcoholic beverage, mint, menthol, wintergreen, herb or spice, or other food or drink, or to any conceptual flavor that imparts a taste or aroma that is distinguishable from tobacco flavor but may not relate to any particular known flavor. The term also includes induced sensations, such as those produced by synthetic cooling agents, regardless of whether the agent itself imparts any taste or aroma.

(4) “Child-resistant packaging” means packaging that is designed or constructed to be significantly difficult for children under five years of age to open or obtain a toxic or harmful amount of the substance in the container within a reasonable time and not difficult for normal adults to use properly but does not mean packaging that all children under five years of age cannot open or obtain a toxic or harmful amount of the substance in the container within a reasonable time.

(5) “Cigarette” means:

(A) any roll of tobacco wrapped in paper or any substance not containing tobacco; and

(B) any roll of tobacco wrapped in a substance containing tobacco that, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in subdivision (A) of this subdivision (5).

~~(2)(6) “Commissioner” means the Commissioner of Liquor and Lottery.~~

~~(3) “Tobacco products” means cigarettes, little cigars, roll-your-own tobacco, snuff, cigars, new smokeless tobacco, and other tobacco products as defined in 32 V.S.A. § 7702.~~

~~(4) “Vending machine” means any mechanical, electronic, or other similar device that dispenses tobacco products for money.~~

(7) “E-liquid” means the solution, substance, or other material used in or with a tobacco substitute that is heated or otherwise acted upon to produce an aerosol, vapor, or other emission to be inhaled or otherwise absorbed by the user, regardless of whether the solution, substance, or other material contains nicotine. The term does not include cannabis products as defined in section 831 of this title or products that are regulated by the Cannabis Control Board.

(8) “E-liquid container or other container holding a liquid or gel substance containing nicotine” means a bottle or other container of an e-liquid containing nicotine or a nicotine liquid or other substance containing nicotine that is sold, marketed, or intended for use in a tobacco substitute. The term does not include a container containing nicotine in a cartridge that is sold, marketed, or intended for use in a tobacco substitute if the cartridge is prefilled and sealed by the manufacturer and not intended to be opened by the consumer.

(9) “Flavored e-liquid” means any e-liquid with a characterizing flavor. An e-liquid shall be presumed to be a flavored e-liquid if a licensee, a manufacturer, or a licensee’s or manufacturer’s agent or employee has made a statement or claim directed to consumers or the public, whether express or implied, that the product has a distinguishable taste or aroma other than the taste or aroma of tobacco.

(10) “Flavored tobacco product” means any tobacco product with a characterizing flavor. A tobacco product shall be presumed to be a flavored tobacco product if a licensee, a manufacturer, or a licensee’s or manufacturer’s agent or employee has made a statement or claim directed to consumers or the public, whether express or implied, that the product has a distinguishable taste or aroma other than the taste or aroma of tobacco.

(11) “Flavored tobacco substitute” means any tobacco substitute with a characterizing flavor. A tobacco substitute shall be presumed to be a flavored tobacco substitute if a licensee, a manufacturer, or a licensee’s or manufacturer’s agent or employee has made a statement or claim directed to consumers or the public, whether express or implied, that the product has a distinguishable taste or aroma other than the taste or aroma of tobacco.

(12) “Licensed wholesale dealer” means a wholesale dealer licensed under 32 V.S.A. chapter 205.

(13) “Little cigars” means any rolls of tobacco wrapped in leaf tobacco or any substance containing tobacco, other than any roll of tobacco that is a cigarette, and as to which 1,000 units weigh not more than three pounds.

(14) “Nicotine” means the chemical substance named 3-(1-Methyl-2-pyrrolidinyl)pyridine or C[10]H[14]N[2], including any salt or complex of nicotine, whether naturally or synthetically derived.

(15) “Proper proof of age” means a valid authorized form of identification as defined in section 589 of this title.

(16) “Retail dealer” means a person licensed pursuant to section 1002 of this title.

(17) “Roll-your-own tobacco” means any tobacco that, because of its appearance, type, packaging, or labeling, is suitable for use and likely to be offered to, or purchased by, consumers as tobacco for making cigarettes.

(18) “Snuff” means any finely cut, ground, or powdered tobacco that is not intended to be smoked, has a moisture content of not less than 45 percent, and is not offered in individual single-dose tablets or other discrete single-use units.

~~(5)~~(19) “Tobacco license” means a license issued by the Division of Liquor Control under this chapter permitting the licensee to engage in the retail sale of tobacco products.

~~(6) “Bidis” or “Beedies” means a product containing tobacco that is wrapped in temburni leaf (diospyros melanoxylon) or tendu leaf (diospyros exculpra), or any other product that is offered to, or purchased by, consumers as bidis or beedies.~~

~~(7)~~(20) “Tobacco paraphernalia” means any device used, intended for use, or designed for use in smoking, inhaling, ingesting, or otherwise introducing tobacco products, tobacco substitutes, e-liquids, or a combination of these, into the human body, or for preparing tobacco for smoking, inhaling, ingesting, or otherwise introducing into the human body, including devices for

holding tobacco, rolling paper, wraps, cigarette rolling machines, pipes, water pipes, carburetion devices, bongs, and hookahs, and clothing or accessories adapted for use with a tobacco product, a tobacco substitute, an e-liquid, or tobacco paraphernalia.

(21) “Tobacco products” means cigarettes, little cigars, roll-your-own tobacco, snuff, cigars, new smokeless tobacco, and any other product manufactured from, derived from, or containing tobacco that is intended for human consumption by smoking, by chewing, or in any other manner.

~~(8)(22)~~(A) “Tobacco substitute” means ~~products~~ any product that is not a tobacco product, as defined in subdivision (21) of this section, and that meets one or both of the following descriptions:

(i) a product, including an electronic ~~eigarettes~~ cigarette or other electronic or battery-powered ~~deveies~~ device, or any component, part, or accessory thereof, that ~~contain or are~~ contains or is designed to deliver nicotine or other substances into the body through the inhalation or other absorption of aerosol, vapor, or other emission and that ~~have~~ has not been approved by the U.S. Food and Drug Administration for tobacco cessation or other medical purposes; or

(ii) an oral nicotine product or any other item that is designed to deliver nicotine into the body, including a product or item containing or delivering nicotine that has been extracted from a tobacco plant or leaf.

(B) Cannabis products as defined in section 831 of this title or products that have been approved by the U.S. Food and Drug Administration for tobacco cessation or other medical purposes shall not be considered to be tobacco substitutes.

(23) “Vending machine” means any mechanical, electronic, or other similar device that sells or dispenses tobacco products, tobacco substitutes, e-liquids, tobacco paraphernalia, or a combination of these.

(24) “Wholesale dealer” means a person who imports or causes to be imported into the State any cigarettes, little cigars, roll-your-own tobacco, snuff, new smokeless tobacco, or other tobacco product for sale or who sells or furnishes any of these products to other wholesale dealers or retail dealers for the purpose of resale, but not by small quantity or parcel to consumers thereof.

§ 1002. LICENSE REQUIRED; APPLICATION; FEE; ISSUANCE

(a)(1) Except as provided in subsection (h) of this section, no person shall engage in the retail sale of tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia in the person’s place of business without a tobacco license obtained from the Division of Liquor Control.

* * *

(e) A person who sells tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia without obtaining a tobacco license and a tobacco substitute endorsement, as applicable, in violation of this section shall be guilty of a misdemeanor and fined not more than \$200.00 for the first offense and not more than \$500.00 for each subsequent offense.

(f) No individual under 16 years of age may sell tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia.

(g) No person shall engage in the retail sale of tobacco products, tobacco substitutes, ~~substances containing nicotine or otherwise intended for use with a tobacco substitute~~ e-liquids, or tobacco paraphernalia in the State unless the person is a licensed wholesale dealer as defined in 32 V.S.A. § 7702 or has purchased the tobacco products, tobacco substitutes, ~~substances containing nicotine or otherwise intended for use with a tobacco substitute~~ e-liquids, or tobacco paraphernalia from a licensed wholesale dealer.

(h) This section shall not apply to a cannabis establishment licensed pursuant to chapter 33 of this title to engage in the retail sale of cannabis products as defined in section 831 of this title but not engaged in the sale of tobacco products or tobacco substitutes.

* * *

§ 1003. SALE OF TOBACCO PRODUCTS; TOBACCO SUBSTITUTES;
E-LIQUIDS; TOBACCO PARAPHERNALIA; REQUIREMENTS;
PROHIBITIONS

(a)(1) A person shall not:

(A) sell or provide tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia to any person under 21 years of age; or

(B) knowingly enable the usage of tobacco products, tobacco substitutes, or e-liquids by a person under 21 years of age.

(2)(A) Except as otherwise provided in subdivision (B) of this subdivision (2), a person, including a retail dealer, who violates subdivision (1) of this subsection (a) shall be subject to a civil penalty of not more than \$500.00 for the first offense and not more than \$2,000.00 for any subsequent offense.

(B) An employee of a retail dealer who violates subdivision (1) of this subsection (a) in the course of employment shall be subject to a civil penalty of not more than \$100.00 for a first offense and not more than \$500.00

for any subsequent offense. This penalty shall be in addition to the penalty imposed on the retail dealer pursuant to subdivision (A) of this subdivision (2).

(C) An action under this subsection (a) shall be brought in the same manner as for a traffic violation pursuant to 23 V.S.A. chapter 24 and shall be brought within 24 hours after the occurrence of the alleged violation.

(b) All vending machines selling or dispensing tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia, or a combination of these, are prohibited.

(c)(1) Persons holding a tobacco license may only display or store tobacco products ~~or~~, tobacco substitutes, and e-liquids:

(A) behind a sales counter or in any other area of the establishment that is inaccessible to the public; or

(B) in a locked container.

(2) This subsection shall not apply to the following:

(A) a display of tobacco products, tobacco substitutes, or e-liquids that is located in a commercial establishment in which by law no person under 21 years of age is permitted to enter at any time;

(B) cigarettes in unopened cartons and smokeless tobacco in unopened multipack containers of 10 or more packages, any of which shall be displayed in plain view and under the control of a responsible employee so that removal of the cartons or multipacks from the display can be readily observed by that employee; or

(C) cigars and pipe tobacco stored in a humidor on the sales counter in plain view and under the control of a responsible employee so that the removal of these products from the humidor can be readily observed by that employee.

(d) The sale and the purchase of bidis is prohibited. A person who holds a tobacco license who sells bidis as prohibited by this subsection ~~shall be fined not more than \$500.00.~~ ~~A or a~~ person who purchases bidis from any source shall be ~~fined~~ subject to a civil penalty of not more than \$250.00 for a first offense and not more than \$500.00 for a subsequent offense.

(e) No person holding a tobacco license shall sell cigarettes or little cigars individually or in packs that contain fewer than 20 cigarettes or little cigars.

(f) As used in this section, ~~“little cigars” means any rolls of tobacco wrapped in leaf tobacco or any substance containing tobacco, other than any roll of tobacco that is a cigarette within the meaning of 32 V.S.A. § 7702(1),~~

~~and as to which 1,000 units weigh not more than three pounds~~ “enable the usage of tobacco products, tobacco substitutes, or e-liquids” means creating a direct and immediate opportunity for a person to use tobacco products, tobacco substitutes, or e-liquids, or a combination of these.

§ 1004. PROOF OF AGE FOR THE SALE OF TOBACCO PRODUCTS;
TOBACCO SUBSTITUTES; E-LIQUIDS; TOBACCO
PARAPHERNALIA

(a) A person shall exhibit proper proof of ~~his or her~~ the person’s age upon demand of a person licensed under this chapter, an employee of a licensee, or a law enforcement officer. If the person fails to provide proper proof of age, the licensee shall be entitled to refuse to sell tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia to the person. The sale or furnishing of tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia to a person exhibiting proper proof of age shall be prima facie evidence of a licensee’s compliance with section 1007 of this title.

~~(b) As used in this section, “proper proof of age” means a valid authorized form of identification as defined in section 589 of this title.~~

§ 1005. PERSONS UNDER 21 YEARS OF AGE; POSSESSION OR
PURCHASE OF TOBACCO PRODUCTS; ~~MISREPRESENTING~~
~~AGE OR PURCHASING TOBACCO PRODUCTS; PENALTY,~~
TOBACCO SUBSTITUTES, E-LIQUIDS, OR TOBACCO
PARAPHERNALIA PROHIBITED

(a)(1) A person under 21 years of age shall not possess, purchase, or attempt to purchase tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia unless:

(A) the person is an employee of a holder of a tobacco license and is in possession of tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia to effect a sale in the course of employment; or

(B) the person is in possession of tobacco products or tobacco paraphernalia in connection with Indigenous cultural tobacco practices.

