Journal of the House

Thursday, April 20, 2023

At one o'clock in the afternoon, the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Rev. Ed Sunday-Winters, Greensboro United Church of Christ.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the 20th day of April 2023, he signed a bill originating in the House of the following title:

H. 148 An act relating to raising the age of eligibility to marry

Bill Referred to Committee on Ways and Means

S. 99

Senate bill, entitled

An act relating to miscellaneous changes to laws related to vehicles

Appearing on the Notice Calendar, and pursuant to House Rule 35(a), affecting the revenue of the State, was referred to the Committee on Ways and Means.

Ceremonial Readings

H.C.R. 42

House concurrent resolution honoring Laura and Lewis Sumner of Halifax for their exemplary municipal public service

Offered by: Representative Roberts of Halifax

Whereas, Laura Sumner was raised in Vernon, and her husband, Lewis, in Halifax, where they have resided since their marriage in 1965, and

Whereas, Lewis Sumner continued his family's farming tradition, maintaining a dairy herd until 1988, and, subsequently, he was employed for many years as the custodian at Halifax Elementary School, and

Whereas, both Laura and Lewis Sumner were active in the former Guiding Star Grange, and they were also long associated with the West Halifax Bible Church, and

Whereas, each member of this this five-decade-plus partnership has served the Town of Halifax with dedication and distinction, and

Whereas, from 1967 until 2010, Laura Sumner was the dependable and knowledgeable Halifax Town Clerk, overseeing the daily operations of municipal government, ensuring democracy's vitality as the coordinator of elections' administration, safeguarding the town's municipal records, and transitioning the town into the digital era, and

Whereas, for 58 years, Lewis Sumner responded to the call to duty when the alarm sounded at the Halifax Fire Company Inc., and

Whereas, beginning in 1963, Lewis Sumner has stood successfully for election to the Halifax Selectboard, and, except for a brief hiatus from 2002 to 2005, has served continuously for 60 years, and during many of these years, has presided over the panel as chair, a position he currently holds, and

Whereas, on Town Meeting Day 2023, Lewis Sumner will conclude his remarkable six decades of Selectboard membership, highlights of which include eight weather events involving FEMA, and especially the aftermath of Tropical Storm Irene, and this is a propitious occasion to recognize the couple who truly merit the title Mr. and Mrs. Halifax, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly honors Laura and Lewis Sumner of Halifax for their exemplary municipal public service, and be if further

Resolved: That the Secretary of State be directed to send a copy of this resolution to Laura and Lewis Sumner and to the Halifax Town Clerk.

Having been adopted in concurrence on Friday, March 3, 2023 in accord with Joint Rule 16b, was read.

H.C.R. 88

House concurrent resolution recognizing the week of April 16–22 as Volunteer Week in Vermont and celebrating Vermont's volunteers

Offered by: Representative Noyes of Wolcott

Whereas, according to AmeriCorps, in 2021, at the height of the COVID-19 pandemic, more than 310,000 Vermonters helped their neighbors, reflecting a special spirit of mutual support at an especially stressful time, and

Whereas, the scope of volunteering varied, from the 29.1 percent of the State's residents (over 150,000 persons) who volunteered a total of 10.7 million hours through an organization and contributed more than $300 million in economic value to the State to the 97.2 percent of Vermonters who spoke or spent time with family or friends, and

Whereas, half of all Vermonters demonstrated support for their neighbors in need through charitable donations, and

Whereas, a dedicated contingent of Vermonters 55 years of age and older volunteers with the State's four regional Senior Corps–RSVP (Retired and Senior Volunteer Program) agencies (RSVP Rutland/Addison County, the Green Mountain RSVP, the United Way of Northwestern Vermont RSVP, and the RSVP for Central Vermont and the Northeast Kingdom, which is under the auspices of the Central Vermont Council on Aging), and

Whereas, these volunteers serve as drivers for Meals on Wheels, medical appointments, errands, and food shopping; assist at food shelves, historical societies, libraries, and museums; lead exercise classes and assist with other wellness activities; and provide vital senior companionship, and they merit a special expression of gratitude, and

Whereas, April is Global Volunteer Month and the week of April 16–22 is National Volunteer Week, and similar Vermont recognition is warranted, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly recognizes the week of April 16–22 as Volunteer Week in Vermont and celebrates Vermont's volunteers, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to SerVermont and each of the four RSVP programs in Vermont.

Having been adopted in concurrence on Friday, April 14, 2023 in accord with Joint Rule 16b, was read.

Second Reading; Proposal of Amendment Agreed to; Amendments Offered; Third Reading Ordered

S. 5

Rep. Sibilia of Dover, for the Committee on Environment and Energy, to which had been referred Senate bill, entitled

An act relating to affordably meeting the mandated greenhouse gas reductions for the thermal sector through efficiency, weatherization measures, electrification, and decarbonization

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

Sec. 1. SHORT TITLE

This act shall be known and may be cited as the "Affordable Heat Act."

Sec. 2. FINDINGS

The General Assembly finds:

(1) All of the legislative findings made in 2020 Acts and Resolves No. 153, Sec. 2, the Vermont Global Warming Solutions Act of 2020 (GWSA), remain true and are incorporated by reference here.

(2) Under the GWSA and 10 V.S.A. § 578, Vermont has a legal obligation to reduce greenhouse gas emissions to specific levels by 2025, 2030, and 2050.

(3) The Vermont Climate Council was established under the GWSA and was tasked with, among other things, recommending necessary legislation to reduce greenhouse gas emissions. The Initial Vermont Climate Action Plan calls for the General Assembly to adopt legislation authorizing the Public Utility Commission to administer the Clean Heat Standard consistent with the recommendations of the Energy Action Network's Clean Heat Standard Working Group.

(4) As required by the GWSA, the Vermont Climate Council published the Initial Vermont Climate Action Plan on December 1, 2021. As noted in that plan, over one-third of Vermont's greenhouse gas emissions in 2018 came from the thermal sector. In that year, approximately 72 percent of Vermont's thermal energy use was fossil based, including 29 percent from the burning of heating oil, 24 percent from fossil gas, and 19 percent from propane.

(5) To meet the greenhouse gas emission reductions required by the GWSA, Vermont needs to transition away from its current carbon-intensive building heating practices to lower-carbon alternatives. It also needs to do this equitably, recognizing economic effects on energy users, especially energy-burdened users; on the workforce currently providing these services; and on the overall economy.

(6) Vermonters have an unprecedented opportunity to invest in eligible clean heat measures with funding from new federal laws including the Infrastructure Investment and Jobs Act of 2021 and the Inflation Reduction Act of 2022.

Sec. 3. 30 V.S.A. chapter 94 is added to read:

CHAPTER 94. CLEAN HEAT STANDARD

§ 8121. INTENT

Pursuant to 2 V.S.A. § 205(a), it is the intent of the General Assembly that the Clean Heat Standard be designed and implemented in a manner that achieves Vermont's thermal sector greenhouse gas emissions reductions necessary to meet the requirements of 10 V.S.A. § 578(a)(2) and (3), minimizes costs to customers, protects public health, and recognizes that affordable heating is essential for Vermonters. It shall enhance social equity by prioritizing customers with low income and moderate income and those households with the highest energy burdens. The Clean Heat Standard shall, to the greatest extent possible, maximize the use of available federal funds to deliver clean heat measures.

§ 8122. CLEAN HEAT STANDARD

(a) The Clean Heat Standard is established. Under this program, obligated parties shall reduce greenhouse gas emissions attributable to the Vermont thermal sector by retiring required amounts of clean heat credits to meet the thermal sector portion of the greenhouse gas emission reduction obligations of the Global Warming Solutions Act.

(b) By rule or order, the Commission shall establish or adopt a system of tradeable clean heat credits earned from the delivery of clean heat measures that reduce greenhouse gas emissions.

(c) An obligated party shall obtain the required amount of clean heat credits through delivery of eligible clean heat measures by a default delivery agent, unless the obligated party receives prior approval from the Commission to use another method as described in section 8125 of this title.

(d) The Commission shall adopt rules and may issue orders to implement and enforce the Clean Heat Standard program.

§ 8123. DEFINITIONS

As used in this chapter:

(1) "Carbon intensity value" means the amount of lifecycle greenhouse gas emissions per unit of energy of fuel expressed in grams of carbon dioxide equivalent per megajoule (gCO2e/MJ).

(2) "Clean heat credit" means a tradeable, nontangible commodity that represents the amount of greenhouse gas reduction attributable to a clean heat measure. The Commission shall establish a system of management for clean heat credits pursuant to this chapter.

(3) "Clean heat measure" means fuel delivered and technologies installed to end-use customers in Vermont that reduce greenhouse gas emissions from the thermal sector. Clean heat measures shall not include switching from one fossil fuel use to another fossil fuel use. The Commission may adopt a list of acceptable actions that qualify as clean heat measures.

(4) "Commission" means the Public Utility Commission.

(5) "Customer with low income" means a customer with a household income of up to 60 percent of the area or statewide median income, whichever is greater, as published annually by the U.S. Department of Housing and Urban Development or a customer who qualifies for a government-sponsored, low-income energy subsidy.

(6) "Customer with moderate income" means a customer with a household income between 60 percent and 120 percent of the area or statewide median income, whichever is greater, as published annually by the U.S. Department of Housing and Urban Development.

(7) "Default delivery agent" means an entity designated by the Commission to provide services that generate clean heat measures.

(8) "Energy burden" means the annual spending on thermal energy as a percentage of household income.

(9) "Entity" means any individual, trustee, agency, partnership, association, corporation, company, municipality, political subdivision, or any other form of organization.

(10) "Fuel pathway" means a detailed description of all stages of fuel production and use for any particular fuel, including feedstock generation or extraction, production, transportation, distribution, and combustion of the fuel by the consumer. The fuel pathway is used in the calculation of the carbon intensity value and lifecycle greenhouse gas emissions of each fuel.

(11) "Heating fuel" means fossil-based heating fuel, including oil, propane, natural gas, coal, and kerosene.

(12) "Obligated party" means:

(A) A regulated natural gas utility serving customers in Vermont.

(B) For other heating fuels, the entity that imports heating fuel for ultimate consumption within the State, or the entity that produces, refines, manufactures, or compounds heating fuel within the State for ultimate consumption within the State. For the purpose of this section, the entity that imports heating fuel is the entity that has ownership title to the heating fuel at the time it is brought into Vermont.

(13) "Thermal sector" has the same meaning as the "Residential, Commercial and Industrial Fuel Use" sector as used in the Vermont Greenhouse Gas Emissions Inventory and Forecast and does not include nonroad diesel or any other transportation or other fuel use categorized elsewhere in the Vermont Greenhouse Gas Emissions Inventory and Forecast.

§ 8124. CLEAN HEAT STANDARD COMPLIANCE

(a) Required amounts.

(1) The Commission shall establish the number of clean heat credits that each obligated party is required to retire each calendar year. The size of the annual requirement shall be set at a pace sufficient for Vermont's thermal sector to achieve lifecycle carbon dioxide equivalent (CO2e) emission reductions consistent with the requirements of 10 V.S.A. § 578(a)(2) and (3) expressed as lifecycle greenhouse gas emissions pursuant to subsection 8127(g) of this title.

(2) Annual requirements shall be expressed as a percent of each obligated party's contribution to the thermal sector's lifecycle CO2e emissions in the previous year. The annual percentage reduction shall be the same for all obligated parties. To ensure understanding among obligated parties, the Commission shall publicly provide a description of the annual requirements in plain terms.

(3) To support the ability of the obligated parties to plan for the future, the Commission shall establish and update annual clean heat credit requirements for the next 10 years. Every three years, the Commission shall extend the requirements three years; shall assess emission reductions actually achieved in the thermal sector; and, if necessary, revise the pace of clean heat credit requirements for future years to ensure that the thermal sector portion of the emission reduction requirements of 10 V.S.A. § 578(a)(2) and (3) for 2030 and 2050 will be achieved.

(4) The Commission may temporarily, for a period not to exceed 36 months, adjust the annual requirements for good cause after notice and opportunity for public process. Good cause may include a shortage of clean heat credits, market conditions as identified by the Department's potential study conducted pursuant to section 8125 of this title, or undue adverse financial impacts on particular customers or demographic segments. The Commission shall ensure that any downward adjustment has the minimum impact possible on the State's ability to comply with the thermal sector portion of the requirements of 10 V.S.A. § 578(a)(2) and (3).

(b) Annual registration.

(1) Each entity that sells heating fuel into or in Vermont shall register annually with the Commission by an annual deadline established by the Commission. The first registration deadline is January 31, 2024, and the annual deadline shall remain January 31 of each year unless a different deadline is established by the Commission. The form and information required in the registration shall be determined by the Commission and shall include all data necessary to establish annual requirements under this chapter. The Commission shall use the information provided in the registration to determine whether the entity shall be considered an obligated party and the amount of its annual requirement.

(2) At a minimum, the Commission shall require registration information to include legal name; doing business as name, if applicable; municipality; state; types of heating fuel sold; and the exact amount of gallons of each type of heating fuels sold into or in the State for final sale or consumption in the State in the calendar year immediately preceding the calendar year in which the entity is registering with the Commission, separated by type, that was purchased by the submitting entity and the name and location of the entity from which it was purchased.

(3) Each year, and not later than 30 days following the annual registration deadline established by the Commission, the Commission shall share complete registration information of obligated parties with the Agency of Natural Resources and the Department of Public Service for purposes of updating the Vermont Greenhouse Gas Emissions Inventory and Forecast and meeting the requirements of 10 V.S.A. § 591(b)(3).

(4) The Commission shall maintain, and update annually, a list of registered entities on its website that contains the required registration information.

(5) For any entity not registered on or before January 31, 2024, the first registration form shall be due 30 days after the first sale of heating fuel to a location in Vermont.

(6) Clean heat requirements shall transfer to entities that acquire an obligated party.

(7) Entities that cease to operate shall retain their clean heat requirement for their final year of operation.