(2) A person under 21 years of age shall not misrepresent ~~his or her~~ the person’s age to purchase or attempt to purchase tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia.

(b)(1) A person who possesses tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia in violation of subsection (a) of this section

shall be subject to having the tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia immediately confiscated and shall ~~be further subject to a civil penalty of \$25.00~~ complete a tobacco cessation program approved by the Department of Health.

(2) Within 90 days following the date of confiscation, the person shall provide to the Division of Liquor Control a certificate or attestation of completion of the tobacco cessation program. If the person does not submit the certificate or attestation within 90 days, the person shall be subject to a civil penalty of up to \$50.00.

(3) An action under this subsection shall be brought in the same manner as a traffic violation pursuant to 23 V.S.A. chapter 24.

(c)(1) A person under 21 years of age who misrepresents ~~his or her~~ the person's age by presenting false identification to purchase tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia shall be ~~fined not more than \$50.00 or provide up to 10 hours of community service, or both~~ subject to:

(A) having the tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia immediately confiscated;

(B) having the false identification immediately confiscated; and

(C) completing a tobacco cessation program approved by the Department of Health.

(2) Within 90 days following the date of confiscation, the person shall provide to the Division of Liquor Control a certificate or attestation of completion of the tobacco cessation program. If the person does not submit the certificate or attestation within 90 days, the person shall be subject to a civil penalty of up to \$50.00.

(3) An action under this subsection shall be brought in the same manner as a traffic violation pursuant to 23 V.S.A. chapter 24.

§ 1006. POSTING OF SIGNS

(a) A person licensed under this chapter shall post in a conspicuous place on the premises identified in the tobacco license a warning sign stating that the sale of tobacco products, tobacco substitutes, e-liquids, and tobacco paraphernalia to persons under 21 years of age is prohibited. The Board shall prepare the sign and make it available with the license forms issued under this chapter. The sign may include information about the health effects of tobacco and tobacco cessation services. The Board, in consultation with a

representative of the licensees when appropriate, is authorized to change the design of the sign as needed to maintain its effectiveness.

(b) A person violating this section shall be guilty of a misdemeanor and fined not more than \$100.00.

§ 1007. FURNISHING TOBACCO TO PERSONS UNDER 21 YEARS OF AGE; REPORT

~~(a) A person that sells or furnishes tobacco products, tobacco substitutes, or tobacco paraphernalia to a person under 21 years of age shall be subject to a civil penalty of not more than \$100.00 for the first offense and not more than \$500.00 for any subsequent offense. An action under this section shall be brought in the same manner as for a traffic violation pursuant to 23 V.S.A. chapter 24 and shall be brought within 24 hours of the occurrence of the alleged violation. [Repealed.]~~

(b)(1) The Division of Liquor Control shall conduct or contract for compliance tests of tobacco licensees as frequently and as comprehensively as necessary to ensure consistent statewide compliance with the prohibition on sales to persons under 21 years of age of at least 90 percent for buyers who are between 17 and 20 years of age. An individual under 21 years of age participating in a compliance test shall not be in violation of section 1005 of this title.

(2) Any violation by a tobacco licensee of subsection 1003(a) of this title and this section after a sale violation or during a compliance test conducted within six months of a previous violation shall be considered a multiple violation and shall result in the minimum license suspension in addition to any other penalties available under this title. Minimum license suspensions for multiple violations shall be assessed as follows:

- | | |
|----------------------|----------------------|
| (A) two violations | two weekdays; |
| (B) three violations | 15-day suspension; |
| (C) four violations | 90-day suspension; |
| (D) five violations | one-year suspension. |

(3) The Division shall report to the House Committee on ~~General, Housing, Government Operations~~ and Military Affairs, the Senate Committee on Economic Development, Housing and General Affairs, and the ~~Tobacco Evaluation and Review Board~~ Substance Misuse Prevention Oversight and Advisory Council annually, on or before January 15, the methodology and results of compliance tests conducted during the previous year. The provisions

of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the required report to be made under this subdivision.

* * *

§ 1009. CONTRABAND AND SEIZURE

(a) Any cigarettes or other tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia that have been sold, offered for sale, or possessed for sale in violation of section 1003, 1010, or 1013 of this title, 20 V.S.A. § 2757, 32 V.S.A. § 7786, or 33 V.S.A. § 1919, and any commercial cigarette rolling machines possessed or utilized in violation of section 1011 of this title, shall be deemed contraband and shall be subject to seizure by the Commissioner, the Commissioner's agents or employees, the Commissioner of Taxes or any agent or employee of the Commissioner of Taxes, or by any law enforcement officer of this State when directed to do so by the Commissioner. All ~~cigarettes or other tobacco products~~ items seized under this subsection shall be destroyed.

* * *

§ 1010. INTERNET SALES

(a) ~~As used in this section:~~

(1) ~~“Cigarette” has the same meaning as in 32 V.S.A. § 7702(1).~~

(2) ~~[Repealed.]~~

(3) ~~“Licensed wholesale dealer” has the same meaning as in 32 V.S.A. § 7702(5).~~

(4) ~~“Little cigars” has the same meaning as in 32 V.S.A. § 7702(6).~~

(5) ~~“Retail dealer” has the same meaning as in 32 V.S.A. § 7702(10).~~

(6) ~~“Roll your own tobacco” has the same meaning as in 32 V.S.A. § 7702(11).~~

(7) ~~“Snuff” has the same meaning as in 32 V.S.A. § 7702(13).~~
~~[Repealed.]~~

(b) No person shall cause cigarettes, roll-your-own tobacco, little cigars, snuff, tobacco substitutes, ~~substances containing nicotine or otherwise intended for use with a tobacco substitute~~ e-liquids, or tobacco paraphernalia, ordered or purchased by mail or through a computer network, telephonic network, or other electronic network, to be shipped to anyone other than a licensed wholesale dealer or retail dealer in this State.

(c) No person shall, with knowledge or reason to know of the violation, provide substantial assistance to a person in violation of this section.

(d) A violation of this section is punishable as follows:

(1) A knowing or intentional violation of this section shall be punishable by imprisonment for not more than five years or a fine of not more than \$5,000.00, or both.

(2) In addition to or in lieu of any other civil or criminal remedy provided by law, upon a determination that a person has violated this section, the Attorney General may impose a civil penalty in an amount not to exceed \$5,000.00 for each violation. For purposes of this subsection, each shipment or transport of cigarettes, roll-your-own tobacco, little cigars, or snuff, tobacco substitutes, e-liquids, or tobacco paraphernalia shall constitute a separate violation.

* * *

§ 1012. LIQUID NICOTINE E-LIQUIDS AND OTHER SUBSTANCES
CONTAINING NICOTINE; PACKAGING

(a) Unless specifically preempted by federal law, no person shall manufacture, regardless of location, for sale in; offer for sale in; sell in or into the stream of commerce in; or otherwise introduce into the stream of commerce in Vermont:

(1) any e-liquid containing nicotine or any other liquid or gel substance containing nicotine unless that product is contained in child-resistant packaging; or

(2) any nicotine liquid e-liquid container or other container holding a liquid or gel substance containing nicotine unless that container constitutes child-resistant packaging.

(b) As used in this section:

(1) ~~“Child-resistant packaging” means packaging that is designed or constructed to be significantly difficult for children under five years of age to open or obtain a toxic or harmful amount of the substance in the container within a reasonable time and not difficult for normal adults to use properly, but does not mean packaging that all children under five years of age cannot open or obtain a toxic or harmful amount of the substance in the container within a reasonable time.~~

(2) ~~“Nicotine liquid container” means a bottle or other container of a nicotine liquid or other substance containing nicotine that is sold, marketed, or intended for use in a tobacco substitute. The term does not include a container containing nicotine in a cartridge that is sold, marketed, or intended for use in~~

~~a tobacco substitute if the cartridge is prefilled and sealed by the manufacturer and not intended to be opened by the consumer. [Repealed.]~~

§ 1013. FLAVORED TOBACCO SUBSTITUTES, FLAVORED E-LIQUIDS, AND MENTHOL TOBACCO PRODUCTS PROHIBITED

(a) No person shall engage in the retail sale of:

- (1) any flavored tobacco substitute;
- (2) any flavored e-liquid; or
- (3) any menthol-flavored tobacco product.

(b)(1) A person who violates subsection (a) of this section shall be subject to a civil penalty of not more than \$200.00 for the first offense and not more than \$500.00 for any subsequent offense.

(2) An action under this section shall be brought in the same manner as for a traffic violation pursuant to 23 V.S.A. chapter 24 and shall be brought within 24 hours after the occurrence of the alleged violation.

§ 1014. SALE OF DISCOUNTED TOBACCO PRODUCTS, TOBACCO SUBSTITUTES, E-LIQUIDS, AND TOBACCO PARAPHERNALIA PROHIBITED

(a) As used in this section, “price reduction instrument” means any coupon, voucher, rebate, card, paper, note, form, statement, ticket, image, or other issue, whether in paper, digital, or any other form, used for commercial purposes to receive an article, product, service, or accommodation without charge or at a discounted price.

(b) No person shall do any of the following:

(1) sell or offer for sale a tobacco product, tobacco substitute, e-liquid, or tobacco paraphernalia to a consumer at a price lower than the price that was in effect at the time the seller purchased the item from the wholesale dealer;

(2) sell or offer for sale a tobacco product, tobacco substitute, e-liquid, or tobacco paraphernalia through any multipackage discount; or

(3) honor or accept a price reduction instrument in any transaction related to the sale of a tobacco product, tobacco substitute, e-liquid, or tobacco paraphernalia to a consumer.

(c) A person who violates subsection (b) of this section shall be subject to a civil penalty of not more than \$200.00 for the first offense and not more than

\$500.00 for any subsequent offense. An action under this section shall be brought in the same manner as for a traffic violation pursuant to 23 V.S.A. chapter 24 and shall be brought within 24 hours after the occurrence of the alleged violation.

Sec. 3. 4 V.S.A. § 1102(b) is amended to read:

(b) The Judicial Bureau shall have jurisdiction of the following matters:

* * *

(5) Violations of 7 V.S.A. § 1007 1003(a), relating to furnishing tobacco products, tobacco substitutes, e-liquids, and tobacco paraphernalia to a person under 21 years of age.

* * *

(33) Violations of 7 V.S.A. § 1013, relating to sale of flavored tobacco substitutes, flavored e-liquids, and menthol-flavored tobacco products.

(34) Violations of 7 V.S.A. § 1014, relating to sale of discounted tobacco products, tobacco substitutes, e-liquids, and tobacco paraphernalia.

Sec. 4. 7 V.S.A. § 661(c) is amended to read:

(c) The provisions of subsection (b) of this section shall not apply to a violation of subsection 1005(a) of this title, relating to purchase of tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia by a person under 21 years of age.

Sec. 5. 16 V.S.A. § 140 is amended to read:

§ 140. TOBACCO USE OF TOBACCO PRODUCTS, TOBACCO
SUBSTITUTES, AND E-LIQUIDS PROHIBITED ON PUBLIC
SCHOOL GROUNDS

No person shall be permitted to use tobacco products ~~or~~ tobacco substitutes, or e-liquids, as those terms are defined in 7 V.S.A. § 1001, on public school grounds or at public school sponsored functions. ~~Public school boards may adopt policies that include confiscation and appropriate referrals to law enforcement authorities.~~

Sec. 6. 18 V.S.A. § 4226 is amended to read:

§ 4226. MINORS; TREATMENT; CONSENT

(a)(1) If a minor 12 years of age or older is suspected to ~~be dependent upon~~ have a substance use disorder, including a dependence on regulated drugs as defined in section 4201 of this title, on alcohol, on nicotine, or on tobacco

~~products or tobacco substitutes as defined in 7 V.S.A. § 1001, or to have venereal disease, or to be an alcoholic as defined in section 8401 of this title a sexually transmitted infection, and the finding of such dependency, disease, or alcoholism~~ substance use disorder or infection is verified by a licensed ~~physician~~ health care professional, the minor may give:

(A) ~~his or her consent to medical treatment~~ health care services and hospitalization; and

(B) ~~in the case of a drug dependent or alcoholic person~~ an individual who has a substance use disorder, consent to nonmedical inpatient or outpatient treatment at a program approved by the Agency of Human Services to provide treatment for ~~drug dependency or alcoholism~~ substance use disorder if deemed necessary by the examining ~~physician for diagnosis or treatment of such dependency or disease or alcoholism~~ health care professional.

(2) Consent under this section shall not be subject to disaffirmance due to minority of the person consenting. The consent of the parent or legal guardian of a minor consenting under this section shall not be necessary to authorize care as described in this subsection.

(b) The parent, parents, or legal guardian shall be notified by the physician if the condition of a minor child requires immediate hospitalization as the result of ~~drug usage, alcoholism, or alcohol use~~ or for the treatment of a venereal disease sexually transmitted infection.

(c) As used in this section, “health care professional” means an individual licensed as a physician under 26 V.S.A. chapter 23 or 33, an individual licensed as a physician assistant under 26 V.S.A. chapter 31, or an individual licensed as a registered nurse or advanced practice registered nurse under 26 V.S.A. chapter 28.

Sec. 7. 18 V.S.A. § 4803(a) is amended to read:

(a) Creation. There is created the Substance Misuse Prevention Oversight and Advisory Council within the Department of Health to improve the health outcomes of all Vermonters through a consolidated and holistic approach to substance misuse prevention that addresses all categories of substances. The Council shall provide advice to the Governor and General Assembly for improving prevention policies and programming throughout the State and to ensure that population prevention measures are at the forefront of all policy determinations. The Advisory Council’s prevention initiatives shall encompass all substances at risk of misuse, including:

- (1) alcohol;
- (2) cannabis;

(3) controlled substances, such as opioids, cocaine, and methamphetamines; and

(4) tobacco products ~~and~~ tobacco substitutes, and e-liquids, as those terms are defined in 7 V.S.A. § 1001 ~~and substances containing nicotine or that are otherwise intended for use with a tobacco substitute.~~

Sec. 8. 32 V.S.A. § 7702 is amended to read:

§ 7702. DEFINITIONS

As used in this chapter unless the context otherwise requires:

* * *

(15) “Other tobacco products” means any product manufactured from, derived from, or containing tobacco that is intended for human consumption by smoking, by chewing, or in any other manner, ~~including~~. The term also includes products sold as a tobacco substitute, as defined in 7 V.S.A. § 1001(8), ~~and including any liquids, whether nicotine based or not, or; e-liquids, as defined in 7 V.S.A. § 1001; and~~ delivery devices sold separately for use with a tobacco substitute or e-liquid, but shall not include cigarettes, little cigars, roll-your-own tobacco, snuff, or new smokeless tobacco as defined in this section, or cannabis products as defined in 7 V.S.A. § 831.

* * *

Sec. 9. 18 V.S.A. § 9503 is amended to read:

§ 9503. VERMONT TOBACCO PREVENTION AND TREATMENT

(a) Except as otherwise specifically provided, the tobacco prevention and treatment program shall be administered and coordinated statewide by the Department of Health, pursuant to the provisions of this chapter. The program shall be comprehensive and research-based.

(b) The Department shall establish goals for reducing adult and youth smoking rates, including performance measures for each goal in conjunction with the Substance Misuse Prevention Oversight and Advisory Council established pursuant to section 4803 of this title. The services provided by a quitline approved by the Department of Health shall be offered and made available to any minor, upon ~~his or her~~ the minor’s consent, who is a smoker or user of tobacco products, tobacco substitutes, or e-liquids, as those terms are defined in 7 V.S.A. § 1001.

(c) The Department of Liquor and Lottery shall administer the component of the program that relates to enforcement activities.

(d) The Agency of Education shall administer school-based programs.

(e) The Department shall pay all fees and costs of the surveillance and evaluation activities, including the costs associated with hiring a contractor to conduct an independent evaluation of the program.

Sec. 10. 33 V.S.A. § 1900 is amended to read:

§ 1900. DEFINITIONS

As used in this subchapter, unless otherwise indicated:

* * *

(10) “Tobacco” means all of the products listed in the definition of “tobacco products” in 7 V.S.A. § 1001(3).

* * *

Sec. 11. HEALTH EQUITY ADVISORY COMMISSION; MENTHOL
TOBACCO PRODUCT BAN; REPORT

On or before January 15, 2025, in its annual report due pursuant to 18 V.S.A. § 252(e), the Health Equity Advisory Commission shall recommend to the General Assembly whether the sale of tobacco products containing menthol, including menthol cigarettes, should be banned in Vermont.

Sec. 12. TOBACCO SUBSTITUTES AND E-LIQUIDS; ADVERTISING
RESTRICTIONS; REPORT

On or before December 1, 2024, the Office of the Attorney General shall report to the House Committees on Commerce and Economic Development and on Human Services and the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare regarding whether and to what extent Vermont may legally restrict advertising and regulate the content of labels for tobacco substitutes, including oral nicotine products, and e-liquids in this State.

Sec. 13. DEPARTMENT OF HEALTH; VERMONT YOUTH RISK
BEHAVIOR SURVEY; TOBACCO SALES; REPORT

On or before March 1, 2027, the Department of Health shall report to the House Committee on Human Services and the Senate Committee on Health and Welfare the results of the 2025 Vermont Youth Risk Behavior Survey that relate to youth use of tobacco products, tobacco substitutes, and e-liquids, along with a comparison of the rates of use from previous Vermont Youth Risk Behavior Surveys. In its report, the Department shall also provide data on retail sales of tobacco products, tobacco substitutes, and e-liquids during calendar years 2024, 2025, and 2026.

Sec. 14. DEPARTMENT OF HEALTH; SCHOOL-BASED USAGE AND
CESSATION EFFORTS; REPORT

The Department of Health shall collaborate with relevant school and community partners to survey and report on the use of tobacco products, tobacco substitutes, and e-liquids, as well as on nicotine and tobacco cessation efforts, in Vermont's schools. On or before January 15, 2026, the Department shall report to the House Committees on Human Services and on Education and the Senate Committees on Health and Welfare and on Education with its findings and any recommendations for legislative action.

Sec. 15. EFFECTIVE DATES

(a) Sec. 2 (7 V.S.A. chapter 40) shall take effect on January 1, 2025, except that 7 V.S.A. § 1013(a)(3) (prohibiting retail sale of menthol-flavored tobacco products) shall take effect on July 1, 2025.

(b) Secs. 1 (findings), 6 (18 V.S.A. § 4226; minor consent to treatment), 9 (18 V.S.A. § 9503; tobacco prevention and treatment), 11 (Health Equity Advisory Commission; menthol ban; report), 12 (advertising restrictions; report), 13 (Youth Risk Behavior Survey; tobacco sales; report), and 14 (school-based usage and cessation efforts; report) and this section shall take effect on passage.

(c) Secs. 3 (4 V.S.A. § 1102(b); Judicial Bureau jurisdiction), 4 (7 V.S.A. § 661(c); penalties), 5 (16 V.S.A. § 140; use prohibited on school grounds), 7 (18 V.S.A. § 4803(a); Substance Misuse Prevention Oversight and Advisory Council), 8 (32 V.S.A. § 7702; definition for tobacco tax purposes), and 10 (33 V.S.A. § 1900; definition for medical assistance statutes) shall take effect on January 1, 2025.

(Committee Vote: 10-0-1)

Rep. Ode of Burlington, for the Committee on Ways and Means, recommends that the report of the Committee on Human Services be amended as follows:

First: In Sec. 2, in 7 V.S.A. § 1001, striking out subdivision (7) in its entirety and inserting in lieu thereof a new subdivision (7) to read as follows:

(7) "E-liquid" means the solution, substance, or other material that contains nicotine and is used in or with a tobacco substitute, and that is heated or otherwise acted upon to produce an aerosol, vapor, or other emission to be inhaled or otherwise absorbed by the user. The term does not include cannabis products as defined in section 831 of this title or products that are regulated by the Cannabis Control Board.

Second: In Sec. 2, in 7 V.S.A. § 1001, striking out subdivision (22) in its entirety and inserting in lieu thereof a new subdivision (22) to read as follows:

~~(8)(22)(A)~~ “Tobacco substitute” means products any product that is not a tobacco product, as defined in subdivision (21) of this section, and that meets one or both of the following descriptions:

(i) a product, including an electronic e-cigarettes cigarette or other electronic or battery-powered devices device, or any component, part, or accessory thereof, that contain or are contains or is designed to deliver nicotine or other substances into the body through the inhalation or other absorption of aerosol, vapor, or other emission and that have has not been approved by the U.S. Food and Drug Administration for tobacco cessation or other medical purposes; or

(ii) an oral nicotine product or any other item that is designed to deliver nicotine into the body, including a product or item containing or delivering nicotine that has been extracted from a tobacco plant or leaf.

(B) Cannabis products as defined in section 831 of this title or products that have been approved by the U.S. Food and Drug Administration for tobacco cessation or other medical purposes shall not be considered to be tobacco substitutes.

Third: In Sec. 2, by striking out 7 V.S.A. § 1005 in its entirety and inserting in lieu thereof a new 7 V.S.A. § 1005 to read as follows:

§ 1005. PERSONS UNDER 21 YEARS OF AGE; POSSESSION OR
PURCHASE OF TOBACCO PRODUCTS; MISREPRESENTING
AGE OR PURCHASING TOBACCO PRODUCTS; PENALTY,
TOBACCO SUBSTITUTES, E-LIQUIDS, OR TOBACCO
PARAPHERNALIA PROHIBITED

(a)(1) Prohibited conduct. A person under 21 years of age shall not possess, purchase, or attempt to purchase tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia unless:

(A) the person is an employee of a holder of a tobacco license and is in possession of tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia to effect a sale in the course of employment; or

(B) the person is in possession of tobacco products or tobacco paraphernalia in connection with Indigenous cultural tobacco practices.

(2) A person under 21 years of age shall not misrepresent ~~his or her~~ the person's age to purchase or attempt to purchase tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia.

(b) Offense. A person who possesses tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia in violation of subsection (a) of this section commits a civil violation and shall be subject to having the tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia immediately confiscated and shall be further subject to a civil penalty of \$25.00. An action under this subsection shall be brought in the same manner as a traffic violation pursuant to 23 V.S.A. chapter 24 referred to the Court Diversion Program for the purpose of enrollment in a tobacco cessation program approved by the Department of Health. A person who fails to complete the program shall be subject to a civil penalty of \$50.00.

(c) Issuance of notice of violation. A law enforcement officer shall issue a person who violates this section a notice of violation, in a form approved by the Court Administrator. The notice of violation shall require the person to provide the person's name and address and shall explain procedures under this section, including that:

(1) the person shall contact the Diversion Program in the county where the offense occurred within 15 days;

(2) failure to contact the Diversion Program within 15 days will result in the case being referred to the Judicial Bureau, where the person, if found liable for the violation, will be subject to a civil penalty;

(3) no money should be submitted to pay any penalty until after adjudication; and

(4) the person shall notify the Diversion Program if the person's address changes.

(d) Summons and complaint. When a person is issued a notice of violation under this section, the law enforcement officer shall complete a summons and complaint for the offense and send it to the Diversion Program in the county where the offense occurred. The summons and complaint shall not be filed with the Judicial Bureau at that time.

(e) Registration in tobacco cessation program. Within 15 days after receiving a notice of violation, the person shall contact the Diversion Program in the county where the offense occurred and register for a tobacco cessation program approved by the Department of Health. If the person fails to do so, the Diversion Program shall file the summons and complaint with the Judicial Bureau for adjudication under 4 V.S.A. chapter 29. The Diversion Program

shall provide a copy of the summons and complaint to the law enforcement officer who issued the notice of violation and shall provide two copies to the person charged with the violation.

(f) Notice to report to Diversion. Upon receipt from a law enforcement officer of a summons and complaint completed under this section, the Diversion Program shall send the person a notice to report to the Diversion Program. The notice to report shall provide that:

(1) the person is required to complete the tobacco cessation program;

(2) if the person does not satisfactorily complete the tobacco cessation program, the case will be referred to the Judicial Bureau, where the person, if found liable for the violation, will be subject to a civil penalty; and

(3) if the person satisfactorily completes the tobacco cessation program, no penalty shall be imposed.