(c) Early action credits. Beginning on January 1, 2023, clean heat measures that are installed and provide emission reductions are creditable. Upon the establishment of the clean heat credit system, entities may register credits for actions taken starting in 2023.

(d) Equitable distribution of clean heat measures.

(1) The Clean Heat Standard shall be designed and implemented to enhance social equity by prioritizing customers with low income, moderate income, those households with the highest energy burdens, and renter households with tenant-paid energy bills. The design shall ensure all customers have an equitable opportunity to participate in, and benefit from, clean heat measures regardless of heating fuel used, income level, geographic location, residential building type, or homeownership status.

(2) Of their annual requirement, each obligated party shall retire at least 16 percent from customers with low income and an additional 16 percent from customers with low or moderate income. For each of these groups, at least one-half of these credits shall be from installed clean heat measures that require capital investments in homes, have measure lives of 10 years or more, and are estimated by the Technical Advisory Group to lower annual energy bills. Examples shall include weatherization improvements and installation of heat pumps, heat pump water heaters, and advanced wood heating systems. The Commission may identify additional measures that qualify as installed measures.

(3) The Commission shall, to the extent reasonably possible, frontload the credit requirements for customers with low income and moderate income so that the greatest proportion of clean heat measures reach Vermonters with low income and moderate income in the earlier years.

(4) With consideration to how to best serve customers with low income and moderate income, the Commission shall have authority to change the percentages established in subdivision (2) of this subsection for good cause after notice and opportunity for public process. Good cause may include a shortage of clean heat credits or undue adverse financial impacts on particular customers or demographic segments.

(5) In determining whether to exceed the minimum percentages of clean heat measures that must be delivered to customers with low income and moderate income, the Commission shall take into account participation in other government-sponsored low-income and moderate-income weatherization programs. Participation in other government-sponsored low-income and moderate-income weatherization programs shall not limit the ability of those households to participate in programs under this chapter.

(6) A clean heat measure delivered to a customer qualifying for a government-sponsored, low-income energy subsidy shall qualify for clean heat credits required by subdivision (2) of this subsection.

(7) Customer income data collected shall be kept confidential by the Commission, the Department of Public Service, the obligated parties, and any entity that delivers clean heat measures.

(e) Credit banking. The Commission shall allow an obligated party that has met its annual requirement in a given year to retain clean heat credits in excess of that amount for future sale or application to the obligated party's annual requirements in future compliance periods, as determined by the Commission.

(f) Enforcement.

(1) The Commission shall have the authority to enforce the requirements of this chapter and any rules or orders adopted to implement the provisions of this chapter. The Commission may use its existing authority under this title. As part of an enforcement order, the Commission may order penalties and injunctive relief.

(2) The Commission shall order an obligated party that fails to retire the number of clean heat credits required in a given year, including the required amounts from customers with low income and moderate income, to make a noncompliance payment to the default delivery agent for the number of credits deficient. The per-credit amount of the noncompliance payment shall be two times the amount established by the Commission for timely per-credit payments to the default delivery agent.

(3) However, the Commission may waive the noncompliance payment required by subdivision (2) of this subsection for an obligated party if the Commission:

(A) finds that the obligated party made a good faith effort to acquire the required amount and its failure resulted from market factors beyond its control; and

(B) directs the obligated party to add the number of credits deficient to one or more future years.

(4) False or misleading statements or other representations made to the Commission by obligated parties related to compliance with the Clean Heat Standard are subject to the Commission's enforcement authority, including the power to investigate and assess penalties, under this title.

(5) The Commission's enforcement authority does not in any way impede the enforcement authority of other entities such as the Attorney General's office.

(6) Failure to register with the Commission as required by this section is a violation of the Consumer Protection Act in 9 V.S.A. chapter 63.

(g) Records. The Commission shall establish requirements for the types of records to be submitted by obligated parties, a record retention schedule for required records, and a process for verification of records and data submitted in compliance with the requirements of this chapter.

(h) Reports.

(1) As used in this subsection, "standing committees" means the House Committee on Environment and Energy and the Senate Committees on Finance and on Natural Resources and Energy.

(2) After the adoption of the rules implementing this chapter, the Commission shall submit a written report to the standing committees detailing the efforts undertaken to establish the Clean Heat Standard pursuant to this chapter.

(3) On or before January 15 of each year following the year in which the rules are first adopted under this chapter, the Commission shall submit to the standing committees a written report detailing the implementation and operation of the Clean Heat Standard. This report shall include an assessment on the equitable adoption of clean heat measures required by subsection (d) of this section, along with recommendations to increase participation for the households with the highest energy burdens. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

(i) LIHEAP pricing. The Margin Over Rack pricing program for fuel assistance shall reflect the default delivery agent credit cost established by the Commission.

§ 8125. DEFAULT DELIVERY AGENT

(a) Default delivery agent designated. In place of obligated-party specific programs, the Commission shall provide for the development and implementation of statewide clean heat programs and measures by one or more default delivery agents appointed by the Commission for these purposes. The Commission may specify that appointment of a default delivery agent to deliver clean heat services, on behalf of obligated entities who pay the per-credit fee to the default delivery agent, satisfies those entities' corresponding obligations under this chapter.

(b) Appointment. The default delivery agent shall be one or more statewide entities capable of providing a variety of clean heat measures. The Commission shall designate the first default delivery agent on or before June 1, 2024. The designation of an entity under this subsection may be by order of appointment or contract. A designation, whether by order of appointment or by contract, may only be issued after notice and opportunity for hearing. An

existing order of appointment issued by the Commission under section 209 of this title may be amended to include the responsibilities of the default delivery agent. An order of appointment shall be for a limited duration not to exceed 12 years, although an entity may be reappointed by order or contract. An order of appointment may include any conditions and requirements that the Commission deems appropriate to promote the public good. For good cause, after notice and opportunity for hearing, the Commission may amend or revoke an order of appointment.

(c) Supervision. Any entity appointed by order of appointment under this section that is not an electric or gas utility already regulated under this title shall not be considered to be a company as defined under section 201 of this title but shall be subject to the provisions of sections 18–21, 30–32, 205–208; subsection 209(a); sections 219 and 221; and subsection 231(b) of this title, to the same extent as a company as defined under section 201 of this title. The Commission and the Department of Public Service shall have jurisdiction under those sections over the entity, its directors, receivers, trustees, lessees, or other persons or companies owning or operating the entity and of all plants, equipment, and property of that entity used in or about the business carried on by it in this State as covered and included in this section. This jurisdiction shall be exercised by the Commission and the Department so far as may be necessary to enable them to perform the duties and exercise the powers conferred upon them by law. The Commission and the Department each may, when they deem the public good requires, examine the plants, equipment, and property of any entity appointed by order of appointment to serve as a default delivery agent.

(d) Use of default delivery agent.

(1) An obligated party shall meet its annual requirement through a designated default delivery agent appointed by the Commission. However, the obligated party may seek to meet its requirement, in whole or in part, through one or more of the following ways: by delivering eligible clean heat measures, by contracting for delivery of eligible clean heat measures, or through the market purchase of clean heat credits. An obligated party shall be approved by the Commission to meet its annual requirement using a method other than the default delivery agent if it provides sufficient details on the party's capacity and resources to achieve the emissions reductions. This approval shall not be unreasonably withheld.

(2) The Commission shall provide a form for an obligated party to indicate how it intends to meet its requirement, The form shall require sufficient information to determine the nature of the credits that the default delivery agent will be responsible to deliver on behalf of the obligated party.

If the Commission approves of a plan for an obligated party to meet its obligation through a mechanism other than payment to a designated default delivery agent, then the Commission shall make such approvals known to the default delivery agent as soon as practicable.

(3) The Commission shall by rule or order establish a standard timeline under which the default delivery agent credit cost or costs are established and by which an obligated party must file its form. The default delivery agent's schedule of costs shall include sufficient costs to deliver installed measures and shall specify separately the costs to deliver measures to customers with low income and customers with moderate income as required by subsection 8124(d) of this title. The Commission shall provide not less than 120 days' notice of default delivery agent credit cost or costs prior to the deadline for an obligated party to file its election form so an obligated party can assess options and inform the Commission of its intent to procure credits in whole or in part as fulfillment of its requirement.

(4) The default delivery agent shall deliver creditable clean heat measures either directly or indirectly to end-use customer locations in Vermont sufficient to meet the total aggregated annual requirement assigned to it, along with any additional amount achievable through noncompliance payments as described in subdivision 8124(f)(2) of this title. Clean heat credits generated through installed measures delivered by the default delivery agent on behalf of an obligated party are creditable in future years. Those credits not required to meet the obligated party's existing obligations shall be owned by the obligated party.

(e) Budget.

(1) The Commission shall open a proceeding on or before July 1, 2023 and at least every three years thereafter to establish the default delivery agent credit cost or costs and the quantity of credits to be generated for the subsequent three-year period. That proceeding shall include:

(A) a potential study conducted by the Department of Public Service, the first of which shall be completed not later than September 1, 2024, to include an assessment and quantification of technically available, maximum achievable, and program achievable thermal resources. The results shall include a comparison to the legal obligations of the thermal sector portion of the requirements of 10 V.S.A. § 578(a)(2) and (3). The potential study shall consider and evaluate market conditions for delivery of clean heat measures within the State, including an assessment of workforce characteristics capable of meeting consumer demand and meeting the obligations of 10 V.S.A. § 578(a)(2) and (3);

(B) the development of a three-year plan and associated proposed budget by the default delivery agent to be informed by the final results of the Department's potential study. The default delivery agent may propose a portion of its budget towards promotion and market uplift, workforce development, and trainings for clean heat measures; and

(C) opportunity for public participation.

(2) Once the Commission provides the default delivery agent with the obligated parties' plan to meet the requirements, the default delivery agent shall be granted the opportunity to amend its plan and budget before the Commission.

(f) Compliance funds. All funds received from noncompliance payments pursuant to subdivision 8124(f)(2) of this title shall be used by the default delivery agent to provide clean heat measures to customers with low income.

(g) Specific programs. The default delivery agent shall create specific programs for multiunit dwellings, condominiums, rental properties, commercial and industrial buildings, and manufactured homes.

§ 8126. RULEMAKING

(a) The Commission shall adopt rules and may issue orders to implement and enforce the Clean Heat Standard program.

(b) The requirements to adopt rules and any requirements regarding the need for legislative approval before any part of the Clean Heat Standard goes into effect do not in any way impair the Commission's authority to issue orders or take any other actions, both before and after final rules take effect, to implement and enforce the Clean Heat Standard.

(c) The Commission's rules may include a provision that allows the Commission to revise its Clean Heat Standard rules by order of the Commission without the revisions being subject to the rulemaking requirements of the 3 V.S.A. chapter 25, provided the Commission:

(1) provides notice of any proposed changes;

(2) allows for a 30-day comment period;

(3) responds to all comments received on the proposed change;

(4) provides a notice of language assistance services on all public outreach materials; and

(5) arranges for language assistance to be provided to members of the public as requested using professional language services companies.

(d) Any order issued under this chapter shall be subject to appeal to the Vermont Supreme Court under section 12 of this title, and the Commission must immediately file any orders, a redline, and clean version of the revised rules with the Secretary of State, with notice simultaneously provided to the House Committee on Environment and Energy and the Senate Committees on Finance and on Natural Resources and Energy.

§ 8127. TRADEABLE CLEAN HEAT CREDITS

(a) Credits established. By rule or order, the Commission shall establish or adopt a system of tradeable clean heat credits that are earned by reducing greenhouse gas emissions through the delivery of clean heat measures. While credit denominations may be in simple terms for public understanding and ease of use, the underlying value shall be based on units of carbon dioxide equivalent (CO2e). The system shall provide a process for the recognition, approval, and monitoring of the clean heat credits. The Department of Public Service shall perform the verification of clean heat credit claims and submit results of the verification and evaluation to the Commission annually.

(b) Credit ownership. The Commission, in consultation with the Technical Advisory Group, shall establish a standard methodology for determining what party or parties shall be the owner of a clean heat credit upon its creation. The owner or owners may transfer those credits to a third party or to an obligated party.

(c) Credit values. Clean heat credits shall be based on the accurate and verifiable lifecycle CO2e emission reductions in Vermont's thermal sector that result from the delivery of eligible clean heat measures to existing or new end-use customer locations into or in Vermont.

(1) For clean heat measures that are installed, credits will be created for each year of the expected life of the installed measure. The annual value of the clean heat credits for installed measures in each year shall be equal to the lifecycle CO2e emissions of the fuel use that is avoided in a given year because of the installation of the measure, minus the lifecycle emissions of the fuel that is used instead in that year.

(2) For clean heat measures that are fuels, clean heat credits will be created only for the year the fuel is delivered to the end-use customer. The value of the clean heat credits for fuels shall be the lifecycle CO2e emissions of the fuel use that is avoided, minus the lifecycle CO2e emissions of the fuel that is used instead.

(d) List of eligible measures. Eligible clean heat measures delivered to or installed in residential, commercial, and industrial buildings in Vermont shall include:

(1) thermal energy efficiency improvements and weatherization;

(2) cold-climate air, ground source, and other heat pumps, including district, network, grid, microgrid, and building geothermal systems;

(3) heat pump water heaters;

(4) utility-controlled electric water heaters;

(5) solar hot water systems;

(6) electric appliances providing thermal end uses;

(7) advanced wood heating;

(8) noncombustion or renewable energy-based district heating services;

(9) the supply of sustainably sourced biofuels;

(10) the supply of green hydrogen;

(11) the replacement of a manufactured home with a high efficiency manufactured home; and

(12) line extensions that connect facilities with thermal loads to the grid.

(e) Renewable natural gas. For pipeline renewable natural gas and other renewably generated natural gas substitutes to be eligible, an obligated party shall purchase renewable natural gas and its associated renewable attributes and demonstrate that it has secured a contractual pathway for the physical delivery of the gas from the point of injection into the pipeline to the obligated party’s delivery system.