(g) Diversion Program requirements.

(1) Upon being contacted by a person who has been issued a notice of violation, the Diversion Program shall register the person in a tobacco cessation program approved by the Department of Health.

(2) When a person has satisfactorily completed the tobacco cessation program, the Diversion Program shall do all of the following:

(A) Void the summons and complaint with no penalty due.

(B) Send copies of the voided summons and complaint to the Judicial Bureau and to the law enforcement officer who completed them. Before sending copies of the voided summons and complaint to the Judicial Bureau under this subdivision, the Diversion Program shall redact all language containing the person's name, address, Social Security number, and any other information that identifies the person.

(3) If a person does not satisfactorily complete the tobacco cessation program or if the person fails to pay the Diversion Program any required program fees, the Diversion Program shall file the summons and complaint with the Judicial Bureau for adjudication under 4 V.S.A. chapter 29. The Diversion Program shall provide a copy of the summons and complaint to the law enforcement officer who issued the notice of violation and shall provide two copies to the person charged with the violation.

(4) A person aggrieved by a decision of the Diversion Program or of the tobacco cessation program may seek review of that decision pursuant to Rule 75 of the Vermont Rules of Civil Procedure.

(e)(h) Confiscation of false identification. A In addition to the procedures set forth in subsections (b)–(g) of this section, a person under 21 years of age who misrepresents his or her the person’s age by presenting false identification to purchase tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia shall be fined not more than \$50.00 or provide up to 10 hours of community service, or both have the person’s false identification immediately confiscated.

Fourth: By striking out Sec. 15, effective dates, in its entirety and inserting in lieu thereof a new Sec. 15 to read as follows:

Sec. 15. EFFECTIVE DATES

(a) Secs. 2 (7 V.S.A. chapter 40), 3 (4 V.S.A. § 1102(b); Judicial Bureau jurisdiction), 4 (7 V.S.A. § 661(c); penalties), 5 (16 V.S.A. § 140; use prohibited on school grounds), 7 (18 V.S.A. § 4803(a); Substance Misuse Prevention Oversight and Advisory Council), 8 (32 V.S.A. § 7702; definition for tobacco tax purposes), and 10 (33 V.S.A. § 1900; definition for medical assistance statutes) shall take effect on January 1, 2026.

(b) Secs. 1 (findings), 6 (18 V.S.A. § 4226; minor consent to treatment), 9 (18 V.S.A. § 9503; tobacco prevention and treatment), 11 (Health Equity Advisory Commission; menthol ban; report), 12 (advertising restrictions; report), 13 (Youth Risk Behavior Survey; tobacco sales; report), and 14 (school-based usage and cessation efforts; report) and this section shall take effect on passage.

(Committee Vote: 7-5-0)

Amendment to be offered by Rep. Marcotte of Coventry to the report of the Committee on Human Services on S. 18

First: By adding a new section to be Sec. 14a to read as follows:

Sec. 14a. INVESTIGATOR POSITION CREATED; APPROPRIATION; REPORT

(a) One new permanent classified position, Investigator, is established in the Department of Liquor and Lottery to enforce, and to investigate potential violations of, Vermont laws relating to direct-to-consumer sales and delivery of alcohol and tobacco products, including 7 V.S.A. §§ 277, 279, 280, and 1010.

(b)(1) The sum of \$160,000.00 is appropriated to the Department of Liquor and Lottery from the Tobacco Litigation Settlement Fund in fiscal year 2025 to fund the Investigator position established in subsection (a) of this section.

(2) It is the intent of the General Assembly that the position established in subsection (a) of this section should be funded from the Tobacco Litigation Settlement Fund for fiscal years 2025 and 2026. It is also the intent of the General Assembly that, beginning in fiscal year 2027, the funding for the Investigator position should be built into base funding for the Department of Liquor and Lottery's budget, with the amount of the salary and benefits for the Investigator position offset by an equivalent amount of the revenue generated to the Department or to the Office of the Attorney General, or both, by the Investigator's activities in enforcing and in investigating violations of Vermont law, with the remainder of the revenue deposited into the General Fund.

(c) If the revenue generated by the Investigator's activities becomes insufficient to cover the cost of the position in the future, the Department of Liquor and Lottery shall propose eliminating the position as part of its next budget or budget adjustment presentation to the General Assembly.

(d)(1) On or before March 15, 2025, the Department of Liquor and Lottery shall provide an update to the House Committees on Government Operations and Military Affairs and on Human Services and the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare regarding the status of its implementation of the new Investigator position.

(2) Annually on or before December 15, the Department of Liquor and Lottery shall report to the House Committees on Government Operations and Military Affairs and on Human Services and the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare on the impact of the Investigator's activities on compliance with Vermont's laws relating to direct-to-consumer sales and delivery of alcohol and tobacco products.

Second: In Sec. 15, effective dates, by adding a new subsection to be subsection (d) to read as follows:

(d) Sec. 14a (Investigator position created; appropriation; report) shall take effect on July 1, 2024, with the first report under subdivision (d)(2) due on or before December 15, 2025.

Amendment to be offered by Rep. Maguire of Rutland City to the report of the Committee on Human Services on S. 18

First: In Sec. 2, 7 V.S.A. chapter 40, by striking out section 1013 in its entirety and inserting in lieu thereof the following:

§ 1013. FLAVORED TOBACCO SUBSTITUTES AND FLAVORED
E-LIQUIDS PROHIBITED

(a) No person shall engage in the retail sale of any flavored tobacco substitute or any flavored e-liquid.

(b)(1) A person who violates subsection (a) of this section shall be subject to a civil penalty of not more than \$200.00 for the first offense and not more than \$500.00 for any subsequent offense.

(2) An action under this section shall be brought in the same manner as for a traffic violation pursuant to 23 V.S.A. chapter 24 and shall be brought within 24 hours after the occurrence of the alleged violation.

Second: In Sec. 3, 4 V.S.A. § 1102(b), in subdivision (33), by striking out the comma following “substitutes” and inserting in lieu thereof “and” and following “e-liquids,” by striking out “, and menthol-flavored tobacco products”

Amendment to be offered by Rep. Galfetti of Barre Town to the report of the Committee on Human Services on S. 18

In Sec. 2, in 7 V.S.A. chapter 40, section 1013, by adding a new subsection to be subsection (c) to read as follows:

(c) This section shall not apply to any product:

(1) that has received a marketing authorization order or similar order from the U.S. Food and Drug Administration pursuant to 21 U.S.C. § 387j; or

(2) that was on the market in the United States as of August 8, 2016, for which the manufacturer submitted a premarket tobacco product application to the U.S. Food and Drug Administration pursuant to 21 U.S.C. § 387j on or before September 9, 2020, and for which the application either remains under investigation by the U.S. Food and Drug Administration or a final decision on the application has not otherwise taken effect.

Amendment to be offered by Rep. Walker of Swanton to the report of the Committee on Human Services on S. 18

First: By adding Secs. 4a–4c to read as follows:

Sec. 4a. 7 V.S.A. § 831(3) is amended to read:

(3) “Cannabis product” means concentrated cannabis and a product that is composed of cannabis and other ingredients and is intended for use or consumption, including an edible product, ointment, and tincture. Cannabis product shall include includes a vaporizer cartridge containing cannabis oil that is intended for use with a battery-powered device and any device designed to deliver cannabis into the body through inhalation of vapor that is sold at a cannabis establishment licensed pursuant to chapter 33 of this title. “Cannabis

product” does not mean a “tobacco product” as defined in 32 V.S.A. § 7702, a “tobacco substitute” as defined in section 1001 of this title, or “tobacco paraphernalia” as defined in section 1001 of this title.

Sec. 4b. 7 V.S.A. § 868 is amended to read:

§ 868. PROHIBITED PRODUCTS

(a) The following are prohibited products and may not be cultivated, produced, or sold pursuant to a license issued under this chapter:

(1) cannabis flower with greater than 30 percent tetrahydrocannabinol;

(2) flavored oil cannabis products sold prepackaged for use with battery-powered devices and any cannabis flower that contains characterizing flavor that is not naturally occurring in the cannabis;

(3) flavored oil cannabis products sold prepackaged for use with battery-powered devices and any cannabis flower that include a characterizing flavor in the name or description of the product;

(4) edible cannabis products;

(5) cannabis products that contain delta-9 tetrahydrocannabinol and nicotine or alcoholic beverages; and

(4)(6) any cannabis, cannabis products, or packaging of such items that are designed to make the product more appealing to persons under 21 years of age.

* * *

Sec. 4c. 7 V.S.A. § 972(3) is amended to read:

(3) ~~“Cannabis product” has the same meaning as provided in section 831 of this title~~ means concentrated cannabis and a product that is composed of cannabis and other ingredients and is intended for use or consumption, including an edible product, ointment, and tincture. Cannabis product includes a vaporizer cartridge containing cannabis oil that is intended for use with a battery-powered device and any device designed to deliver cannabis into the body through inhalation of vapor that is sold at a cannabis establishment licensed pursuant to chapter 33 of this title. “Cannabis product” does not mean a “tobacco product” as defined in 32 V.S.A. § 7702, a “tobacco substitute” as defined in section 1001 of this title, or “tobacco paraphernalia” as defined in section 1001 of this title.

Second: In Sec. 15, effective dates, by inserting a new subsection to be subsection (d) to read as follows:

(d) Secs. 4a-4c shall take effect on January 1, 2026.

NOTICE CALENDAR
Favorable with Amendment
H. 667

An act relating to the creation of the Vermont-Ireland Trade Commission

Rep. Nugent of South Burlington, for the Committee on Government Operations and Military Affairs, recommends the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 9 V.S.A. chapter 111B is added to read:

CHAPTER 111B. TRADE COMMISSIONS

§ 4129. VERMONT-IRELAND TRADE COMMISSION

(a) The Vermont-Ireland Trade Commission is established within the State Treasurer's office to advance bilateral trade and investment between Vermont and Ireland. The Commission shall consist of 10 members as follows:

- (1) three members, appointed by the Governor;
 - (2) three members, appointed by the Speaker of the House;
 - (3) three members, appointed by the Senate Committee on Committees;
- and
- (4) the State Treasurer or designee.

(b) The purposes of the Vermont-Ireland Trade Commission are to:

- (1) advance bilateral trade and investment between Vermont and Ireland;
- (2) initiate joint action on policy issues of mutual interest to Vermont and Ireland;
- (3) promote business and academic exchanges between Vermont and Ireland;
- (4) encourage mutual economic support between Vermont and Ireland;
- (5) encourage mutual investment in the infrastructure of Vermont and Ireland; and
- (6) address other issues as determined by the Commission.

(c) The members of the Commission, except for the State Treasurer or designee, shall be appointed for terms of four years each and shall continue to serve until their successors are appointed, except that in order to achieve staggered terms, the three members appointed by the Governor shall serve initial terms of two years each and the three members appointed by the Speaker of the House shall serve initial terms of three years each. Members may be reappointed.

(d) A vacancy in the membership of the Commission shall be filled by the relevant appointing authority within 90 days after the vacancy.

(e) The Commission shall select a chair from among its members at the first meeting. The Chair, as appropriate, may appoint from among the Commission members subcommittees or a subcommittee at the Chair's discretion. A majority of the members of the Commission shall constitute a quorum for purposes of transacting the business of the Commission.

(f) The Commission shall submit a written report with its findings, results, and recommendations to the Governor and the General Assembly within one year of its initial organizational meeting and on or before November 1 of each succeeding year for the activities of the current calendar year.

(g) The Vermont-Ireland Trade Commission is authorized to raise funds, through direct solicitation or other fundraising events, alone or with other groups, and accept gifts, grants, and bequests from individuals, corporations, foundations, governmental agencies, and public and private organizations and institutions, to defray the Commission's administrative expenses and to carry out its purposes as set forth in this chapter. The funds, gifts, grants, or bequests received pursuant to this chapter shall be deposited in a bank account and allocated annually by the State Treasurer's office to defray the Commission's administrative expenses and carry out its purposes. Any monies so withdrawn shall not be used for any purpose other than the payment of benefits and expenses under this chapter. Interest earned shall remain in the bank account.

(h) Members of the Commission shall not receive compensation or be entitled to reimbursement of expenses for their service on the Commission.