(f) Carbon intensity of fuels.

(1) To be eligible as a clean heat measure, a liquid or gaseous clean heat measure shall have a carbon intensity value as follows:

(A) below 80 in 2025;

(B) below 60 in 2030; and

(C) below 20 in 2050, provided the Commission may allow liquid and gaseous clean heat measures with a carbon intensity value greater than 20 if excluding them would be impracticable based on the characteristics of Vermont’s buildings, the workforce available in Vermont to deliver lower carbon intensity clean heat measures, cost, or the effective administration of the Clean Heat Standard.

(2) The Commission shall establish and publish the rate at which carbon intensity values shall decrease annually for liquid and gaseous clean heat measures consistent with subdivision (1) of this subsection as follows:

(A) on or before January 1, 2025 for 2025 to 2030; and

(B) on or before January 1, 2030 for 2031 to 2050.

(3) For the purpose of this section, the carbon intensity values shall be understood relative to No. 2 fuel oil delivered into or in Vermont in 2023 having a carbon intensity value of 100. Carbon intensity values shall be measured based on fuel pathways.

(g) Emissions schedule.

(1) To promote certainty for obligated parties and clean heat providers, the Commission shall, by rule or order, establish a schedule of lifecycle emission rates for heating fuels and any fuel that is used in a clean heat measure, including electricity, or is itself a clean heat measure, including biofuels. The schedule shall be based on transparent, verifiable, and accurate emissions accounting adapting the Argonne National Laboratory GREET Model, Intergovernmental Panel on Climate Change (IPCC) modeling, or an alternative of comparable analytical rigor to fit the Vermont thermal sector context, and the requirements of 10 V.S.A. § 578(a)(2) and (3).

(2) For each fuel pathway, the schedule shall account for greenhouse gas emissions from biogenic and geologic sources, including fugitive emissions and loss of stored carbon. In determining the baseline emission rates for clean heat measures that are fuels, emissions baselines shall fully account for methane emissions reductions or captures already occurring, or expected to occur, for each fuel pathway as a result of local, State, or federal legal requirements that have been enacted or adopted that reduce greenhouse gas emissions.

(3) The schedule may be amended based upon changes in technology or evidence on emissions, but clean heat credits previously awarded or already under contract to be produced shall not be adjusted retroactively.

(h) Review of consequences. The Commission shall biennially assess harmful consequences that may arise in Vermont or elsewhere from the implementation of specific types of clean heat measures and shall set standards or limits to prevent those consequences. Such consequences shall include environmental burdens as defined in 3 V.S.A. § 6002, public health, deforestation or forest degradation, conversion of grasslands, increased emissions of criteria pollutants, damage to watersheds, or the creation of new methane to meet fuel demand.

(i) Time stamp. Clean heat credits shall be "time stamped" for the year in which the clean heat measure delivered emission reductions. For each subsequent year during which the measure produces emission reductions, credits shall be generated for that year. Only clean heat credits that have not been retired shall be eligible to satisfy the current year obligation.

(j) Delivery in Vermont. Clean heat credits shall be earned only in proportion to the deemed or measured thermal sector greenhouse gas emission reductions achieved by a clean heat measure delivered in Vermont. Other emissions offsets, wherever located, shall not be eligible measures.

(k) Credit eligibility.

(1) All eligible clean heat measures that are delivered in Vermont beginning on January 1, 2023 shall be eligible for clean heat credits and may be retired and count towards an obligated party's emission reduction obligations, regardless of who creates or delivers them and regardless of whether their creation or delivery was required or funded in whole or in part by other federal or State policies and programs. This includes individual initiatives, emission reductions resulting from the State's energy efficiency programs, the low-income weatherization program, and the Renewable Energy Standard Tier 3 program. Clean heat measures delivered or installed pursuant to any local, State, or federal program or policy may count both towards goals or requirements of such programs and policies and be eligible clean heat measures that count towards the emission reduction obligations of this chapter.

(2) The owner or owners of a clean heat credit are not required to sell the credit.

(3) Regardless of the programs or pathways contributing to clean heat credits being earned, an individual credit may be counted only once towards satisfying an obligated party's emission reduction obligation.

(l) Credit registration.

(1) The Commission shall create an administrative system to register, sell, transfer, and trade credits to obligated parties. The Commission may hire a third-party consultant to evaluate, develop, implement, maintain, and support a database or other means for tracking clean heat credits and compliance with the annual requirements of obligated parties.

(2) The system shall require entities to submit the following information to receive the credit: the location of the clean heat measure, whether the customer or tenant has a low or moderate income, the type of property where the clean heat measure was installed or sold, the type of clean heat measure, and any other information as required by the Commission. Customer income data collected shall be kept confidential by the Commission, the Department of

Public Service, the obligated parties, and any entity that delivers clean heat measures.

(m) Greenhouse Gas Emissions Inventory and Forecast. Nothing in this chapter shall limit the authority of the Secretary of Natural Resources to compile and publish the Vermont Greenhouse Gas Emissions Inventory and Forecast in accordance with 10 V.S.A. § 582.

§ 8128. CLEAN HEAT STANDARD TECHNICAL ADVISORY GROUP

(a) The Commission shall establish the Clean Heat Standard Technical Advisory Group (TAG) to assist the Commission in the ongoing management of the Clean Heat Standard. Its duties shall include:

(1) establishing and revising the lifecycle carbon dioxide equivalent (CO_2e) emissions accounting methodology to be used to determine each obligated party's annual requirement pursuant to subdivision 8124(a)(2) of this chapter;

(2) establishing and revising the clean heat credit value for different clean heat measures;

(3) periodically assessing and reporting to the Commission on the sustainability of the production of clean heat measures by considering factors including greenhouse gas emissions; carbon sequestration and storage; human health impacts; land use changes; ecological and biodiversity impacts; groundwater and surface water impacts; air, water, and soil pollution; and impacts on food costs;

(4) setting the expected life length of clean heat measures for the purpose of calculating credit amounts;

(5) establishing credit values for each year over a clean heat measure's expected life, including adjustments to account for increasing interactions between clean heat measures over time so as to not double-count emission reductions;

(6) facilitating the program's coordination with other energy programs;

(7) calculating the impact of the cost of clean heat credits and the cost savings associated with delivered clean heat measures on per-unit heating fuel prices;

(8) calculating the savings associated with public health benefits due to clean heat measures;

(9) coordinating with the Agency of Natural Resources to ensure that greenhouse gas emissions reductions achieved in another sector through the implementation of the Clean Heat Standard are not double-counted in the Vermont Greenhouse Gas Emissions Inventory and Forecast;

(10) advising the Commission on the periodic assessment and revision requirement established in subdivision 8124(a)(3) of this chapter; and

(11) any other matters referred to the TAG by the Commission.

(b) Members of the TAG shall be appointed by the Commission and shall include the Department of Public Service, the Agency of Natural Resources, the Department of Health, and parties who have, or whose representatives have, expertise in one or more of the following areas: technical and analytical expertise in measuring lifecycle greenhouse gas emissions, energy modeling and data analysis, clean heat measures and energy technologies, sustainability and non-greenhouse gas emissions strategies designed to reduce and avoid impacts to the environment, mitigating environmental burdens as defined in 3 V.S.A. § 6002, public health impacts of air quality and climate change, delivery of heating fuels, land use changes, deforestation and forest degradation, and climate change mitigation policy and law. The Commission shall accept and review motions to join the TAG from interested parties who have, or whose representatives have, expertise in one or more of the areas listed in this subsection. Members who are not otherwise compensated by their employer shall be entitled to per diem compensation and reimbursement for expenses under 32 V.S.A. § 1010.

(c) The Commission shall hire a third-party consultant responsible for developing clean heat measure characterizations and relevant assumptions, including CO2e lifecycle emissions analyses. The TAG shall provide input and feedback on the consultant's work. The Commission may use appropriated funds to hire the consultant.

(d) Emission analyses and associated assumptions developed by the consultant shall be reviewed and approved annually by the Commission. In reviewing the consultant's work, the Commission shall provide a public comment period on the work. The Commission may approve or adjust the consultant's work as it deems necessary based on its review and the public comments received.

§ 8129. CLEAN HEAT STANDARD EQUITY ADVISORY GROUP

(a) The Commission shall establish the Clean Heat Standard Equity Advisory Group to assist the Commission in developing and implementing the Clean Heat Standard in a manner that ensures an equitable share of clean heat measures are delivered to Vermonters with low income and moderate income

and that Vermonters with low income and moderate income who are not early participants in clean heat measures are not negatively impacted in their ability to afford heating fuel. Its duties shall include:

(1) providing feedback to the Commission on strategies for engaging Vermonters with low income and moderate income in the public process for developing the Clean Heat Standard program;

(2) supporting the Commission in assessing whether customers are equitably served by clean heat measures and how to increase equity;

(3) identifying actions needed to provide customers with low income and moderate income with better service and to mitigate the fuel price impacts calculated in section 8128 of this title;

(4) recommending any additional programs, incentives, or funding needed to support customers with low income and moderate income and organizations that provide social services to Vermonters in affording heating fuel and other heating expenses;

(5) providing feedback to the Commission on the impact of the Clean Heat Standard on the experience of Vermonters with low income and moderate income; and

(6) providing information to the Commission on the challenges renters face in equitably accessing clean heat measures and recommendations to ensure that renters have equitable access to clean heat measures.

(b) The Clean Heat Standard Equity Advisory Group shall consist of up to 10 members appointed by the Commission and at a minimum shall include at least one representative from each of the following groups: the Department of Public Service; the Department for Children and Families' Office of Economic Opportunity; community action agencies; Efficiency Vermont; individuals with socioeconomically, racially, and geographically diverse backgrounds; renters; rental property owners; the Vermont Housing Finance Agency; and a member of the Vermont Fuel Dealers Association. Members who are not otherwise compensated by their employer shall be entitled to per diem compensation and reimbursement for expenses under 32 V.S.A. § 1010.

(c) The Equity Advisory Group shall cease to exist when the initial Clean Heat Standard rules are adopted. Thereafter, the issues described in subsection (a) of this section shall be reviewed by the Commission, in compliance with 3 V.S.A. chapter 72.

§ 8130. SEVERABILITY

If any provision of this chapter or its application to any person or circumstance is held invalid or in violation of the Constitution or laws of the

United States or in violation of the Constitution or laws of Vermont, the invalidity or the violation shall not affect other provisions of this chapter that can be given effect without the invalid provision or application, and to this end, the provisions of this chapter are severable.

§ 8131. RULEMAKING AUTHORITY

Notwithstanding any other provision of law to the contrary, the Commission shall not file proposed rules with the Secretary of State implementing the Clean Heat Standard without specific authorization enacted by the General Assembly.

Sec. 4. 10 V.S.A. § 582 is amended to read:

§ 582. GREENHOUSE GAS INVENTORIES; REGISTRY

(a) Inventory and forecasting. The Secretary shall work, in conjunction with other states or a regional consortium, to establish a periodic and consistent inventory of greenhouse gas emissions. The Secretary shall publish the Vermont Greenhouse Gas Emission Inventory and Forecast by ~~no~~ not later than June 1, 2010, and updates shall be published annually until 2028, until a regional or national inventory and registry program is established in which Vermont participates, or until the federal National Emissions Inventory includes mandatory greenhouse gas reporting. The Secretary of Natural Resources shall include a supplemental accounting in the Vermont Greenhouse Gas Emissions Inventory and Forecast that measures the upstream and lifecycle greenhouse gas emissions of liquid, gaseous, solid geologic and biogenic fuels combusted in Vermont.

* * *

Sec. 5. CONFIDENTIALITY OF FUEL TAX RETURNS; 2024

(a) Notwithstanding 32 V.S.A. § 3102(a), from January 1, 2024 until December 31, 2024, the Commissioner of Taxes shall disclose to the Public Utility Commission and the Department of Public Service a return or return information related to the fuel tax imposed under 33 V.S.A. § 2503, provided the return or return information provided is necessary to verify the identity, fuel tax liability, and registration status of an entity that sells heating fuel into Vermont for purposes of administering the Clean Heat Standard established in 30 V.S.A. chapter 94.

(b) Pursuant to 32 V.S.A. § 3102(h), the person or persons receiving return or return information under this section shall be subject to the penalty provisions of 32 V.S.A. § 3102(a) for unauthorized disclosure of return or return information as if such person were the agent of the Commissioner. Pursuant to 32 V.S.A. § 3102(g), nothing in this section shall be construed to

prohibit the publication of statistical information, rulings, determinations, reports, opinions, policies, or other information, provided the data is disclosed in a form that cannot identify or be associated with a particular person.

(c) Pursuant to 1 V.S.A. § 317(c)(6), a fuel tax return and related documents, correspondence, and certain types of substantiating forms that include the same type of information as in the tax return itself filed with or maintained by the Vermont Department of Taxes disclosed to the Public Utility Commission and the Department of Public Service under this section shall be exempt from public inspection and copying.

Sec. 6. PUBLIC UTILITY COMMISSION IMPLEMENTATION

(a) Commencement. On or before August 31, 2023, the Public Utility Commission shall commence a proceeding to implement Sec. 3 (Clean Heat Standard) of this act.

(b) Facilitator. The Commission shall hire a third-party consultant with expertise in equity, justice, and diversity to design and conduct public engagement. The Commission and the facilitator shall incorporate the Guiding Principles for a Just Transition into the public engagement process. The Commission may use funds appropriated under this act on hiring the consultant. Public engagement shall be conducted by the facilitator for the purposes of:

(1) supporting the Commission in assessing whether customers will be equitably served by clean heat measures and how to increase equity in the delivery of clean heat measures;

(2) identifying actions needed to provide customers with low income and moderate income with better service and to mitigate the fuel price impacts calculated in 30 V.S.A. § 8128;

(3) recommending any additional programs, incentives, or funding needed to support customers with low income and moderate income and organizations that provide social services to Vermonters in affording heating fuel and other heating expenses; and

(4) providing information to the Commission on the challenges renters face in equitably accessing clean heat measures and recommendations to ensure that renters have equitable access to clean heat measures.

(c) Public engagement process. Before commencing rulemaking, the Commission shall use the forms of public engagement described in this subsection to inform the design and implementation of the Clean Heat Standard. Any failure by the Commission to meet the specific procedural

requirements of this section shall not affect the validity of the Commission's actions.

(1) The Commission shall allow any person to register at any time in the Commission's online case management system, ePUC, as a participant in the Clean Heat Standard proceeding. All members of the Equity Advisory Group shall be made automatic participants to that proceeding. All registered participants in the proceeding, including all members of the Equity Advisory Group, shall receive all notices of public meetings and all notices of opportunities to comment in that proceeding.

(2) The Commission shall hold at least six public hearings or workshops that shall be recorded and publicly posted on the Commission's website or on ePUC. These meetings shall be open to everyone, including all stakeholders, members of the public, and all other potentially affected parties, with translation services available to those attending.

(3) The Commission also shall provide at least three opportunities for the submission of written comments. Any person may submit written comments to the Commission.

(d) Advertising. The Commission shall use funding appropriated in this act on advertising the public meetings in order to provide notice to a wide variety of segments of the public. All advertisements of public meetings shall include a notice of language assistance services. The Commission shall arrange for language assistance to be provided to members of the public as requested using the services of professional language services companies.

(e) Draft proposed rules. The Commission shall publish draft proposed rules publicly and provide notice of them through the Commission's online case management system, ePUC, to the stakeholders in this rulemaking who registered their names and e-mail addresses with the Commission through ePUC. The Commission shall provide a 30-day comment period on the draft and accept written comments from the public and stakeholders. The Commission shall consider changes in response to the public comments before filing the proposed rules with the Secretary of State and the Legislative Committee on Administrative Rules.

(f) Final rules.

(1) On or before January 15, 2025, the Commission shall submit to the General Assembly final proposed rules to implement the Clean Heat Standard. The Commission shall not file the final proposed rules with the Secretary of State until specific authorization is enacted by the General Assembly to do so.

(2) Notwithstanding 3 V.S.A. §§ 820, 831, 836–840, and 841(a), upon affirmative authorization enacted by the General Assembly authorizing the adoption of rules implementing the Clean Heat Standard, the Commission shall file, as the final proposed rule, the rules implementing the Clean Heat Standard approved by the General Assembly with the Secretary of State and Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 841. The filing shall include everything that is required under 3 V.S.A. §§ 838(a)(1)–(5), (8)–(13), (15), and (16), (b), (c), and 841(b)(1).

(3) The review, adoption, and effect of the rules implementing the Clean Heat Standard shall be governed by 3 V.S.A. §§ 841(c); 842, exclusive of subdivision (b)(4); 843; 845; and 846, exclusive of subdivision (a)(3).

(4) Once adopted and effective, any amendments to the rules implementing the Clean Heat Standard shall be made in accordance with the Administrative Procedure Act, 3 V.S.A. chapter 25, unless the adopted rules allow for amendments through a different process in accordance with 30 V.S.A. § 8126(c) and (d).

(g) Consultant. The Commission may contract with a consultant to assist with implementation of 30 V.S.A. § 8127 (clean heat credits).

(h) Funding. On or before February 15, 2024, the Commission shall report to the General Assembly on suggested revenue streams that may be used or created to fund the Commission's administration of the Clean Heat Standard program and shall include programs to support market transformation such as workforce development, market uplift, and training that may be administered by a third party.

(i) Check-back reports. On or before February 15, 2024 and January 15, 2025, the Commission shall submit a written report to and be available to provide oral testimony to the House Committee on Environment and Energy and the Senate Committees on Finance and on Natural Resources and Energy detailing the efforts undertaken to establish the Clean Heat Standard. The reports shall include, to the extent available, estimates of the impact of the Clean Heat Standard on customers, including impacts to customer rates and fuel bills for participating and nonparticipating customers, net impacts on total spending on energy for thermal sector end uses, fossil fuel reductions, greenhouse gas emission reductions, and, if possible, impacts on economic activity and employment. The modeled impacts shall estimate high-, medium-, and low-price impacts. The reports shall recommend any legislative action needed to address enforcement or other aspects of the Clean Heat Standard, including how to ensure fuel use that occurs outside the thermal sector is not impacted under the program.

(j) Assistance. The Agency of Commerce and Community Development, the Department of Public Service, and other State agencies and departments shall assist the Commission with economic modeling for the required reports and rulemaking process.

Sec. 7. PUBLIC UTILITY COMMISSION AND DEPARTMENT OF PUBLIC SERVICE POSITIONS; APPROPRIATION

(a) The following new positions are created in the Public Utility Commission for the purpose of carrying out this act:

(1) one permanent exempt Staff Attorney;

(2) one permanent exempt Analyst; and

(3) one limited-service exempt Analyst.

(b) The sum of $825,000.00 is appropriated to the Public Utility Commission from the General Fund in fiscal year 2024 for the positions established in subsection (a) of this section; for all consultants required by this act; and for additional operating costs required to implement the Clean Heat Standard, including marketing and public outreach for Sec. 6 of this act.

(c) The following new positions are created in the Department of Public Service for the purpose of carrying out this act:

(1) one permanent exempt Staff Attorney; and

(2) two permanent classified Program Analysts.

(d) The sum of $900,000.00 is appropriated to the Department of Public Service from the General Fund in fiscal year 2024 for the positions established in subsection (c) of this section, to retain consultants that may be required to support verification and evaluation required by 30 V.S.A. § 8127(a), for conducting the potential study, and for associated operating costs related to the implementation of the Clean Heat Standard.

Sec. 8. EFFECTIVE DATE

This act shall take effect on passage.

Rep. Dolan of Waitsfield, for the Committee on Appropriations, recommended that the report of the Committee on Environment and Energy be amended as follows:

First: In Sec. 3, 30 V.S.A. chapter 94, in section 8128, in subsection (b), by adding a new first sentence to read as follows:

The Clean Heat Standard Technical Advisory Group shall consist of up to 15 members appointed by the Commission. The Commission shall establish the procedure for the TAG, including member term lengths and meeting procedures.

Second: In Sec. 3, 30 V.S.A. chapter 94, in section 8129, in subsection (b), after "Efficiency Vermont," by inserting "the Vermont Association of Area Agencies on Aging,"

Third: In Sec. 6, Public Utility Commission implementation, by inserting a new subsection (k) to read as follows:

(k) Report on equity issues. On or before January 15, 2025, the Equity Advisory Group shall report to the General Assembly on the Group's findings from the review of issues under 30 V.S.A. § 8129(a).

The bill, having appeared on the Notice Calendar was taken up, read the second time, and the report of the Committee on Environment and Energy amended as recommended by the Committee on Appropriations.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Environment and Energy, as amended?, **Rep. James of Manchester, Kornheiser of Brattleboro, Sibilia of Dover, Carpenter of Hyde Park, Farlice-Rubio of Barnet, Leavitt of Grand Isle, Noyes of Wolcott, Sims of Craftsbury, and Taylor of Colchester** moved to further amend the report of the Committee on Environment and Energy, as amended, as follows:

First: In Sec. 3, 30 V.S.A. chapter 94, in section 8124, in subdivision (d)(1), after "highest energy burdens," by inserting "residents of manufactured homes,"

Second: In Sec. 3, 30 V.S.A. chapter 94, in section 8127, in subdivision (d)(11), after "high efficiency manufactured home" by inserting "and weatherization or other efficiency or electrification measures in manufactured homes"

Third: In Sec. 3, 30 V.S.A. chapter 94, in section 8129, by striking out subdivision (a)(6) in its entirety and inserting in lieu thereof the following:

(6) providing information to the Commission on the challenges renters and residents of manufactured homes face in equitably accessing clean heat measures and recommendations to ensure that renters and residents of manufactured homes have equitable access to clean heat measures.

Fourth: In Sec. 3, 30 V.S.A. chapter 94, in section 8129, in subsection (b), by striking out "community action agencies" and inserting in lieu thereof "a community action agency with expertise in low-income weatherization; a

community action agency with expertise in serving residents of manufactured homes"

Fifth: In Sec. 6, Public Utility Commission implementation, in subsection (f), by inserting a new subdivision (5) to read as follows:

(5) The final proposed rules shall contain the first set of annual required amounts for obligated parties as described in 30 V.S.A. § 8124(a)(1). The first set of annual required amounts shall only be adopted through the rulemaking process established in this section, not through an order.

Which was agreed to.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Environment and Energy, as amended?, **Representatives Harrison of Chittenden, Arrison of Weathersfield, Brownell of Pownal, Lipsky of Stowe, and Morris of Springfield** moved that the report of the Committee on Environment and Energy, as amended, be further amended as follows:

In Sec. 3, 30 V.S.A. chapter 94, section 8124, in subsection (a), by striking subdivision (4) in its entirety and inserting in lieu thereof the following:

(4) The Commission shall temporarily, for a period not to exceed 36 months, adjust the annual requirements for good cause after notice and opportunity for public process. Good cause shall include a shortage of clean heat credits, market conditions as identified by the Department's potential study conducted pursuant to section 8125 of this title, undue adverse financial impacts on particular customers or demographic segments, or if the average price of heating fuel in Vermont increases to more than 20 cents above the average fuel price in New England. The Commission shall ensure that any downward adjustment has the minimum impact possible on the State's ability to comply with the thermal sector portion of the requirements of 10 V.S.A. § 578(a)(2) and (3). The Commission shall determine how the long the average Vermont fuel price needs to be increased before taking action required under this subdivision.

Pending the question, Shall the report of the Committee on Environment and Energy, as amended, be further amended as offered by Rep. Harrison of Chittenden and others?, **Rep. Harrison of Chittenden** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the report of the Committee on Environment and Energy, as amended, be further amended as offered by Rep. Harrison of Chittenden and others?, was decided in the negative. Yeas, 43. Nays, 101.

Those who voted in the affirmative are:

Andriano of Orwell
Arrison of Weathersfield
Bartley of Fairfax
Beck of St. Johnsbury
Branagan of Georgia
Brennan of Colchester
Brownell of Pownal
Burditt of West Rutland
Canfield of Fair Haven
Clifford of Rutland City
Corcoran of Bennington
Demar of Enosburgh
Dickinson of St. Albans Town
Donahue of Northfield
Galfetti of Barre Town
Goslant of Northfield
Graham of Williamstown
Hango of Berkshire
Harrison of Chittenden *
Higley of Lowell
Labor of Morgan
Laroche of Franklin
Lipsky of Stowe
Maguire of Rutland City
Marcotte of Coventry
Mattos of Milton
McCoy of Poultney
McFaun of Barre Town
Morgan of Milton
Morris of Springfield
Morrissey of Bennington
Oliver of Sheldon
Page of Newport City
Parsons of Newbury
Peterson of Clarendon
Sammis of Castleton *
Shaw of Pittsford
Smith of Derby
Taylor of Milton
Toof of St. Albans Town
Walker of Swanton
Williams of Granby
Wilson of Lyndon

Those who voted in the negative are:

Andrews of Westford
Anthony of Barre City
Arsenault of Williston *
Austin of Colchester
Bartholomew of Hartland
Berbeco of Winooski
Birong of Vergennes
Black of Essex
Bluemle of Burlington
Bongartz of Manchester
Bos-Lun of Westminster
Boyden of Cambridge
Brady of Williston
Brown of Richmond
Brumsted of Shelburne
Burke of Brattleboro
Burrows of West Windsor
Buss of Woodstock
Campbell of St. Johnsbury
Carpenter of Hyde Park
Carroll of Bennington
Casey of Montpelier
Chapin of East Montpelier
Chase of Chester
Chase of Colchester
Chesnut-Tangerman of Middletown Springs *
Christie of Hartford
Cina of Burlington
Coffey of Guilford
Cole of Hartford
Dolan of Waitsfield
Durfee of Shaftsbury
Emmons of Springfield
Farlice-Rubio of Barnet
Garofano of Essex
Goldman of Rockingham
Graning of Jericho
Holcombe of Norwich
Hooper of Randolph
Hooper of Burlington
Houghton of Essex Junction
Howard of Rutland City
Hyman of South Burlington
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington
LaBounty of Lyndon
Lalley of Shelburne
LaLonde of South Burlington
LaMont of Morristown
Lanpher of Vergennes
Leavitt of Grand Isle
Long of Newfane
Masland of Thetford
McCann of Montpelier
McCarthy of St. Albans City
McGill of Bridport
Mihaly of Calais
Noyes of Wolcott
Nugent of South Burlington
O'Brien of Tunbridge
Ode of Burlington
Pajala of Londonderry
Patt of Worcester
Pearl of Danville
Pouech of Hinesburg
Priestley of Bradford
Rachelson of Burlington
Rice of Dorset
Roberts of Halifax *
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury
Sibilia of Dover
Sims of Craftsbury
Small of Winooski
Squirrell of Underhill
Stebbins of Burlington *
Stevens of Waterbury
Stone of Burlington
Surprenant of Barnard
Taylor of Colchester
Templeman of Brownington
Toleno of Brattleboro
Torre of Moretown
Troiano of Stannard
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington

Conlon of Cornwall
Demrow of Corinth
Dodge of Essex
Dolan of Essex Junction
Minier of South Burlington
Mrowicki of Putney
Mulvaney-Stanak of Burlington
Nicoll of Ludlow
Notte of Rutland City *
Williams of Barre City
Wood of Waterbury

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

Cordes of Lincoln
Elder of Starksboro
Gregoire of Fairfield
Headrick of Burlington
Logan of Burlington

Rep. Arsenault of Williston explained her vote as follows:

"Madam Speaker:

I voted no because this concept is unvetted and premature. Now is not the time to constrain the necessary and detailed work that lies ahead of the PUC, which will be done in coordination with technical and equity experts. The 2025 Legislature will have more information to make choices about the details of the implementation of the clean heat standard in 2025 once that body has the opportunity for additional review and debate."