Sec. 2. INITIAL APPOINTMENT DEADLINE FOR VERMONT-IRELAND TRADE COMMISSION

Initial appointments to the Vermont-Ireland Trade Commission shall be made not later than October 1, 2024.

Sec. 3. REPEAL; VERMONT-IRELAND TRADE COMMISSION

9 V.S.A. § 4129 (Vermont-Ireland Trade Commission) as added by this act is repealed on June 30, 2029.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

(Committee Vote: 12-0-0)

H. 725

An act relating to the Human Rights Commission

Rep. Burrows of West Windsor, for the Committee on General and Housing, recommends the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. HUMAN RIGHTS COMMISSION; APPROPRIATION; POSITIONS

(a) The following new positions are created in the Human Rights Commission:

- (1) one permanent, exempt Outreach and Communications Specialist;
- (2) one permanent, exempt Intake Specialist; and
- (3) one permanent, exempt Staff Attorney Investigator.

(b) In fiscal year 2025, the following amounts are appropriated from the General Fund to the Human Rights Commission:

- (1) \$324,000.00 for salary and benefits for the three positions created in subsection (a) of this section; and
- (2) \$26,000.00 for outreach and education.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

(Committee Vote: 8-3-1)

H. 766

An act relating to prior authorization and step therapy requirements, health insurance claims, provider contracts, and collection of cost sharing amounts

Rep. Black of Essex, for the Committee on Health Care, recommends the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 8 V.S.A. § 4089i(e) is amended to read:

(e)(1) A health insurance or other health benefit plan offered by a health insurer or by a pharmacy benefit manager on behalf of a health insurer that provides coverage for prescription drugs and uses step-therapy protocols shall:

(A) not require failure, including discontinuation due to lack of efficacy or effectiveness, diminished effect, or an adverse event, on the same medication on more than one occasion for continuously enrolled members or subscribers insureds who are continuously enrolled in a plan offered by the insurer or its pharmacy benefit manager; and

(B) grant an exception to its step-therapy protocols upon request of an insured or the insured's treating health care professional under the same time parameters as set forth for prior authorization requests in 18 V.S.A. § 9418b(g)(4) if any one or more of the following conditions apply:

(i) the prescription drug required under the step-therapy protocol is contraindicated or will likely cause an adverse reaction or physical or mental harm to the insured;

(ii) the prescription drug required under the step-therapy protocol is expected to be ineffective based on the insured's known clinical history, condition, and prescription drug regimen;

(iii) the insured has already tried the prescription drugs on the protocol, or other prescription drugs in the same pharmacologic class or with the same mechanism of action, which have been discontinued due to lack of efficacy or effectiveness, diminished effect, or an adverse event, regardless of whether the insured was covered at the time on a plan offered by the current insurer or its pharmacy benefit manager;

(iv) the insured is stable on a prescription drug selected by the insured's treating health care professional for the medical condition under consideration; or

(v) the step-therapy protocol or a prescription drug required under the protocol is not in the patient's best interests because it will:

(I) pose a barrier to adherence;

(II) likely worsen a comorbid condition; or

(III) likely decrease the insured's ability to achieve or maintain reasonable functional ability.

(2) Nothing in this subsection shall be construed to prohibit the use of tiered co-payments for members or subscribers not subject to a step-therapy protocol.

(3) Notwithstanding any provision of subdivision (1) of this subsection to the contrary, a health insurance or other health benefit plan offered by an insurer or by a pharmacy benefit manager on behalf of a health insurer that provides coverage for prescription drugs shall not utilize a step-therapy, “fail first,” or other protocol that requires documented trials of a medication, including a trial documented through a “MedWatch” (FDA Form 3500), before approving a prescription for the treatment of substance use disorder.

Sec. 2. 18 V.S.A. § 9418a is amended to read:

§ 9418a. PROCESSING CLAIMS, DOWNCODING, AND ADHERENCE
TO CODING RULES

(a) Health plans, contracting entities, covered entities, and payers shall accept and initiate the processing of all health care claims submitted by a health care provider pursuant to and consistent with the current version of the American Medical Association’s Current Procedural Terminology (CPT) codes, reporting guidelines, and conventions; the Centers for Medicare and Medicaid Services Healthcare Common Procedure Coding System (HCPCS); American Society of Anesthesiologists; the National Correct Coding Initiative (NCCI); the National Council for Prescription Drug Programs coding; or other appropriate nationally recognized standards, guidelines, or conventions approved by the Commissioner.

~~(b)(1) When~~ Except as provided in subsection (c) of this section, when editing claims, health plans, contracting entities, covered entities, and payers shall adhere to require not more than the following edit standards, processes, and guidelines except as provided in subsection (e) of this section:

~~(1)(A) the CPT, HCPCS, and for claims for outpatient and professional services, the NCCI as in effect for Medicare;~~

~~(2)(B) national specialty society edit standards for facility claims, the Medicare Code Editor as in effect for Medicare; or~~

~~(3)(C) for pharmacy claims, appropriate nationally recognized edit standards, guidelines, or conventions; and~~

(D) for any other claim not addressed by subdivision (A), (B), or (C) of this subdivision (1), other appropriate nationally recognized edit standards, guidelines, or conventions approved by the Commissioner.

(2) For outpatient services, professional services, and facility claims, a health plan, contracting entity, covered entity, or payer shall apply the relevant edit standards, processes, and guidelines from NCCI or Medicare Code Editor pursuant to subdivisions (1)(A) and (B) of this subsection that were in effect for Medicare on the date of the claim submission; provided, however, that if Medicare has changed an applicable edit standard, process, or guideline within 90 days prior to the date of the claim submission, the health plan, contracting entity, covered entity, or payer may use the version of the edit standard, process, or guideline that Medicare had applied prior to the most recent change if the health plan, contracting entity, covered entity, or payer has not yet released an updated version of its edits in accordance with subsection (d) of this section.

(c) Adherence to the edit standards in ~~subdivision (b)(1) or (2)~~ subsection (b) of this section is not required:

(1) when necessary to comply with State or federal laws, rules, regulations, or coverage mandates; or

(2) for edits that the payer determines are more favorable to providers than the edit standards in ~~subdivisions (b)(1) through (3)~~ subsection (b) of this section or to address new codes not yet incorporated by a payer's edit management software, provided the edit standards are:

(A) developed with input from the relevant Vermont provider community and national provider organizations;

(B) clearly supported by nationally recognized standards, guidelines, or conventions approved by the Commissioner of Financial Regulation; and

(C) ~~provided the edits are available to providers on the plan's websites and in their~~ its newsletters or equivalent electronic communications.

(d) Health plans, contracting entities, covered entities, and payers shall not release edits more than quarterly, to take effect on January 1, April 1, July 1, or October 1, as applicable, and the edits shall not be implemented without filing with the Commissioner of Financial Regulation to ensure consistency with nationally recognized standards guidelines, and conventions, and at least 30 days' advance notice to providers. Whenever Medicare changes an edit standard, process, or guideline that it applies to outpatient service, professional service, or facility claims, each health plan, contracting entity, covered entity, or payer shall incorporate those modifications into its next quarterly release of edits.

(e)(1) Except as otherwise provided in subdivision (2) of this subsection, no health plan, contracting entity, covered entity, or payer shall subject any

health care provider to prepayment coding validation edit review. As used in this subsection, “prepayment coding validation edit review” means any action by the health plan, contracting entity, covered entity, or payer, or by a contractor, assignee, agent, or other entity acting on its behalf, requiring a health care provider to provide medical record documentation in conjunction with or after submission of a claim for payment for health care services delivered, but before the claim has been adjudicated.

(2) Nothing in this subsection shall be construed to prohibit targeted prepayment coding validation edit review of a specific provider, provider group, or facility under certain circumstances, including evaluating high-dollar claims; verifying complex financial arrangements; investigating member questions; conducting post-audit monitoring; addressing a reasonable belief of fraud, waste, or abuse; or other circumstances determined by the Commissioner through a bulletin or guidance.

(f) Nothing in this section shall preclude a health plan, contracting entity, covered entity, or payer from determining that any such claim is not eligible for payment in full or in part, based on a determination that:

* * *

(e)(g) Nothing in this section shall be deemed to require a health plan, contracting entity, covered entity, or payer to pay or reimburse a claim, in full or in part, or to dictate the amount of a claim to be paid by a health plan, contracting entity, covered entity, or payer to a health care provider.

(f)(h) No health plan, contracting entity, covered entity, or payer shall automatically reassign or reduce the code level of evaluation and management codes billed for covered services (downcoding), except that a health plan, contracting entity, covered entity, or payer may reassign a new patient visit code to an established patient visit code based solely on CPT codes, CPT guidelines, and CPT conventions.

(g)(i) Notwithstanding the provisions of subsection (d)(f) of this section, and other than the edits contained in the conventions in subsections (a) and (b) of this section, health plans, contracting entities, covered entities, and payers shall continue to have the right to deny, pend, or adjust claims for services on other bases and shall have the right to reassign or reduce the code level for selected claims for services based on a review of the clinical information provided at the time the service was rendered for the particular claim or a review of the information derived from a health plan’s fraud or abuse billing detection programs that create a reasonable belief of fraudulent or abusive billing practices, provided that the decision to reassign or reduce is based primarily on a review of clinical information.

~~(h)(j)~~ Every If adding an edit pursuant to subsection (b) or subdivision (c)(1) or (2) of this section, a health plan, contracting entity, covered entity, and or payer shall publish on its provider website and in its provider newsletter if applicable or equivalent electronic provider communications:

(1) the name of any commercially available claims editing software product that the health plan, contracting entity, covered entity, or payer utilizes;

(2) the specific standard or standards, pursuant to subsection (b) of this section, that the entity uses for claim edits and how those claim edits are supported by those specific standards;

(3) the payment percentages for modifiers; and

~~(4) any significant the specific edit or edits, as determined by the health plan, contracting entity, covered entity, or payer, added to the claims software product after the effective date of this section, which are made at the request of the health plan, contracting entity, covered entity, or payer.~~

~~(i)(k)~~ Upon written request, the health plan, contracting entity, covered entity, or payer shall also directly provide the information in subsection ~~(h)(j)~~ of this section to a health care provider who is a participating member in the health plan's, contracting entity's, covered entity's, or payer's provider network.

~~(j)(l)~~ For purposes of this section, "health plan" includes a workers' compensation policy of a casualty insurer licensed to do business in Vermont.

~~(k)(m)~~ BlueCross BlueShield of Vermont and the Vermont Medical Society are requested to continue convening a work group consisting of There is established a working group comprising the health plans, contracting entities, covered entities, and payers subject to the reporting requirement in subsection 9414a(b) of this title; representatives of hospitals and health care providers; representatives of the Department of Financial Regulation and of other relevant State agencies; and other interested parties to study the edit standards in subsection (b) of this section, the edit standards in national class action settlements, and edit standards and edit transparency standards established by other states to determine the most appropriate way to ensure that health care providers can access information about the edit standards applicable to the health care services they provide trends in coding and billing that health plans, contracting entities, covered entities, or payers, or a combination of them, seek to address through claim editing. The work working group is requested to shall provide an annual a progress report to the House Committee on Health

Care and the Senate Committees on Health and Welfare and on Finance upon request.

~~(l)(n)~~ With respect to the ~~work~~ working group established under subsection ~~(k)(m)~~ of this section and to the extent required to avoid violations of federal antitrust laws, the Department shall facilitate and supervise the participation of members of the ~~work~~ working group.

Sec. 3. 18 V.S.A. § 9418b(c) and (d) are amended to read:

~~(c) A health plan shall furnish, upon request from a health care provider, a current list of services and supplies requiring prior authorization.~~

(1) It is the intent of the General Assembly to reduce variability in prior authorization requirements by aligning to the greatest extent possible with the prior authorization requirements in Vermont's Medicaid program.

(2) A health plan shall not impose any prior authorization requirement for any admission, item, service, treatment, or procedure that is more restrictive than the prior authorization requirements that the Department of Vermont Health Access would apply for the same admission, item, service, treatment, or procedure under Vermont's Medicaid program.

(3) Each health plan shall review the prior authorization requirements in effect in Vermont's Medicaid program at least once every six months to ensure that the health plan is maintaining the prior authorization alignment required by subdivision (2) of this subsection.