Rep. Chesnut-Tangerman of Middletown Springs explained his vote as follows:

"Madam Speaker:

The time to make the decision to halt or proceed with the program is after we have the information, not before. I vote no."

Rep. Harrison of Chittenden explained his vote as follows:

"Madam Speaker:

This amendment would have helped mitigate the worst fears of Vermonters. I am sorry it did not pass."

Rep. Notte of Rutland City explained his vote as follows:

"Madam Speaker:

I vote no on this amendment. S.5 establishes a comprehensive study to enable us to meet our emissions reduction goals. We will review this information in 2025 and make the decision that is right for Vermonters. I do not want to see this process hampered in any way, including altering it to accommodate unverifiable but scary sounding possibilities. This Legislature is committed to doing right by our constituents and this amendment is not needed."

Rep. Roberts of Halifax explained his vote as follows:

"Madam Speaker:

The amendment would only tie the hands of the PUC, in its work, and not add to the consumer protections already inherent in S.5."

Rep. Sammis of Castleton explained his vote as follows:

"Madam Speaker:

I stand in support of this amendment because Vermonters here in 2023, not just 2025, deserve clarity AND accountability. This bill as it currently sits is vague at best. It places assumptions and responsibilities onto a future that has not even occurred yet. To clarify, our current costs in energy are a direct relation to: coming out of a global pandemic, the largest land war in Europe since 1945, and a federal government which consistently chooses not to pursue exploration and usage of domestic energy sources. This has created a perfect storm of energy shortages. To also clarify, the people sitting in this room have a responsibility for the people of Vermont. Not the Paris Accords, not any Federal administration, not any political party, not special interest groups. The people of Vermont – no one else. They trust us with their loved ones and their lives. This amendment provides some accountability, not kicking the can down the road to a future legislature a bill which is essentially a blank check with no context or explicit cost. Quite frankly, if we can't provide accountability to the people of Vermont, we don't deserve to be here."

Rep. Stebbins of Burlington explained her vote as follows:

"Madam Speaker:

I vote no on this amendment because it is bad policy. Twenty cents above what? Per a gallon of oil? Per millions of metrics of British thermal units of propane? Per pounds of carbon emissions from gas? This amendment shows exactly why we need this bill, so that experts in energy, economics, and equity are able to research and analyze energy policy, rather than legislators going by 'what feels right.'"

Thereupon, the House proposed to the Senate to amend the bill as recommended by the Committee on Environment and Energy, as amended.

Thereafter, **Rep. Higley of Lowell** moved to amend the House proposal of amendment by adding a new Sec. 4a to read as follows:

Sec. 4a. REPEAL

10 V.S.A. § 594 (cause of action) is repealed.

Pending the question, Shall the House amend its proposal of amendment as offered by Rep. Higley of Lowell?, **Rep. Toof of St. Albans Town** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House amend its proposal of amendment as offered by Rep. Higley of Lowell?, was decided in the negative. Yeas, 41. Nays, 103.

Those who voted in the affirmative are:

Andriano of Orwell *
Bartley of Fairfax
Beck of St. Johnsbury
Branagan of Georgia
Brennan of Colchester
Burditt of West Rutland
Canfield of Fair Haven
Clifford of Rutland City
Corcoran of Bennington
Demar of Enosburgh
Dickinson of St. Albans Town
Donahue of Northfield
Galfetti of Barre Town
Goslant of Northfield
Graham of Williamstown
Hango of Berkshire
Harrison of Chittenden
Higley of Lowell
Labor of Morgan
LaBounty of Lyndon
Laroche of Franklin
Lipsky of Stowe
Maguire of Rutland City
Marcotte of Coventry
Mattos of Milton
McCoy of Poultney
McFaun of Barre Town
Morgan of Milton
Morrissey of Bennington
Oliver of Sheldon
Page of Newport City
Parsons of Newbury
Peterson of Clarendon
Sammis of Castleton
Shaw of Pittsford
Smith of Derby
Taylor of Milton
Toof of St. Albans Town
Walker of Swanton
Williams of Granby
Wilson of Lyndon

Those who voted in the negative are:

Andrews of Westford
Anthony of Barre City
Arrison of Weathersfield
Arsenault of Williston
Austin of Colchester
Bartholomew of Hartland
Berbeco of Winooski
Birong of Vergennes
Black of Essex
Bluemle of Burlington
Bongartz of Manchester
Bos-Lun of Westminster
Boyden of Cambridge
Brady of Williston
Brown of Richmond
Brownell of Pownal
Brumsted of Shelburne
Burke of Brattleboro
Burrows of West Windsor
Buss of Woodstock
Campbell of St. Johnsbury
Carpenter of Hyde Park
Carroll of Bennington
Casey of Montpelier
Chapin of East Montpelier
Dodge of Essex
Dolan of Essex Junction
Dolan of Waitsfield
Durfee of Shaftsbury
Emmons of Springfield
Farlice-Rubio of Barnet
Garofano of Essex
Goldman of Rockingham
Graning of Jericho
Holcombe of Norwich
Hooper of Randolph
Hooper of Burlington
Houghton of Essex Junction
Howard of Rutland City
Hyman of South Burlington
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington
Lalley of Shelburne
LaLonde of South Burlington
LaMont of Morristown
Lanpher of Vergennes
Nicoll of Ludlow
Notte of Rutland City *
Noyes of Wolcott
Nugent of South Burlington
O'Brien of Tunbridge
Ode of Burlington
Pajala of Londonderry
Patt of Worcester
Pearl of Danville
Pouech of Hinesburg
Priestley of Bradford
Rachelson of Burlington
Rice of Dorset
Roberts of Halifax *
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury
Sibilia of Dover
Sims of Craftsbury
Small of Winooski
Squirrell of Underhill
Stebbins of Burlington *
Stevens of Waterbury
Stone of Burlington
Surprenant of Barnard

Chase of Chester
Chase of Colchester
Chesnut-Tangerman of Middletown Springs
Christie of Hartford
Cina of Burlington
Coffey of Guilford
Cole of Hartford
Conlon of Cornwall
Demrow of Corinth
Leavitt of Grand Isle
Long of Newfane
Masland of Thetford
McCann of Montpelier
McCarthy of St. Albans City
McGill of Bridport
Mihaly of Calais
Minier of South Burlington
Morris of Springfield
Mrowicki of Putney
Mulvaney-Stanak of Burlington
Taylor of Colchester
Templeman of Brownington
Toleno of Brattleboro
Torre of Moretown
Troiano of Stannard
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington
Williams of Barre City
Wood of Waterbury

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

Cordes of Lincoln
Elder of Starksboro
Gregoire of Fairfield
Headrick of Burlington
Logan of Burlington

Rep. Andriano of Orwell explained his vote as follows:

"Madam Speaker:

I agree with the Global Warming Solutions Act, but for a long time I've believed it is bad policy for a court to be able to order the adoption of rules. This short circuits our normal rule making system and leaves an open question as to how such an order would interact with the normal course of rulemaking and the ability of the public and Legislative Committee on Administrative Rules to have input. I oppose that on procedural grounds, which is why I voted yes on this amendment."

Rep. Notte of Rutland City explained his vote as follows:

"Madam Speaker:

I vote no on this amendment. Removing this language from the Global Warming Solutions Act removes a promise to Vermonters. It removes accountability. It introduces doubt. Vermonters have been provided with a promise in fighting climate change. This amendment would have taken this promise away from them."

Rep. Roberts of Halifax explained his vote as follows:

"Madam Speaker:

Climate change isn't an existential threat to life on Earth in the future, it is life on Earth today. The bold thinking in Global Warming Solutions and the Affordable Heat Act will help us envision a future where we are both more prosperous and more self-reliant, one in which our children can see a future for themselves, one in which our small towns become more climate resilient. S.5 will help Vermont rely less on fossil fuel energy from outside our borders,

including from regimes that make war on our allies and trample human rights. We must continue to ask our energy suppliers to better their environment and social records, we must ask our housing markets to serve people who are often left out, and this bill will give us new systems, and new data to do just that."

Rep. Stebbins of Burlington explained her vote as follows:

"Madam Speaker:

I vote no on this amendment because it confuses the path of accountability of the General Assembly and the State of Vermont with regards to its emissions reduction requirements. Confusion in legal proceedings just increases costs for all."

Pending the question, Shall the bill be read a third time?, **Rep. Harrison of Chittenden** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be read a third time?, was decided in the affirmative. Yeas, 98. Nays, 46.

Those who voted in the affirmative are:

Andrews of Westford
Anthony of Barre City
Arsenault of Williston
Austin of Colchester
Bartholomew of Hartland
Berbeco of Winooski
Birong of Vergennes
Black of Essex
Bluemle of Burlington
Bongartz of Manchester
Bos-Lun of Westminster
Boyden of Cambridge
Brady of Williston
Brown of Richmond
Brumsted of Shelburne
Burke of Brattleboro
Burrows of West Windsor
Buss of Woodstock
Campbell of St. Johnsbury
Carpenter of Hyde Park
Carroll of Bennington
Casey of Montpelier
Chapin of East Montpelier
Chase of Chester
Chase of Colchester
Chesnut-Tangerman of Middletown Springs
Christie of Hartford
Dodge of Essex *
Dolan of Essex Junction
Dolan of Waitsfield
Durfee of Shaftsbury
Emmons of Springfield
Farlice-Rubio of Barnet
Garofano of Essex
Goldman of Rockingham
Graning of Jericho
Holcombe of Norwich
Hooper of Randolph
Hooper of Burlington
Houghton of Essex Junction
Howard of Rutland City
Hyman of South Burlington
James of Manchester *
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington
Lalley of Shelburne
LaLonde of South Burlington
LaMont of Morristown
Lanpher of Vergennes
Leavitt of Grand Isle
Long of Newfane
Masland of Thetford
Nicoll of Ludlow
Notte of Rutland City
Noyes of Wolcott
Nugent of South Burlington
Ode of Burlington
Pajala of Londonderry
Patt of Worcester
Pearl of Danville
Pouech of Hinesburg
Priestley of Bradford
Rachelson of Burlington
Rice of Dorset
Roberts of Halifax
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury *
Sibilia of Dover
Sims of Craftsbury
Squirrell of Underhill
Stebbins of Burlington
Stevens of Waterbury
Stone of Burlington
Surprenant of Barnard
Taylor of Colchester
Toleno of Brattleboro
Torre of Moretown
Troiano of Stannard
Waters Evans of Charlotte

Cina of Burlington
Coffey of Guilford *
Cole of Hartford
Conlon of Cornwall
Corcoran of Bennington
Demrow of Corinth
McCann of Montpelier
McCarthy of St. Albans City*
McGill of Bridport
Mihaly of Calais
Minier of South Burlington
Mrowicki of Putney
Mulvaney-Stanak of Burlington
White of Bethel
Whitman of Bennington
Williams of Barre City *
Wood of Waterbury

Those who voted in the negative are:

Andriano of Orwell
Arrison of Weathersfield
Bartley of Fairfax
Beck of St. Johnsbury
Branagan of Georgia
Brennan of Colchester
Brownell of Pownal
Burditt of West Rutland
Canfield of Fair Haven
Clifford of Rutland City
Demar of Enosburgh
Dickinson of St. Albans Town
Donahue of Northfield *
Galfetti of Barre Town
Goslant of Northfield
Graham of Williamstown
Hango of Berkshire
Harrison of Chittenden
Higley of Lowell
Labor of Morgan
LaBounty of Lyndon
Laroche of Franklin
Lipsky of Stowe
Maguire of Rutland City
Marcotte of Coventry
Mattos of Milton
McCoy of Poultney *
McFaun of Barre Town
Morgan of Milton *
Morris of Springfield
Morrissey of Bennington
O'Brien of Tunbridge
Oliver of Sheldon
Page of Newport City
Parsons of Newbury *
Peterson of Clarendon *
Sammis of Castleton
Shaw of Pittsford
Small of Winooski
Smith of Derby
Taylor of Milton
Templeman of Brownington
Toof of St. Albans Town
Walker of Swanton
Williams of Granby
Wilson of Lyndon

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

Cordes of Lincoln
Elder of Starksboro
Gregoire of Fairfield
Headrick of Burlington
Logan of Burlington

Rep. Coffey of Guilford explained her vote as follows:

“Madam Speaker:

Vermonters of fixed, low, and even moderate incomes can’t afford to pay higher prices for fossil fuels to heat their homes, and that’s exactly why this bill is being proposed and why I voted yes today. S.5 is a necessary step in reducing our carbon emissions in Vermont, and will help us navigate this transition in a thoughtful, predictable way to provide more affordable options for rural and Vermonters living on low, moderate, and fixed incomes.”

Rep. Dodge of Essex explained her vote as follows:

“Madam Speaker:

I was 100% clear when I campaigned that I would support measures such as the Clean Heat Standard, and I was elected by a wide margin. I am happy to

see the improvements to the old Clean Heat Standard bill as S.5 went through our body this biennium. Madam Speaker, I also got some 'Vote no' messages, but I heard the majority of my constituents loud and clear: They are in favor of this bill. I support it as well."

Rep. Donahue of Northfield explained her vote as follows:

"Madam Speaker:

We need to continue to be active and aggressive in taking responsibility to address climate change from our little piece of earth. But doing our part will not change the world trajectory. What this bill does is place the cost of attempting to change the world trajectory on our small population, with a highly disproportionate impact on our constituents and our State's economy, without even having a fundamental grasp of how high those costs may be. I vote no."

Rep. James of Manchester explained her vote as follows:

"Madam Speaker:

Climate action is a complex problem. And complex problems sometimes require complex solutions. I believe the Affordable Heat Act holds great promise – that it will help those Vermonters who are *least able to afford* rising fossil fuel prices – and for whom the investment required to switch clean heat is currently out of reach. I voted YES to give this potential solution the support, study, and deliberation it requires."

Rep. McCarthy of St. Albans City explained his vote as follows:

"Madam Speaker:

This bill will help the Vermonters who can least afford to replace a furnace or water heater join in the benefits of the cleaner energy options available today, and make sure they don't get left behind as we respond to the changing climate. I vote yes."

Rep. McCoy of Poultney explained her vote as follows:

"Madam Speaker:

As elected officials, we have an obligation to ensure Vermonters know what the financial costs and impacts of this bill will be on their lives and the State's economy BEFORE PASSAGE, because that is how lawmaking and governing is supposed to work, and what Vermonters expect and deserve. Without a study conducted, we do not know what these costs will be. Delegating our job of legislating to an unelected commission is something I will never vote for."

Rep. Morgan of Milton explained his vote as follows:

"Madam Speaker:

We were all sent here to represent our constituency. Overwhelmingly, my constituents are opposed to this bill. I vote No."

Rep. Parsons of Newbury explained his vote as follows:

"Madam Speaker:

With this bill, we are driving down a one-way, single lane road, carbon tax, dead ahead. And apparently, we're telling our Vermont passengers not to trust their lying eyes…Well I trust my constituents… Their outreach didn't fall on deaf ears. I vote no for them."

Rep. Peterson of Clarendon explained his vote as follows:

"Madam Speaker:

This bill does not address climate change, and this is a waste of time and money. I vote no."

Rep. Sheldon of Middlebury explained her vote as follows:

"Madam Speaker:

Climate change is disrupting lives all over the world and at the same time, dramatic fluctuations in global fuel prices are hurting Vermonters. I voted yes because the Affordable Heat Act will enable all Vermonters to reduce the costs of heating their homes while also addressing climate change."

Rep. Williams of Barre City explained his vote as follows:

"Madam Speaker:

I and some others of this body have grown up living with the Damaclean threat of climate change hanging above our heads since we were children. And it is exhausting. I vote yes on S.5, that I was not afraid to do my part for my younger sisters and brothers and their children, that they might not inherit a world on fire."

Second Reading; Proposals of Amendment Agreed to; Amendments Offered and Withdrawn; Proposal of Amendment Amended; Third Reading Ordered

S. 37

Rep. Goldman of Rockingham, for the Committee on Health Care, to which had been referred Senate bill, entitled

An act relating to access to legally protected health care activity and regulation of health care providers

Recommended that the House propose to the Senate that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 1 V.S.A. § 150 is added to read:

§ 150. LEGALLY PROTECTED HEALTH CARE ACTIVITY

(a) "Gender-affirming health care services" means all supplies, care, and services of a medical, behavioral health, mental health, surgical, psychiatric, therapeutic, diagnostic, preventative, rehabilitative, or supportive nature, including medication, relating to the treatment of gender dysphoria and gender incongruence. "Gender-affirming health care services" does not include conversion therapy as defined by 18 V.S.A. § 8351.

(b)(1) "Legally protected health care activity" means:

(A) the exercise and enjoyment, or attempted exercise and enjoyment, by any person of rights to reproductive health care services or gender-affirming health care services secured by this State;

(B) any act or omission undertaken to aid or encourage, or attempt to aid or encourage, any person in the exercise and enjoyment, or attempted exercise and enjoyment, of rights to reproductive health care services or gender-affirming health care services secured by this State, provided that the provision of such a health care service by a person duly licensed under the laws of this State and physically present in this State shall be legally protected if the service is permitted under the laws of this State, regardless of the patient's location; or

(C) the provision, issuance, or use of, or enrollment in, insurance or other health coverage for reproductive health care services or gender-affirming health care services that are legal in this State, or any act to aid or encourage, or attempt to aid or encourage, any person in the provision, issuance, or use of, or enrollment in, insurance or other health coverage for those services, regardless of the location of the insured or individual seeking insurance or health coverage, if the insurance or health coverage is permitted under the laws of this State.

(2) Except as provided in subdivision (3) of this subsection, the protections applicable to "legally protected health care activity" shall not apply to a lawsuit, judgment, or civil, criminal, or administrative action that is based on conduct for which an action would exist under the laws of this State if the course of conduct that forms the basis for liability had occurred entirely in this

State.

(3) Notwithstanding subdivision (2) of this subsection, the provision of a health care service by a person duly licensed under the laws of this State and physically present in this State shall be legally protected if the service is permitted under the laws of this State, regardless of the patient's location or whether the health care provider is licensed in the state where the patient is located at the time the service is rendered.

(c) "Reproductive health care services" means all supplies, care, and services of a medical, behavioral health, mental health, surgical, psychiatric, therapeutic, diagnostic, preventative, rehabilitative, or supportive nature, including medication, relating to pregnancy, contraception, assisted reproduction, pregnancy loss management, or the termination of a pregnancy.

* * * Medical Malpractice * * *

Sec. 2. 8 V.S.A. chapter 129 is amended to read:

CHAPTER 129. INSURANCE TRADE PRACTICES

* * *

§ 4722. DEFINITIONS

* * *

(4)(A) "Abusive litigation" means litigation or other legal action to deter, prevent, sanction, or punish any person engaging in legally protected health care activity by:

(i) filing or prosecuting any action in any other state where liability, in whole or part, directly or indirectly, is based on legally protected health care activity that occurred in this State, including any action in which liability is based on any theory of vicarious, joint, or several liability derived therefrom; or

(ii) attempting to enforce any order or judgment issued in connection with any such action by any party to the action or any person acting on behalf of a party to the action.

(B) A lawsuit shall be considered to be based on conduct that occurred in this State if any part of any act or omission involved in the course of conduct that forms the basis for liability in the lawsuit occurs or is initiated in this State, whether or not such act or omission is alleged or included in any pleading or other filing in the lawsuit.

(5) "Legally protected health care activity" has the same meaning as in 1 V.S.A. § 150.

* * *

§ 4724. UNFAIR METHODS OF COMPETITION OR UNFAIR OR DECEPTIVE ACTS OR PRACTICES DEFINED

The following are hereby defined as unfair methods of competition or unfair or deceptive acts or practices in the business of insurance:

* * *

(7) Unfair discrimination; arbitrary underwriting action.

(A) Making or permitting any unfair discrimination between insureds of the same class and equal risk in the rates charged for any contract of insurance, or in the dividends or other benefits payable thereon, or in any other of the terms and conditions of such contracts.

* * *

(F)(i) Discriminating against a health care provider, as defined by 18 V.S.A. § 9496, or adjusting or otherwise calculating a health care provider's risk classification or premium charges on the basis that:

(I) the health care provider provides or assists in the provision of legally protected health care activity that is unlawful in another state;

(II) another state's laws create potential or actual liability for that activity;

(III) abusive litigation against a provider concerning legally protected health care activity resulted in a claim, settlement, or judgement against the provider; or

(IV) the license of the provider has been disciplined in any way by another state based solely on the provider's provision of legally protected health care activity.

(ii) For purposes of this subdivision (F), it shall not be unfairly discriminatory nor an arbitrary underwriting action against a health care provider if the risk classifications, premium charges, or other underwriting considerations are based on factors other than those listed in subdivision (i) of this subdivision (F).

* * *

* * * Insurance Coverage * * *

Sec. 3. 8 V.S.A. § 4088m is added to read:

§ 4088m. COVERAGE FOR GENDER-AFFIRMING HEALTH CARE SERVICES

(a) Definitions. As used in this section:

(1) "Gender-affirming health care services" has the same meaning as in 1 V.S.A. § 150.

(2) "Health insurance plan" means Medicaid and any other public health care assistance program, any individual or group health insurance policy, any hospital or medical service corporation or health maintenance organization subscriber contract, or any other health benefit plan offered, issued, or renewed for any person in this State by a health insurer as defined by 18 V.S.A. § 9402. For purposes of this section, health insurance plan includes any health benefit plan offered or administered by the State or any subdivision or instrumentality of the State. The term does not include benefit plans providing coverage for a specific disease or other limited benefit coverage, except that it includes any accident and sickness health plan.

(b) Coverage.

(1) A health insurance plan shall provide coverage for gender-affirming health care services that:

(A) are medically necessary and clinically appropriate for the individual's diagnosis or health condition; and

(B) are included in the State's essential health benefits benchmark plan.

(2) Coverage provided pursuant to this section by Medicaid or any other public health care assistance program shall comply with all federal requirements imposed by the Centers for Medicare and Medicaid Services.

(3) Nothing in this section shall prohibit a health insurance plan from providing greater coverage for gender-affirming health care services than is required under this section.

(c) Cost sharing. A health insurance plan shall not impose greater coinsurance, co-payment, deductible, or other cost-sharing requirements for coverage of gender-affirming health care services than apply to the diagnosis and treatment of any other physical or mental condition under the plan.

Sec. 4. 8 V.S.A. § 4099e is added to read:

§ 4099e. COVERAGE FOR ABORTION AND ABORTION-RELATED SERVICES

(a) Definitions. As used in this section:

(1) "Abortion" means any medical treatment intended to induce the termination of, or to terminate, a clinically diagnosable pregnancy except for the purpose of producing a live birth.

(2) "Health insurance plan" means Medicaid and any other public health care assistance program, any individual or group health insurance policy, any hospital or medical service corporation or health maintenance organization subscriber contract, or any other health benefit plan offered, issued, or renewed for any person in this State by a health insurer as defined by 18 V.S.A. § 9402. For purposes of this section, health insurance plan shall include any health benefit plan offered or administered by the State or any subdivision or instrumentality of the State. The term shall not include benefit plans providing coverage for a specific disease or other limited benefit coverage, except that it shall include any accident and sickness health plan.

(b) Coverage. A health insurance plan shall provide coverage for abortion and abortion-related care.

(c) Cost sharing. The coverage required by this section shall not be subject to any co-payment, deductible, coinsurance, or other cost-sharing requirement or additional charge, except:

(1) to the extent such coverage would disqualify a high-deductible health plan from eligibility for a health savings account pursuant to 26 U.S.C. § 223; and

(2) for coverage provided by Medicaid.

Sec. 5. STATE PLAN AMENDMENT

The Agency of Human Services shall seek a state plan amendment from the Centers for Medicare and Medicaid Services or federal authorities if needed to allow Vermont's Medicaid program to provide coverage consistent with this act.

* * * Professional Regulation * * *

Sec. 6. 3 V.S.A. § 129a is amended to read:

§ 129a. UNPROFESSIONAL CONDUCT

(a) In addition to any other provision of law, the following conduct by a licensee constitutes unprofessional conduct. When that conduct is by an

applicant or person who later becomes an applicant, it may constitute grounds for denial of a license or other disciplinary action. Any one of the following items or any combination of items, whether the conduct at issue was committed within or outside the State, shall constitute unprofessional conduct:

* * *

(7) Willfully making or filing false reports or records in the practice of the profession, willfully impeding or obstructing the proper making or filing of reports or records, ~~or~~ willfully failing to file the proper reports or records, or willfully providing inaccurate health or medical information to a patient, including purposeful misrepresentation of a patient's health status.

* * *

(29) Providing or claiming to provide services or medications that are purported to reverse the effects of a medication abortion.

* * *

(f)(1) Health care providers. Notwithstanding subsection (e) of this section or any other law to the contrary, no health care provider who is certified, registered, or licensed in Vermont shall be subject to professional disciplinary action by a board or the Director, nor shall a board or the Director take adverse action on an application for certification, registration, or licensure of a qualified health care provider, based solely on:

(A) the health care provider providing or assisting in the provision of legally protected health care activity; or

(B) a criminal, ~~or~~ civil, ~~action~~ or disciplinary action in another state against the health care provider ~~by a licensing board of another state,~~ that is based solely on the provider providing or assisting in the provision of legally protected health care activity.

(2) Definitions. As used in this subsection:

(A) "Health care provider" ~~has the same meaning as in 18 V.S.A. § 9496~~ means a person who provides professional health care services to an individual during that individual's medical care, treatment, or confinement.

(B) "Health care services" means services for the diagnosis, prevention, treatment, cure, or relief of a physical or mental health condition, including procedures, products, devices, and medications.

(C) "Legally protected health care activity" has the same meaning as in 1 V.S.A. § 150.

Sec. 7. 26 V.S.A. § 1354 is amended to read:

§ 1354. UNPROFESSIONAL CONDUCT

* * *

(d)(1) Health care providers. Notwithstanding any other law to the contrary, no health care provider who is certified, registered, or licensed in Vermont shall be subject to professional disciplinary action by the Board, nor shall the Board take adverse action on an application for certification, registration, or licensure of a qualified health care provider, based solely on:

(A) the health care provider providing or assisting in the provision of legally protected health care activity; or

(B) a criminal, ~~or~~ civil, ~~action~~ or disciplinary action in another state against the health care provider ~~by a licensing board of another state,~~ that is based solely on the provider providing or assisting in the provision of legally protected health care activity.

(2) Definitions. As used in this subsection:

(A) "Health care provider" ~~has the same meaning as in 18 V.S.A. § 9496~~ means a person who provides professional health care services to an individual during that individual's medical care, treatment, or confinement.

(B) "Health care services" means services for the diagnosis, prevention, treatment, cure, or relief of a physical or mental health condition, including procedures, products, devices, and medications.

(C) "Legally protected health care activity" has the same meaning as in 1 V.S.A. § 150.

* * * Pregnancy Centers * * *

Sec. 8. 9 V.S.A. chapter 63, subchapter 11 is added to read:

Subchapter 11. Pregnancy Services Centers

§ 2491. FINDINGS; LEGISLATIVE INTENT

(a) Findings. The General Assembly finds that:

(1) Centers that seek to counsel clients against abortion, often referred to as crisis pregnancy centers or limited-services pregnancy centers, have become common across the country, including in Vermont. Accurate information about the services that a limited-services pregnancy center performs, in addition to forthright acknowledgement of its limitations, is essential to enable individuals in this State to make informed decisions about their care. This includes individuals being informed of whether they are receiving services from a licensed and qualified health care provider at a

limited-services pregnancy center, as this allows individuals to determine if they need to seek medical care elsewhere in order to continue or terminate a pregnancy.