(4) Nothing in this subsection shall be construed to:

(A) require prior authorization alignment with Vermont Medicaid for prescription drugs;

(B) prohibit prior authorization requirements for any admission, item, service, treatment, or procedure that is not covered by Vermont Medicaid;

(C) prohibit prior authorization requirements for an admission, item, service, treatment, or procedure that is provided out-of-network; or

(D) require a health plan to maintain the same provider network as Vermont Medicaid.

(d)(1) A health plan shall furnish, upon request from a health care provider, a current list of services and supplies requiring prior authorization.

(2) A health plan shall ~~post~~ make a current list of services and supplies requiring prior authorization available to the public on the insurer's website.

Sec. 4. 18 V.S.A. § 9418b(g)(4) is amended to read:

~~(4) A health plan shall respond to a completed prior authorization request from a prescribing health care provider within 48 hours after receipt for urgent requests and within two business days after receipt for nonurgent requests. The health plan shall notify a health care provider of or make available to a health care provider a receipt of the request for prior authorization and any needed missing information within 24 hours after receipt.~~

(A)(i) For urgent prior authorization requests, a health plan shall approve, deny, or inform the insured or health care provider if any information is missing from a prior authorization request from an insured or a prescribing health care provider within 24 hours following receipt.

(ii) If a health plan informs an insured or a health care provider that more information is necessary for the health plan to make a determination on the request, the health plan shall have 24 hours to approve or deny the request upon receipt of the necessary information.

(B) For nonurgent prior authorization requests:

(i) A health plan shall approve or deny a completed prior authorization request from an insured or a prescribing health care provider within two business days following receipt.

(ii) A health plan shall acknowledge receipt of the prior authorization request within 24 hours following receipt and shall inform the insured or health care provider at that time if any information is missing that is necessary for the health plan to make a determination on the request.

(iii) If a health plan notifies an insured or a health care provider that more information is necessary pursuant to subdivision (ii) of this subdivision (4)(B), the health plan shall have 24 hours to approve or deny the request upon receipt of the necessary information.

(C) If a health plan does not, within the time limits set forth in this section, respond to a completed prior authorization request, acknowledge receipt of the request for prior authorization, or request missing information, the prior authorization request shall be deemed to have been granted.

(D) Prior authorization approval for a prescribed or ordered treatment, service, or course of medication shall be valid for the duration of the prescribed or ordered treatment, service, or course of medication or one year, whichever is longer; provided, however, that for a prescribed or ordered treatment, service, or course of medication that continues for more than one

year, a health plan shall not require renewal of the prior authorization approval more frequently than once every five years.

(E) For an insured who is stable on a treatment, service, or course of medication, as determined by a health care provider, that was approved for coverage under a previous health plan, a health plan shall not restrict coverage of that treatment, service, or course of medication for at least 90 days upon the insured's enrollment in the new health plan.

Sec. 5. 18 V.S.A. § 9418c is amended to read:

§ 9418c. FAIR CONTRACT STANDARDS

(a) Required information.

(1) Each contracting entity shall provide and each health care contract shall obligate the contracting entity to provide participating health care providers information sufficient for the participating provider to determine the compensation or payment terms for health care services, including all of the following:

(A) The manner of payment, such as fee-for-service, capitation, case rate, or risk.

(B) On request, the fee-for-service dollar amount allowable for each CPT code for those CPT codes that a provider in the same specialty typically uses or that the requesting provider actually bills. Fee schedule information may be provided ~~by CD-ROM or~~ electronically, at the election of the contracting entity, but a provider may elect to receive a hard copy of the fee schedule information instead of the ~~CD-ROM or~~ electronic version.

(C) A clearly understandable, readily available mechanism, such as a specific website address, that includes the following information:

(i) the name of the commercially available claims editing software product that the health plan, contracting entity, covered entity, or payer uses;

(ii) the specific standard or standards from subsection 9418a(c) of this title that the entity uses for claim edits and how those claim edits are supported by those specific standards;

(iii) payment percentages for modifiers; and

(iv) any significant edits, as determined by the health plan, contracting entity, covered entity, or payer, added to the claims software product, which are made at the request of the health plan, contracting entity, covered entity, or payer, and which have been approved by the Commissioner pursuant to subsection 9418a(b) or (c) of this title.

(D) Any policies for prepayment or postpayment audits, or both, including whether the policies include limits on the number of medical records a contracting entity may request for audit in any calendar year.

* * *

(5)(A) If a contracting entity uses policies or manuals to augment the content of the contract with a health care provider, the contracting entity shall ensure that those policies or manuals contain sufficient information to allow providers to understand and comply with the content.

(B) For any new policy or manual, or any change to an existing policy or manual, the contracting entity shall do all of the following:

(i) Provide notice of the new policy, manual, or change to each participating provider in writing not fewer than 60 days prior to the effective date of the policy, manual, or change, which notice shall be conspicuously entitled “Notice of Policy Change” and shall include:

(I) a summary of the new policy, manual, or change;

(II) an explanation of the policy, manual, or change;

(III) the effective date of the policy, manual, or change; and

(IV) a notice of the right to object in writing to the policy, manual, or change, along with a timeframe for objection and where and how to send the objection.

(ii) Provide the participating provider 60 days after receiving the notice and summary to object in writing to the new policy, manual, or change. If the participating provider objects to the new policy, manual, or change, the contracting entity shall provide an initial substantive response to the objection within 30 days following the contracting entity’s receipt of the written objection, and the contracting entity shall work together with the provider to achieve a reasonable resolution to the objection within 60 days following the provider’s receipt of contracting entity’s initial substantive response. If the provider is not satisfied with the proposed resolution, the provider may pursue any remedy available to the provider under the health care contract or under applicable law.

* * *

Sec. 6. PRIOR AUTHORIZATION; INSURER IMPACT REPORTS

On or before January 15, 2027, each health insurer with at least 2,000 covered lives in Vermont shall report to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance regarding

the impact of the prior authorization provisions of this act on the following during plan years 2025 and 2026:

- (1) utilization of health care services covered by the insurer’s plans;
 - (2) development of the insurer’s premium rates for future plan years;
- and

- (3) the insurer’s estimated avoided costs, including:

- (A) the specific methodologies that the insurer uses to determine the amount of “savings” from avoided costs;

- (B) the costs of the alternative tests, procedures, medications, and other items or services ordered for insureds as a result of the insurer’s denials of requests for prior authorizations; and

- (C) the costs of emergency department visits and inpatient stays, including stays in intensive care units, as a result of the insurer’s denials of requests for prior authorizations.

Sec. 7. PRIOR AUTHORIZATION; PROVIDER IMPACT REPORTS

(a) The General Assembly requests that organizations representing Vermont’s hospital-employed, federally qualified health center-employed, and independent health care providers who are affected by the prior authorization provisions of this act gather information from their members on or before January 1, 2025 and on or before July 1, 2026 regarding current circumstances and the impact of the prior authorization provisions of this act on their provider members and the members’ practices. To the extent practicable, the information gathered should align with survey questions published by nationally recognized provider organizations and include information regarding the impact of prior authorization processes and requirements on care delivery, quality of care, and staffing.

(b) On or before January 15, 2027, each provider organization that gathered information from its members in accordance with subsection (a) of this section is requested to summarize and report on that information to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance, including providing a summary of the impact of the prior authorization provisions of this act on the organization’s members’ practices.

Sec. 8. REPEAL

18 V.S.A. § 9418(m) and (n) (claims edit working group) are repealed on January 1, 2028.

Sec. 9. EFFECTIVE DATES

(a) Secs. 6 (prior authorization; insurer impact reports) and 7 (prior authorization; provider impact reports) and this section shall take effect on passage.

(b) Sec. 3 (18 V.S.A. § 9418b(g)(4); prior authorization time frames) shall take effect on January 1, 2025, except that a health plan that must modify its technology in order to continue administering its own internal utilization review process for certain services shall have until not later than January 1, 2026 to come into compliance with the provisions of Sec. 3 as to those services.

(c) The remaining sections shall take effect on January 1, 2025 and shall apply to all health plans issued on and after that date, to all health care provider contracts entered into or renewed on and after that date, and to all claims processed on and after that date.

and that after passage the title of the bill be amended to read: “An act relating to prior authorization and step therapy requirements, health insurance claims, and provider contracts”

(Committee Vote: 11-0-0)

H. 829

An act relating to creating permanent upstream eviction protections and enhancing housing stability

Rep. Stevens of Waterbury, for the Committee on General and Housing, recommends the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Housing Programs * * *

Sec. 1. 10 V.S.A. § 322 is amended to read:

§ 322. ALLOCATION SYSTEM

(a) In determining the allocation of funds available for the purposes of this chapter, the Board shall give priority to projects that combine the dual goals of creating affordable housing and conserving and protecting Vermont’s agricultural land, historic properties, important natural areas or recreation lands and also shall consider, but not be limited to, the following factors:

(1) the need to maintain balance between the dual goals in allocating resources;

(2) the need for a timely response to unpredictable circumstances or special opportunities to serve the purposes of this chapter;

(3) the level of funding or other participation by private or public sources in the activity being considered for funding by the Board;

(4) what resources will be required in the future to sustain the project;

(5) the need to pursue the goals of this chapter without displacing lower income Vermonters;

(6) the long-term effect of a proposed activity and, with respect to affordable housing, the likelihood that the activity will prevent the loss of subsidized housing units and will be of perpetual duration;

(7) geographic distribution of funds; and

(8) the need to timely address Vermont's housing crisis.

(b) The Board's allocation system shall include a method, defined by rule, that evaluates the need for, impact, and quality of activities proposed by applicants.

Sec. 2. 10 V.S.A. § 699 is amended to read:

§ 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

(a) Creation of Program.

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

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

(3) A landlord shall not offer a unit created through the Program as a short-term rental, as defined in 18 V.S.A. § 4301, for the period a grant or loan agreement is in effect.

(4) The Department may utilize a reasonable percentage of appropriations made to the Department for the Program to administer the Program.

(5) The Department may cooperate with and subgrant funds to State agencies and political subdivisions and public and private organizations in order to carry out the purposes of this subsection.

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

(1) Non-code compliant.

(A) The unit is an existing unit, whether or not occupied, that does not comply with the requirements of applicable building, housing, or health laws.

(B) If the unit is occupied, the grant or forgivable loan agreement shall include terms:

* * *

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

(1)(A) A grant or loan shall not exceed:

(i) \$70,000.00 per unit, for rehabilitation or creation of an eligible rental housing unit meeting the applicable building accessibility requirements under the Vermont Access Rules; or

(ii) \$50,000.00 per unit, for rehabilitation or creation of any other eligible rental housing unit.

(B) In determining the amount of a grant or loan, a housing organization shall consider the number of bedrooms in the unit, ~~and~~ whether the unit is being rehabilitated or newly created, whether the project includes accessibility improvements, and whether the unit is being converted from nonresidential to residential purposes.

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

(3) A project may include a weatherization component.

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

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

(6) The identity of a recipient, ~~and~~ the amount of a grant or forgivable loan, the year in which the grant or forgivable loan was extended, and the year in which any affordability covenant ends are public records that shall be

available for public copying and inspection and the Department shall publish this information at least quarterly on its website.

(7) A project for rehabilitation or creation of an accessible unit may apply funds to the creation of a parking spot for individuals with disabilities.

(e) Program requirements applicable to grants and five-year forgivable loans. For a grant or five-year forgivable loan awarded through the Program, the following requirements apply for a minimum period of five years:

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

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

(i) exiting homelessness; or

(ii) actively working with an immigrant or refugee resettlement program; or

(iii) composed of at least one individual with a disability who is eligible to receive Medicaid-funded home and community based services.

(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household ~~exiting homelessness~~ under subdivision (2)(A) of this subsection (e) is not available to lease the unit, then the landlord shall lease the unit:

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

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

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

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

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

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

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

* * *

Sec. 3. VERMONT RENTAL HOUSING IMPROVEMENT

APPROPRIATION

The sum of \$6,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2025 for the Vermont Housing Improvement Program established in 10 V.S.A. § 699.

Sec. 4. 2023 Acts and Resolves No. 47, Sec. 36 is amended to read:

Sec. 36. MIDDLE-INCOME HOMEOWNERSHIP DEVELOPMENT PROGRAM

* * *

(d) The total amount of subsidies for a project shall not exceed 35 percent of eligible development costs, as determined by the Agency, ~~which the~~ at the time of approval of the project, unless the Agency later determines that the project will not result in affordable owner-occupied housing for income-eligible homebuyers without additional subsidy, in which case the Agency may, at its discretion, reasonably exceed this limitation and only to the extent required to achieve affordable owner-occupied housing. The Agency may ~~may~~ shall allocate subsidies consistent with the following:

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

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

(A) the Agency includes conditions in the subsidy, agreement or uses another legal mechanism, to ensure that, to the extent the home value has risen, the amount of the subsidy upon sale of the home, to the extent proceeds are available, the amount of the affordability subsidy either:

(i) remains with the home to offset the cost to future homebuyers;
or

(ii) is recaptured by the Agency upon sale of the home for use in a similar program to support affordable homeownership development; or

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

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

* * *

(f)(1) When implementing the Program, the Agency shall consult stakeholders and experts in the field.

(2) The Program shall include:

(A) a streamlined and appropriately scaled application process;

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

(C) an equitable system for distributing investments statewide on the basis of need according to a system of priorities that includes consideration of:

(i) geographic distribution;

(ii) community size;

(iii) community economic need; and

(iv) whether an application has already received an investment or is from an applicant in a community that has already received Program funding.

~~(3) The Agency shall use its best efforts to ensure:~~

~~(A) that investments awarded are targeted to the geographic communities or regions with the most pressing economic and employment needs; and~~

~~(B) that the allocation of investments provides equitable access to the benefits to all eligible geographical areas.~~

* * *

Sec. 5. REPEAL

2023 Acts and Resolves No. 47, Sec. 37 (middle-income homeownership; implementation) is repealed.

Sec. 6. APPROPRIATION; MIDDLE-INCOME HOMEOWNERSHIP
DEVELOPMENT PROGRAM

The sum of \$25,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development to grant to the Vermont Housing Finance Agency in fiscal year 2025 for the Middle-Income Homeownership Development Program established by 2022 Acts and Resolves No. 182, Sec. 11, and amended from time to time.

Sec. 7. APPROPRIATION; VERMONT HOUSING CONSERVATION
BOARD; PERPETUALLY AFFORDABLE HOUSING

The sum of \$110,000,000.00 is appropriated from the General Fund to the Vermont Housing Conservation Board in fiscal year 2025 for the following purposes:

(1) to provide support and enhance capacity for the production and preservation of affordable rental housing and homeownership units, including support for manufactured home communities, permanent homes for those experiencing homelessness, recovery residences, and housing available to farm workers, and refugees, or individuals with disabilities who are eligible to receive Medicaid-funded home and community based services;

(2) to fund the construction and preservation of emergency shelter for households experiencing homelessness; and

(3) to fund permanent supportive housing.

Sec. 8. APPROPRIATION; FIRST GENERATION HOMEBUYER
PROGRAM

The sum of \$1,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2025 for a grant to the Vermont Housing Finance Agency for the First-Generation Homebuyer Program established by 2022 Acts and Resolves No. 182, Sec. 2, and amended from time to time.

* * * Eviction Prevention Initiatives * * *

Sec. 9. APPROPRIATION; RENTAL HOUSING STABILIZATION
SERVICES

The sum of \$400,000.00 is appropriated from the General Fund to the Office of Economic Opportunity within the Department for Children and Families in fiscal year 2025 for a grant to the Champlain Valley Office of Economic Opportunity for the Rental Housing Stabilization Services Program established by 2023 Acts and Resolves No. 47, Sec. 43.

Sec. 10. APPROPRIATION; TENANT REPRESENTATION PILOT PROGRAM

The sum of \$1,025,000.00 is appropriated from the General Fund to the Agency of Human Services in fiscal year 2025 for a grant to Vermont Legal Aid for the Tenant Representation Pilot Program established by 2023 Acts and Resolves No. 47, Sec. 44.

Sec. 11. APPROPRIATION; RENT ARREARS ASSISTANCE FUND

The sum of \$2,500,000.00 is appropriated from the General Fund to the Vermont State Housing Authority in fiscal year 2025 for the Rent Arrears Assistance Fund established by 2023 Acts and Resolves No. 47, Sec. 45.

Sec. 12. RESIDENT SERVICES PROGRAM; APPROPRIATION

(a) The sum of \$6,000,000.00 is appropriated from the General Fund to the Agency of Human Services in fiscal year 2025 for a grant to the Vermont Housing and Conservation Board for the Resident Services Program established by this section. The Agency shall work in coordination with the Board to develop the Resident Services Program for the purpose of distributing funds to eligible affordable housing organizations to respond to timely and urgent resident needs and aid with housing retention.

(b) For purposes of this section, an “eligible affordable housing organization” is a Vermont-based nonprofit or public housing organization that makes available at least 15 percent of its affordable housing portfolio to homeless families and individuals, including those with special needs who require service support and rental assistance to secure and maintain their housing, consistent with the goal of Executive Order No. 03-16 (Publicly Funded Housing for the Homeless).

Sec. 13. RENT PAYMENT REPORTING REPORT

(a) To facilitate the development of a pilot program for housing providers to report tenant rent payments for inclusion in consumer credit reports, the Office of the State Treasurer shall study:

(1) any entities currently facilitating landlord credit reporting;

(2) the number of landlords in Vermont utilizing rent payment software, related software expenses, and the need for or benefit of utilizing software for positive pay reporting;

(3) the impacts on tenants from rent payment reporting programs, including, if feasible, data gathered from the Champlain Housing Trust's program;

(4) any logistical steps the State must take to facilitate the program and any associated administrative costs; and

(5) any other issues the Treasurer deems appropriate for facilitating the development of the pilot program.

(b) On or before December 15, 2024, the Treasurer shall submit a report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General and Housing with its findings and recommendations, which may be in the form of proposed legislation.

* * * Manufactured Homes * * *

Sec. 14. 2022 Acts and Resolves No. 182, Sec. 3, as amended by 2023 Acts and Resolves No. 3, Sec. 75 and 2023 Acts and Resolves No. 78, Sec. C.119, is further amended to read:

Sec. 3. MANUFACTURED HOME IMPROVEMENT AND
REPLACEMENT REPAIR PROGRAM

(a) Of the amounts available from the American Rescue Plan Act (ARPA) recovery funds, \$4,000,000 is appropriated to the Department of Housing and Community Development for the purposes specified Amounts appropriated to the Department of Housing and Community Development for the Manufactured Home Improvement and Repair Program shall be used for one or more of the following purposes:

* * *

(b) The Department administers the Manufactured Home Improvement and Repair Program and may utilize a reasonable percentage of appropriations made to the Department for the Program to administer the Program.

(c) The Department may cooperate with and subgrant funds to State agencies and political subdivisions and public and private organizations in order to carry out the purposes of subsection (a) of this section.

Sec. 15. MANUFACTURED HOME IMPROVEMENT AND REPAIR
PROGRAM APPROPRIATIONS; INFRASTRUCTURE; MOBILE

HOME REPAIR

The sum of \$2,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2025 for the following purposes:

(1) to improve mobile home park infrastructure under the Manufactured Home Improvement and Repair Program established by 2022 Acts and Resolves No. 182, Sec. 3, and amended from time to time; and

(2) to expand the Home Repair Awards program under the Manufactured Home Improvement and Repair Program established by 2022 Acts and Resolves No. 182, Sec. 3, and amended from time to time.

Sec. 16. MOBILE HOME TECHNICAL ASSISTANCE APPROPRIATION

(a) The sum of \$700,000.00 is appropriated from the General Fund to the Department of Housing and Community Development for a subgrant to the Champlain Valley Office of Economic Opportunity in fiscal year 2025 to fund the Mobile Home Park Technical Assistance Services Team, including administration and direct project administration costs, such as advertising, background check fees, office supplies, postage, staff mileage liability insurance, training, service contracts, rent, utilities, telephone, space maintenance, and staffing.

(b) The sum of \$300,000.00 is appropriated from the General Fund to the Department of Housing and Community Development for a subgrant to the Champlain Valley Office of Economic Opportunity in fiscal year 2025 to fund individual resident emergency grants accessible to all income-eligible mobile homeowners statewide to prevent loss of housing, remediate unsafe housing, enhance housing safety, health, and habitability issues, and provide relief from the impacts of natural disaster.

* * * Reporting * * *

Sec. 17. EMERGENCY HOUSING TRANSITION; AGENCY OF HUMAN SERVICES; JOINT FISCAL COMMITTEE OVERSIGHT; REPORTS

(a) As used in this act, “alternative housing placements” may include shelter beds and pods; placements with family or friends; permanent housing solutions, including tiny homes, manufactured homes, and apartments; residential treatment beds for physical health, long-term care, substance use, or mental health; nursing home beds; and recovery homes.

(b) On or before the last day of each month from July 2024 through March 2025, the Agency of Human Services, or other relevant agency or department, shall report to the House Committees on Human Services and on General and Housing, the Senate Committee on Health and Welfare, and the Joint Fiscal Committee on its progress in assisting households housed in hotels and motels with transitioning from the pandemic-era General Assistance Emergency Housing Program to alternative housing placements and on the creation of new, alternative housing solutions. Each update shall include:

(1) the number of households remaining in hotels and motels that have not yet been transitioned to an alternative housing placement by household size, by eligibility category, and by each Agency of Human Services district;

(2) the number of actual alternative housing placements made during the previous reporting period compared with the targeted number of placements for that period;

(3) of the households successfully transitioned to an alternative housing placement during the previous month, the number of households whose screening indicated a potential need for services from each department within the Agency;

(4) the number of beds available for emergency housing in each Agency of Human Services district in the State, with separate reporting on the number of beds available in nursing homes and residential care homes for individuals whose screening indicates they could meet the clinical criteria for those settings and the number of emergency beds available for individuals whose screening indicates they do not meet the clinical criteria, including low-barrier shelters, beds for youth, and beds for individuals who have experienced domestic violence;

(5) of the households that were housed in a hotel or motel for four months or longer and transitioned out during the previous month, the number that have had all or a portion of their security deposits returned to them since leaving the hotel or motel or are awaiting the return of these funds;

(6) of the households that were housed in a hotel or motel for less than four months and transitioned out during the previous month, the amount of security deposit funds refunded to the State by the hotels and motels during that month;

(7) the number of households that have been successfully transitioned to an alternative housing placement since the previous report, the types of housing settings in which they have been placed, and the supportive services they are receiving in conjunction with their housing;

(8) the outlook for transitioning additional households to alternative housing placements in the coming months, including an estimate of the number of households likely to be placed per month;

(9) a projected timeline for transitioning the remaining households to alternative housing placements;

(10) the average negotiated rate for rooms that the Agency paid to the hotels and motels providing the temporary, continued hotel or motel housing during the previous month;

(11) the status of responding to and implementing the letters of interest from community partners and municipalities for housing and supportive services;

(12) the status of contracts for housing and supportive services resulting from the Agency's requests for proposals (RFPs);

(13) the status of grants awarded through the Housing Opportunity Grant Program and how those grants relate to the Agency's efforts to assist households with transitioning out of the pandemic-era General Assistance Emergency Housing Program;

(14) once the Adverse Weather Conditions Policy takes effect again in the fall of 2024, how the Agency plans to distinguish the households that become eligible for the General Assistance Emergency Housing Program under that Policy from the households that the Agency is assisting with transitioning out of the pandemic-era General Assistance Emergency Housing Program;

(15) the total amount of funds expended to date on housing placements and supportive services for households transitioning out of the pandemic-era General Assistance Emergency Housing Program; and

(16) beginning with the September 2024 reporting period, any State rules and local regulations and ordinances that are impeding the timely development of safe, decent, affordable housing in Vermont communities in order to:

(A) identify areas in which flexibility or discretion are available; and

(B) advise whether the temporary suspension of relevant State rules and local regulations and ordinances, or the adoption or amendment of State rules, would facilitate faster and less costly revitalization of existing housing and construction of new housing units.

(c) On or before the last day of each month from July 2024 through March 2025, the Vermont Housing and Conservation Board shall report to the House

Committees on Human Services and on General and Housing; the Senate Committees on Health and Welfare and on Economic Development, Housing and General Affairs; and the Joint Fiscal Committee on:

(1) the status of the Board’s initiatives to make additional housing units available and how those initiatives support the Agency of Human Services’ efforts to assist households with transitioning out of the pandemic-era General Assistance Emergency Housing Program; and

(2) the status of the Board’s efforts to expand emergency shelter capacity, including the number of new beds available since the previous report, the number of additional beds planned, and when the additional planned beds are likely to become available.