(2) Although some limited-services pregnancy centers openly acknowledge in their advertising, on their websites, and at their facilities that they neither provide abortions nor refer clients to other providers of abortion services, others provide confusing and misleading information to pregnant individuals contemplating abortion by leading those individuals to believe that their facilities offer abortion services and unbiased counseling. Some limited-services pregnancy centers have promoted patently false or biased medical claims about abortion, pregnancy, contraception, and reproductive health care providers.

(3) False and misleading advertising by centers that do not offer or refer clients for abortion is of special concern to the State because of the time-sensitive and constitutionally protected nature of the decision to continue or terminate a pregnancy. When a pregnant individual is misled into believing that a center offers services that it does not in fact offer or receives false or misleading information regarding health care options, the individual loses time crucial to the decision whether to terminate a pregnancy and may lose the option to choose a particular method or to terminate a pregnancy at all.

(4) Telling the truth is how trained health care providers demonstrate respect for patients, foster trust, promote self-determination, and cultivate an environment where best practices in shared decision-making can flourish. Without veracity in information and communication, it is difficult for individuals to make informed, voluntary choices that are essential to one's sense of personal agency and autonomy.

(5) Advertising strategies and educational information about health care options that lack transparency, use misleading or ambiguous terminology, misrepresent or obfuscate services provided, or provide factually inaccurate information are a form of manipulation that disrespects individuals, undermines trust, broadens health disparity, and can result in patient harm.

(b) Intent.

(1) It is the intent of the General Assembly to ensure that the public is provided with accurate, factual information about the types of health care services that are available to pregnant individuals in this State. The General Assembly respects the constitutionally protected right of each individual to personal reproductive autonomy, which includes the right to receive clear, honest, and nonmisleading information about the individual's options and to make informed, voluntary choices after considering all relevant information.

(2) The General Assembly respects the right of limited-services pregnancy centers to counsel individuals against abortion, and nothing in this subchapter should be construed to regulate, limit, or curtail such advocacy.

§ 2492. DEFINITIONS

As used in this subchapter:

(1) "Abortion" means any medical treatment intended to induce the termination of, or to terminate, a clinically diagnosable pregnancy except for the purpose of producing a live birth.

(2) "Client" means an individual who is inquiring about or seeking services at a pregnancy services center.

(3) "Emergency contraception" means any drug approved by the U.S. Food and Drug Administration as a contraceptive method for use after sexual intercourse, whether provided over the counter or by prescription.

(4) "Health information" means any oral or written information in any form or medium that relates to health insurance or the past, present, or future physical or mental health or condition of a client.

(5) "Limited-services pregnancy center" means a pregnancy services center that does not directly provide, or provide referrals to clients for, abortions or emergency contraception.

(6) "Pregnancy services center" means a facility, including a mobile facility, where the primary purpose is to provide services to individuals who are or may be pregnant and that either offers obstetric ultrasounds, obstetric sonograms, or prenatal care to pregnant individuals or has the appearance of a medical facility. A pregnancy services center has the appearance of a medical facility if two or more of the following factors are present:

(A) The center offers pregnancy testing or pregnancy diagnosis, or both.

(B) The center has staff or volunteers who wear medical attire or uniforms.

(C) The center contains one or more examination tables.

(D) The center contains a private or semiprivate room or area containing medical supplies or medical instruments.

(E) The center has staff or volunteers who collect health information from clients.

(F) The center is located on the same premises as a State-licensed medical facility or provider or shares facility space with a State-licensed medical provider.

(7) "Premises" means land and improvements or appurtenances or any part thereof.

§ 2493. UNFAIR AND DECEPTIVE ACT

(a) It is an unfair and deceptive act and practice in commerce and a violation of section 2453 of this title for any limited-services pregnancy center to disseminate or cause to be disseminated to the public any advertising about the services or proposed services performed at that center that is untrue or clearly designed to mislead the public about the nature of services provided. Advertising includes representations made directly to consumers; marketing practices; communication in any print medium, such as newspapers, magazines, mailers, or handouts; and any broadcast medium, such as television or radio, telephone marketing, or advertising over the Internet such as through websites and web ads. For purposes of this chapter, advertising or the provision of services by a limited-services pregnancy center is an act in commerce.

(b) Health care providers certified, registered, or licensed under Title 26 of the Vermont Statutes Annotated who are employed by, contracted to provide services for or on behalf of, or volunteer to provide services at a limited-services pregnancy center shall be responsible for conducting and providing health care services, information, and counseling at the center. The failure of a health care professional certified, registered, or licensed under Title 26 of the Vermont Statutes Annotated to conduct or to ensure that health care services, information, and counseling at the limited-services pregnancy services center are conducted in accordance with State law and professional standards of practice may constitute unprofessional conduct under 3 V.S.A. § 129a and 26 V.S.A. § 1354.

(c) The Attorney General has the same authority to make rules, conduct civil investigations, and bring civil actions with respect to violations of subsection (a) of this section as provided under subchapter 1 of this chapter.

* * * Reports; Interstate Compacts * * *

Sec. 9. 18 V.S.A. § 9405 is amended to read:

§ 9405. STATE HEALTH IMPROVEMENT PLAN; HEALTH RESOURCE ALLOCATION PLAN

* * *

(b) The Green Mountain Care Board, in consultation with the Secretary of Human Services or designee, shall publish on its website the Health Resource Allocation Plan identifying Vermont's critical health needs, goods, services, and resources, which shall be used to inform the Board's regulatory processes, cost containment and statewide quality of care efforts, health care payment and delivery system reform initiatives, and any allocation of health resources within the State. The Plan shall identify Vermont residents' needs for health care services, programs, and facilities; the resources available and the additional resources that would be required to realistically meet those needs and to make access to those services, programs, and facilities affordable for consumers; and the priorities for addressing those needs on a statewide basis. The Board may expand the Plan to include resources, needs, and priorities related to the social determinants of health. The Plan shall be revised periodically, but not less frequently than once every four years.

* * *

(3) The Board shall receive and consider public input on the Plan at a minimum of one Board meeting and one meeting of the Advisory Committee and shall give interested persons an opportunity to submit their views orally and in writing.

(4) The Board shall include reproductive health care services and gender-affirming health care services, as those terms are defined in 1 V.S.A. § 150, in its Plan analysis.

(5) As used in this section:

(A) "Health resources" means investments into the State's health care system, including investments in personnel, equipment, and infrastructure necessary to deliver:

* * *

Sec. 9a. AGENCY OF HUMAN SERVICES; STATE HEALTH ASSESSMENT; COMMUNITY PROFILES

The Agency of Human Services shall work with LGBTQA+ community stakeholders and health care providers during the upcoming State Health Assessment and Community Profiles community engagement processes to explore barriers to equitable access to gender-affirming health care services, as defined in 1 V.S.A. § 150.

Sec. 10. BOARD OF MEDICAL PRACTICE; OFFICE OF PROFESSIONAL REGULATION; INTERSTATE COMPACTS; REPORT

On or before November 1, 2025, the Office of Professional Regulation, in consultation with the Board of Medical Practice, shall submit a report to the House Committee on Health Care and the Senate Committee on Health and Welfare with findings and recommendations for legislative action to address any concerns regarding the State's participation, or contemplated participation, in interstate licensure compacts as a result of the provisions of this act, including the State's participation in the Nurse Licensure Compact pursuant to 26 V.S.A. chapter 28, subchapter 5 and the Interstate Medical Licensure Compact pursuant to 26 V.S.A. chapter 23, subchapter 3A.

Sec. 10a. 26 V.S.A. chapter 56 is amended to read:

CHAPTER 56. OUT-OF-STATE TELEHEALTH LICENSURE & REGISTRATION AND INTERSTATE COMPACTS

Subchapter 1. Out-of-State Telehealth Licensure And Registration

* * *

Subchapter 2. Interstate Compacts; Health Care Provider Compacts

§ 3071. HEALTH CARE PROVIDER COMPACTS; DIRECTION TO VERMONT REPRESENTATIVES

(a) The General Assembly finds that a state's prohibition of or limitation on the provision of gender-affirming health care services or reproductive health care services, or both, as defined by 1 V.S.A. § 150, prohibits health care providers from following health care best practices and is a failure on the part of the state to provide health care services that are medically necessary and clinically appropriate for its residents. Therefore, it is the General Assembly's intent to protect the ability of professionals licensed, certified, or registered in Vermont, and professionals from other member states seeking to practice a profession in Vermont pursuant to an interstate compact or agreement, to have the benefit of compacts and agreements while at the same time engaging in, providing, or otherwise facilitating, personally or professionally, gender-affirming health care and reproductive health care services.

(b) Vermont's representative or delegate for an interstate compact or agreement related to health care shall seek an amendment or exception to the language, rules, directives, or bylaws of the compact or agreement, as necessary, so that if a licensee is disciplined by another state solely for providing or assisting in the provision of gender-affirming health care services

or reproductive health care services that would be legal and meet professional standards of care if provided in Vermont, the compact or agreement does not require that Vermont take professional disciplinary action against the licensee.

* * * Emergency Contraception * * *

Sec. 11. 26 V.S.A. chapter 36, subchapter 1 is amended to read:

Subchapter 1. General Provisions

* * *

§ 2022. DEFINITIONS

As used in this chapter:

* * *

(22) "Emergency contraception" means any drug approved by the U.S. Food and Drug Administration as a contraceptive method for use after sexual intercourse, whether provided over the counter or by prescription.

§ 2023. CLINICAL PHARMACY; PRESCRIBING

* * *

(b) A pharmacist may prescribe in the following contexts:

* * *

(2) State protocol.

(A) A pharmacist may prescribe, order, or administer in a manner consistent with valid State protocols that are approved by the Commissioner of Health after consultation with the Director of Professional Regulation and the Board and the ability for public comment:

* * *

(ix) emergency prescribing of albuterol or glucagon while contemporaneously contacting emergency services; ~~and~~

(x) tests for SARS-CoV for asymptomatic individuals or related serology for individuals by entities holding a Certificate of Waiver pursuant to the Clinical Laboratory Amendments of 1988 (42 U.S.C. § 263a); and

(xi) emergency contraception.

* * *

Sec. 11a. 26 V.S.A. § 2077 is added to read:

§ 2077. EMERGENCY CONTRACEPTION; VENDING MACHINES

(a) A retail or institutional drug outlet licensed under this chapter or a postsecondary school, as defined in and subject to 16 V.S.A. § 176, may make over-the-counter emergency contraception and other nonprescription drugs or articles for the prevention of pregnancy or conception available through a vending machine or similar device.

(b) Notwithstanding any provision of subsection 2032(h) of this chapter to the contrary, the Board may adopt rules in accordance with 3 V.S.A. chapter 25 to regulate the location, operation, utilization, and oversight of the vending machines and similar devices described in subsection (a) of this section in a manner that balances consumer access with appropriate safeguards for theft prevention and safety.

* * * Higher Education; Health Care Services * * *

Sec. 12. 16 V.S.A. chapter 78 is added to read:

CHAPTER 78. ACCESS TO REPRODUCTIVE AND GENDER-AFFIRMING HEALTH CARE SERVICES

§ 2501. DEFINITIONS

As used in this chapter:

(1) "Gender-affirming health care readiness" means each institution's preparedness to provide gender-affirming health care services to students or assist students in obtaining gender-affirming health care services, including having in place equipment, protocols, patient educational materials, informational websites, and training for staff; provided, however, that gender-affirming health care readiness may include the provision of gender-affirming health care services.

(2) "Gender-affirming health care services" has the same meaning as in 1 V.S.A. § 150.

(3) "Institution" means the University of Vermont or a college in the Vermont State College system.

(4) "Medication abortion" means an abortion provided by medication techniques.

(5) "Reproductive health care services" has the same meaning as in 1 V.S.A. § 150 and includes medication abortion.

(6) “Reproductive health care readiness” means each institution’s preparedness to provide reproductive health care services to students or assist students in obtaining reproductive health care services, including having in place equipment, protocols, patient educational materials, informational websites, and training for staff; provided, however, that reproductive health care readiness may include the provision of reproductive health care services.

(7) “Telehealth” has the same meaning as in 26 V.S.A. § 3052.

§ 2502. GENDER-AFFIRMING HEALTH CARE AND REPRODUCTIVE HEALTH CARE READINESS; REPORTS

(a) Each institution shall report to the Agency of Human Services annually, on or before November 1, on the current status of its gender-affirming health care and reproductive health care readiness, including:

(1) whether the institution has an operational health center on campus;

(2) whether the institution employs health care providers on campus;

(3) the types of gender-affirming health care services and reproductive health care services that the institution offers to its students on campus and the supports that the institution provides to students who receive those services;

(4) the institution’s efforts to assist students with obtaining gender-affirming health care services and reproductive health care services from licensed health care professionals through telehealth;

(5) the institution’s proximity to a hospital, clinic, or other facility that provides gender-affirming health care services or reproductive health care services, or both, that are not available to students on campus;

(6) the information that the institution provides regarding facilities that offer gender-affirming health care services and reproductive health care services that are not available to students on campus, including information regarding the scope of the services that are available at each such facility; and

(7) the availability, convenience, and cost of public transportation between the institution and the closest facility that provides gender-affirming health care services or reproductive health care services, or both, and whether the institution provides transportation.

(b) On or before January 31 of each year, the Agency of Human Services shall compile the materials submitted pursuant to subsection (a) of this section and report to the House Committees on Education, on Health Care, and on Human Services and the Senate Committees on Education and on Health and Welfare on the status of gender-affirming health care and reproductive health care readiness at Vermont’s institutions.

Sec. 13. GENDER-AFFIRMING HEALTH CARE AND REPRODUCTIVE HEALTH CARE READINESS; IMPLEMENTATION

Each institution shall submit its first report on the status of its gender-affirming health care and reproductive health care readiness as required under 16 V.S.A. § 2502(a) to the Agency of Human Services on or before November 1, 2023, and the Agency shall provide its first legislative report on or before January 31, 2024.