(d) The Agency may hire temporary employees or contract with community-based organizations, or both, as needed to support the Agency in assisting households housed in hotels and motels with transitioning from the pandemic-era General Assistance Emergency Housing Program to alternative housing placements; to support the creation of new, alternative housing solutions; and to collect and report on the information required by subsection (b) of this section.

(e) On or before April 1, 2025, the Agency shall report to the House Committees on Appropriations, on Human Services, and on Housing and General Affairs; the Senate Committees on Appropriations, on Health and Welfare, and on Economic Development, Housing and General Affairs; and the Joint Fiscal Committee the number of households, if any, that were not successfully transitioned out of the pandemic-era General Assistance Emergency Housing Program into alternative housing placements and the reason why each such household was not successfully placed.

* * * Effective Date * * *

Sec. 18. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

(Committee Vote: 7-4-1)

H. 856

An act relating to medical leave for a serious injury

Rep. Labor of Morgan, for the Committee on General and Housing, recommends the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 21 V.S.A. § 471 is amended to read:

§ 471. DEFINITIONS

As used in this subchapter:

* * *

(3) “Family leave” means a leave of absence from employment by an employee who works for an employer ~~which~~ that employs 15 or more individuals who are employed for an average of at least 30 hours per week during the year for one of the following reasons:

(A) the serious ~~illness~~ health condition of the employee; or

(B) the serious ~~illness~~ health condition of the employee’s child, stepchild or ward who lives with the employee, foster child, parent, spouse, or parent of the employee’s spouse.

(4) “Health care provider” means a licensed health care provider or a health care provider as defined pursuant to 29 C.F.R. § 825.125.

(5) “Parental leave” means a leave of absence from employment by an employee who works for an employer ~~which~~ that employs 10 or more individuals who are employed for an average of at least 30 hours per week during the year for one of the following reasons:

* * *

~~(5)~~(6) “Serious ~~illness~~ health condition” means:

(A) an accident, illness, injury, disease, or physical or mental condition that:

(A)(i) poses imminent danger of death;

~~(B)~~(ii) requires inpatient care in a hospital, hospice, or residential medical care facility; or

~~(C)~~(iii) requires continuing ~~in-home care under the direction of treatment by a physician~~ health care provider; or

(B) rehabilitation from an accident, illness, injury, disease, or physical or mental condition described in subdivision (A) of this subdivision (5), including treatment for substance use disorder.

Sec. 2. 21 V.S.A. § 472 is amended to read:

§ 472. LEAVE

(a) During any 12-month period, an employee shall be entitled to take unpaid leave for a period not to exceed 12 weeks:

* * *

(2) for family leave, for the serious ~~illness~~ health condition of the employee or the employee's child, stepchild or ward of the employee who lives with the employee, foster child, parent, spouse, or parent of the employee's spouse.

* * *

(e)(1) An employee shall give reasonable written notice of intent to take leave under this subchapter. Notice shall include the date the leave is expected to commence and the estimated duration of the leave.

(2) In the case of the adoption or birth of a child, an employer shall not require that notice be given more than six weeks prior to the anticipated commencement of the leave.

(3) In the case of serious ~~illness~~ health condition of the employee or a member of the employee's family, an employer may require certification from a ~~physician~~ health care provider to verify the condition and the amount and necessity for the leave requested.

(4) An employee may return from leave earlier than estimated upon approval of the employer.

(5) An employee shall provide reasonable notice to the employer of his ~~or her~~ the need to extend leave to the extent provided by this ~~chapter~~ subchapter.

* * *

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

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

(Committee Vote: 11-0-1)

CONSENT CALENDAR FOR ACTION

Concurrent Resolutions for Adoption Under Joint Rules 16a - 16d

The following concurrent resolutions have been introduced for approval by the Senate and House and will be adopted automatically unless a Senator or Representative requests floor consideration in that member's chamber before

today's adjournment. Requests for floor consideration in either chamber should be communicated to the Senate Secretary's Office or the House Clerk's Office, as applicable. For text of resolutions, see Addendum to House Calendar of February 29, 2024.

H.C.R. 164

House concurrent resolution recognizing April 2024 as the Month of the Military Child in Vermont and supporting the important work it represents

H.C.R. 165

House concurrent resolution congratulating the 2024 Essex High School Hornets Division I championship boys' indoor track and field team

H.C.R. 166

House concurrent resolution congratulating the Essex High School Hornets girls' volleyball team on winning its third consecutive State championship

H.C.R. 167

House concurrent resolution commemorating the centennial of U.S. Navy Torpedoman 2nd Class Henry Breault's becoming the first submariner to receive the Medal of Honor

H.C.R. 168

House concurrent resolution honoring the artistic legacy of Skip Morrow and The Art of Humor Gallery in Wilmington

H.C.R. 169

House concurrent resolution honoring Norwich University Athletic Hall of Fame member Harold Martin, in celebration of Black History Month

H.C.R. 170

House concurrent resolution honoring Putney Fire Chief Thomas Goddard for his exemplary achievements as a municipal public safety official

For Informational Purposes

NOTICE OF CROSSOVER DATES

The Committee on Joint Rules adopted the following Crossover dates:

(1) All **House/Senate** bills must be reported out of the last committee of reference (including the Committees on Appropriations and on Ways and Means/Finance, except as provided below in (2) and the exceptions listed below) on or before **Friday, March 15, 2024** and filed with the Clerk/Secretary so they may be placed on the Calendar for Notice the next legislative day – Committee bills must be voted out of Committee by **Friday, March 15, 2024**.

(2) All **House/Senate** bills referred pursuant to House Rule 35(a) or Senate Rule 31 to the Committees on Appropriations and on Ways and Means/Finance must be reported out by the last of those committees on or before **Friday, March 22, 2024** and filed with the Clerk/Secretary so they may be placed on the Calendar for Notice the next legislative day.

Exceptions the foregoing deadlines include the major money bills (the general Appropriations bill (“The Big Bill”), the Transportation Capital bill, the Capital Construction bill, the Pay Act, and the Fee and miscellaneous tax bills).

NOTICE OF JOINT ASSEMBLY

Friday, March 1, 2024 – 10:30 A.M. – House Chamber – Election of a Sergeant at Arms.

The following rules shall apply to the conduct of this election:

First: All nominations for this office will be presented in alphabetical order prior to voting.

Second: There will be only one nominating speech of not more than three (3) minutes and not more than two seconding speeches of not more than one (1) minute each for each nominee.

H.C.R. DRAFTING REQUEST DEADLINE

For a House Concurrent Resolution (H.C.R.) to be available for presentation during the Town Meeting Week break, it must be adopted pursuant to the Consent Calendar published not later than the preceding week (Thurs., Feb. 29 and Fri., March 1, 2024).

It was requested that any Member who wishes to present an H.C.R. during the Town Meeting Week break should submit a drafting request to Michael Chernick, Legislative Counsel, **not later than Friday, February 16, 2024 at**

4:30 P.M. to ensure adequate time for the drafting and Consent Calendar adoption process. That deadline has passed. Any H.C.R. drafting request received after that deadline cannot be guaranteed to be adopted in time for Town Meeting Week presentation.

JOINT FISCAL COMMITTEE NOTICES

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

JFO #3187: Two (2) limited-service positions to the Public Service Department, Vermont Community Broadband Board: Administrative Services Manager III and Data and Information Project Manager. Positions will carry out work related to the federal Broadband Equity, Access and Deployment (BEAD) program. This program has the potential to bring in additional Broadband investment, provided local applications are successful. Positions are fully funded through 11/30/2027 and are funded by previously approved JFO #3136.

[Received February 26, 2024]

JFO #3186: \$4,525,801.81 to the Agency of Agriculture, Food and Markets from the U.S. Department of Agriculture. The majority of funds to be sub-awards to Vermont's agricultural businesses and organizations to build resilience in the middle of the food supply chain and to support market development for small farms and food businesses. Includes full funding for one (1) limited-service position, Agriculture Development Specialist II and 50% support for one (1) limited-service position, Contracts and Grants Specialist I. The other 50% for the position will come from already approved JFO #2982.

[Received February 8, 2024]

JFO #3185: \$70,000.00 to the Attorney General's Office from the Sears Consumer Protection and Education Fund to improve accessibility and outreach of the Vermont Consumer Assistance Program to underserved populations in Vermont.

[Received January 31, 2024]

JFO #3184: Three (3) limited-service positions to the Agency of Human Services, Department of Health. One (1) Substance Abuse Program Evaluator, funded through 8/31/28; and one (1) Public Health Specialist II, and one (1) Family Service Specialist both funded through 9/29/2024. The positions are fully funded by previously approved JFO requests #3036 and #1891. These positions will support Vermont's Overdose Data to Action program and the Maternal Mortality Review Panel.

[Received January 31, 2024]

JFO #3183: \$182,500.00 to the Agency of Natural Resources, Department of Forests, Parks and Recreation. Funds will be used to complete the purchase of a conservation easement on a 183-acre parcel of land in Townshend, Vermont (Peterson Farm). *[Note: Remainder of the easement (\$82,500) is supported by a State appropriation agreement between the department and the VHCB. Closing costs, including department staff time, is funded by already budgeted federal funds. Ongoing enforcement costs are managed by the department's Lands and Facilities Trust Fund. A \$15,000.00 stewardship contribution to this fund will be made by the landowner at the time of the sale.]*

[Received January 31, 2024]

JFO #3182: \$125,000.00 to Agency of Natural Resources, Department of Environmental Conservation from the New England Interstate Water Pollution Control Commission to expand current monitoring of cyanotoxins in Lake Champlain and Vermont inland lakes.

[Received January 31, 2024]

JFO #3181: \$409,960.00 to the Agency of Commerce and Community Development, Department of Housing and Community Development from the U.S. Department of the Interior/National Park Service. Funds will be used for the preservation, repair, and restoration of the Old Constitution House, located in Windsor, Vermont. The first Constitution of Vermont was adopted on this site, then known as Elijah West's Tavern, on July 8, 1777. *[Note: A State match of \$53,714.00 is accomplished within the agency budget through the reduction of a fraction of an existing position base and existing capital bill funds.]*

[Received January 31, 2024]

JFO #3180: One (1) limited-service position, Administrative Services Director III, to the Agency of Administration, Recovery Office. Position will ensure that flood recovery projects are integrated with existing state and federal programs. Will also ensure compliance and tracking of already awarded grants as well as those anticipated in the wake of the July 2023 flooding event. Position is funded through already approved JFO Request #3165 as well as Acts 74 (2021) and 185 (2022). The position is fully funded through 7/31/2027.

[Received January 31, 2024]

JFO #3179: Two (2) limited-service positions. One (1) to the Department of Mental Health, Project AWARE Lead Coordinator and one (1) to the Agency of Education, Project AWARE Co-Coordinator. The positions will liaison to

coordinate and expand the state's efforts to develop sustainable infrastructure for school-based mental health. Both positions are fully funded through 9/29/28 from previous SAMHSA grant award JFO #2934.

[Received January 26, 2024]

JFO #3178: \$456,436.00 to the Agency of Natural Resources, Secretary's Office from the U.S. Environmental Protection Agency. Funds will support (1) limited-service position, Environmental Analyst IV. This position will serve as administrative lead developing the updated Climate Action Plan with the Vermont Climate Council and perform added work required by the EPA grant. Position is funded through 6/30/2027.

[Received January 11, 2024]

JFO #3177: \$2,543,564.00 to the Agency of Natural Resources, Secretary's Office from the U.S. Environmental Protection Agency. Funding is phase one of a two-phase funding opportunity aimed to support Vermont with climate change mitigation planning efforts. A comprehensive climate action plan will be developed, to overlap with and be synonymous to the required update to Vermont's Climate Action Plan in 2025.

[Received January 12, 2024]

JFO #3176: \$250,000.00 to the Agency of Human Services, Department of Mental Health from the National Association of State Mental Health Program Directors. These funds will increase rapid access to behavioral health care by supporting the peer service component of the mental health urgent care clinic being established in Chittenden County. This clinic will offer an alternative to seeking mental health care in emergency departments

[Received January 11, 2024]