* * * Prohibition on Disclosure of Protected Health Information * * *

Sec. 14. 18 V.S.A. § 1881 is amended to read:

§ 1881. DISCLOSURE OF PROTECTED HEALTH INFORMATION PROHIBITED

(a) As used in this section:

(1) "Business associate" has the same meaning as in 45 C.F.R. § 160.103.

(2) "Covered entity" ~~shall have~~ has the same meaning as in 45 C.F.R. § 160.103.

(3) "Legally protected health care activity" has the same meaning as in 1 V.S.A. § 150.

~~(2)~~(4) "Protected health information" ~~shall have~~ has the same meaning as in 45 C.F.R. § 160.103.

(5) "Telehealth" has the same meaning as in 26 V.S.A. § 3052.

(b) A covered entity or business associate shall not disclose protected health information unless the disclosure is permitted under the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

(c) In order to protect patients and providers who engage in legally protected health care activity, a covered entity or business associate shall not disclose protected health information related to a legally protected health care activity for use in a civil or criminal action; a proceeding preliminary to a civil or criminal action; or a probate, legislative, or administrative proceeding unless the disclosure meets one or more of the following conditions:

(1) The disclosure is authorized by the patient or the patient's conservator, guardian, or other authorized legal representative.

(2) The disclosure is specifically required by federal law, Vermont law, or rules adopted by the Vermont Supreme Court.

(3) The disclosure is ordered by a court of competent jurisdiction pursuant to federal law, Vermont law, or rules adopted by the Vermont Supreme Court. An order compelling disclosure under this subdivision shall include the court's determination that good cause exists to require disclosure of the information related to legally protected health care activity.

(4) The disclosure is to be made to a person designated by the covered entity or business associate and will be used solely in the defense of the covered entity or business associate against a claim that has been made, or there is a reasonable belief will be made, against the covered entity or business associate in a civil or criminal action, a proceeding preliminary to a civil or criminal action, or a probate, legislative, or administrative proceeding.

(5) The disclosure is to Vermont's Board of Medical Practice or Office of Professional Regulation, as applicable, in connection with a bona fide investigation in Vermont of a licensed, certified, or registered health care provider or a bona fide investigation of whether an individual who is not licensed, certified, or registered to practice a health care profession in Vermont engaged in unauthorized practice in this State, whether in person or through telehealth.

(6) The disclosure is to the Vermont Department of Health or the Vermont Department of Disabilities, Aging, and Independent Living, or both, in connection with a bona fide investigation of a licensed health care facility in Vermont.

* * * Effective Dates * * *

Sec. 15. EFFECTIVE DATES

(a) This section, Sec. 1 (definitions), Sec. 2 (medical malpractice), Secs. 6 and 7 (unprofessional conduct), Sec. 8 (pregnancy services centers), Secs. 9, 9a, and 10 (reports and analyses), Sec. 11a (emergency contraception; vending machines), Secs. 12 and 13 (gender-affirming health care and reproductive health care readiness; reports), and Sec. 14 (prohibition on disclosure of protected health information) shall take effect on passage.

(b) Secs. 3 and 4 (insurance coverage) shall take effect on January 1, 2024 and shall apply to all health insurance plans issued on and after January 1, 2024 on such date as a health insurer offers, issues, or renews the health insurance plan, but in no event later than January 1, 2025.

(c) Sec. 5 (state plan amendment) shall take effect on January 1, 2024, except that the Agency of Human Services shall submit its request for approval of Medicaid coverage of the services prescribed in Sec. 4 of this act, if needed, to the Centers for Medicare and Medicaid Services on or before July 1, 2023, and the Medicaid coverage shall begin on the later of the date of approval or

January 1, 2024.

(d) Sec. 10a (interstate compacts; state representatives) shall take effect on July 1, 2023.

(e) Sec. 11 (emergency contraception) shall take effect on or before September 1, 2023, on such date as the Commissioner of Health approves the State protocol.

Rep. Scheu of Middlebury, for the Committee on Appropriations, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Health Care.

The bill, having appeared on the Notice Calendar, was taken up and, read the second time.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Health Care?, **Representatives Houghton of Essex Junction, Berbeco of Winooski, Black of Essex, Carpenter of Hyde Park, Cina of Burlington, Cordes of Lincoln, Farlice-Rubio of Barnet, Goldman of Rockingham, and McFaun of Barre Town** moved that the report of the Committee on Health Care be amended in Sec. 1, 1 V.S.A. § 150, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c)(1) "Reproductive health care services" means all supplies, care, and services of a medical, behavioral health, mental health, surgical, psychiatric, therapeutic, diagnostic, preventative, rehabilitative, or supportive nature, including medication, relating to pregnancy, contraception, assisted reproduction, pregnancy loss management, or the termination of a pregnancy.

(2) "Reproductive health care services" includes medication that was approved by the U.S. Food and Drug Administration (FDA) for termination of a pregnancy as of January 1, 2023, regardless of the medication's current FDA approval status:

(A) when such medication is procured, ordered, stored, distributed, prescribed, dispensed, or administered, or a combination thereof, by a person duly licensed under the laws of this State, as long as the licensee's actions conform to the essential standards of acceptable and prevailing practice for the licensee's profession; or

(B) when such medication is used by an individual.

Which was agreed to.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Health Care, as amended?, **Rep. Higley of Lowell** moved that the report of the Committee on Health Care be further amended as follows:

First: In Sec. 8, 9 V.S.A. chapter 63, subchapter 11, in section 2491, in subsection (a), in subdivision (1), following "counsel clients against abortion", by striking out ", often referred to as crisis pregnancy centers or limited-services pregnancy centers,"

Second: In Sec. 8, 9 V.S.A. chapter 63, subchapter 11, in section 2491, in subsection (a), by adding a new subdivision (6) to read as follows:

(6) Some individuals may be intimidated in receiving services to support the exercise of their right to choose to bear a child at a pregnancy services center where abortion services are provided.

Third: In Sec. 8, 9 V.S.A. chapter 63, subchapter 11, by striking out the phrase "limited-services pregnancy center" each time it appears and inserting in lieu thereof "pregnancy services center"

Fourth: In Sec. 8, 9 V.S.A. chapter 63, subchapter 11, by striking out the phrase "limited-services pregnancy centers" each time it appears and inserting in lieu thereof "pregnancy services centers"

Fifth: In Sec. 8, 9 V.S.A. chapter 63, subchapter 11, in section 2492, by striking out subdivision (5) in its entirety and by renumbering the remaining subdivisions to be numerically correct.

Thereupon, **Rep. Higley of Lowell** asked and was granted leave of the House to withdraw his amendment.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Health Care, as amended?, **Rep. Williams of Granby** moved that the report of the Committee on Health Care be further amended in Sec. 4, 8 V.S.A. § 4099e, as follows:

First: By striking out the section heading in its entirety and inserting in lieu thereof a new section heading to read as follows:

§ 4099e. COVERAGE FOR REPRODUCTIVE HEALTH CARE SERVICES

Second: In subsection (a), by striking out subdivision (1) in its entirety, by redesignating subdivision (2) to be subdivision (1), and by adding a new subdivision (2) to read as follows:

(2) "Reproductive health care services" has the same meaning as in 1 V.S.A. § 150.

Third: By striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) Coverage. A health insurance plan shall provide coverage for reproductive health care services.

Thereupon, **Rep. Williams of Granby** asked and was granted leave of the House to withdraw her amendment.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Health Care, as amended?, **Rep. Donahue of Northfield** moved that the report of the Committee on Health Care be further amended as follows:

In Sec. 6, 3 V.S.A. § 129a, in subsection (a), in subdivision (29), following "effects of a medication abortion", by adding ", except that it shall not constitute unprofessional conduct if the licensee, acting within the licensee's scope of practice and meeting existing standards of care in the prescription or administration of a medication for an off-label use, provides a medication for the purpose of assisting an individual in the attempt to exercise the right to choose to bear a child after the individual has initiated but not completed the process of having a medication abortion"

Which was disagreed to.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Health Care, as amended?, **Rep. Houghton of Essex Junction** moved that the report of the Committee on Health Care be further amended as follows:

First: In Sec. 6, 3 V.S.A. § 129a, in subdivision (f)(1)(B), by removing "~~or~~", "~~action~~", and "~~by a licensing board of another state,~~"

Second: In Sec. 6, 3 V.S.A. § 129a, in subdivision (f)(2)(A), by removing the phrase "~~has the same meaning as in 18 V.S.A. § 9496~~"

Third: In Sec. 7, 26 V.S.A. § 1354, in subdivision (d)(1)(B), by removing "~~or~~", "~~action~~", and "~~by a licensing board of another state,~~"

Fourth: In Sec. 7, 26 V.S.A. § 1354, in subdivision (d)(2)(A), by removing the phrase "~~has the same meaning as in 18 V.S.A. § 9496~~"

Fifth: After the enacting clause, by inserting a reader assistance heading to read as follows:

* * * Definitions * * *

Which was agreed to.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Health Care, as amended?, **Representatives Houghton of Essex Junction, Black of Essex, Carpenter of Hyde Park, Cina of Burlington, Cordes of Lincoln, Farlice-Rubio of Barnet, Goldman of Rockingham, and McFaun of Barre Town** moved that the report of the Committee on Health Care be further amended in Sec. 12, 16 V.S.A. chapter 78, in § 2501, as follows:

First: By striking out subdivision (4) in its entirety and renumbering the remaining subdivisions to be numerically correct

Second: In the newly renumbered subdivision (4), by striking out "and includes medication abortion"

Which was agreed to. Thereafter, the House proposed to the Senate to amend the bill as recommended by the Committee on Health Care, as amended.

Pending the question, Shall the bill be read a third time?, **Rep. Houghton of Essex Junction** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be read a third time?, was decided in the affirmative. Yeas, 115. Nays, 17.

Those who voted in the affirmative are:

Andrews of Westford
Andriano of Orwell
Anthony of Barre City
Arrison of Weathersfield
Arsenault of Williston
Austin of Colchester
Bartholomew of Hartland
Bartley of Fairfax
Beck of St. Johnsbury
Berbeco of Winooski
Birong of Vergennes
Black of Essex
Bluemle of Burlington
Bongartz of Manchester
Bos-Lun of Westminster
Boyden of Cambridge
Brady of Williston
Branagan of Georgia
Brown of Richmond
Brumsted of Shelburne
Burke of Brattleboro
Burrows of West Windsor
Buss of Woodstock
Campbell of St. Johnsbury
Dodge of Essex
Dolan of Essex Junction
Dolan of Waitsfield
Durfee of Shaftsbury
Emmons of Springfield
Farlice-Rubio of Barnet
Galfetti of Barre Town
Garofano of Essex
Goldman of Rockingham
Goslant of Northfield
Graning of Jericho
Harrison of Chittenden
Holcombe of Norwich
Hooper of Randolph
Houghton of Essex Junction
Howard of Rutland City
Hyman of South Burlington
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington
Lalley of Shelburne
Mrowicki of Putney
Mulvaney-Stanak of Burlington
Nicoll of Ludlow
Notte of Rutland City
Noyes of Wolcott
Nugent of South Burlington
Ode of Burlington
Page of Newport City
Pajala of Londonderry
Patt of Worcester
Pearl of Danville
Pouech of Hinesburg
Priestley of Bradford
Rachelson of Burlington
Rice of Dorset
Roberts of Halifax
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury
Sibilia of Dover
Sims of Craftsbury
Small of Winooski
Smith of Derby

Carpenter of Hyde Park
Carroll of Bennington
Casey of Montpelier
Chase of Chester
Chase of Colchester
Chesnut-Tangerman of Middletown Springs
Christie of Hartford
Cina of Burlington
Coffey of Guilford
Cole of Hartford
Conlon of Cornwall
Corcoran of Bennington
Cordes of Lincoln
Demrow of Corinth
LaLonde of South Burlington
LaMont of Morristown
Lanpher of Vergennes
Laroche of Franklin
Leavitt of Grand Isle
Lipsky of Stowe
Long of Newfane
Maguire of Rutland City
Masland of Thetford
McCann of Montpelier
McCarthy of St. Albans City
McFaun of Barre Town
McGill of Bridport
Mihaly of Calais
Minier of South Burlington
Morris of Springfield
Squirrell of Underhill
Stebbins of Burlington
Stevens of Waterbury
Stone of Burlington
Surprenant of Barnard
Taylor of Colchester
Templeman of Brownington
Toleno of Brattleboro
Toof of St. Albans Town
Torre of Moretown
Troiano of Stannard
Walker of Swanton
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington
Williams of Barre City

Those who voted in the negative are:

Canfield of Fair Haven
Clifford of Rutland City
Dickinson of St. Albans Town
Donahue of Northfield
Hango of Berkshire
Higley of Lowell
Labor of Morgan
LaBounty of Lyndon
Mattos of Milton
McCoy of Poultney
Morgan of Milton
Morrissey of Bennington
Oliver of Sheldon
Peterson of Clarendon
Shaw of Pittsford
Taylor of Milton
Williams of Granby

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

Brennan of Colchester
Brownell of Pownal
Burditt of West Rutland
Chapin of East Montpelier
Demar of Enosburgh
Elder of Starksboro
Graham of Williamstown
Gregoire of Fairfield
Headrick of Burlington
Hooper of Burlington
Logan of Burlington
Marcotte of Coventry
O'Brien of Tunbridge
Parsons of Newbury
Sammis of Castleton
Wilson of Lyndon
Wood of Waterbury

Senate Proposal of Amendment Concurred in

H. 41

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

An act relating to referral of domestic and sexual violence cases to community justice centers

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

First: In Sec. 3, 24 V.S.A. §§ 1968 and 1969, in section 1968, in subdivision (c)(4), after the word "volunteers" by inserting the words and relevant law enforcement and prosecutors

Second: By striking out Sec. 4, report; Community Justice Unit of the Office of the Attorney General, in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

Sec. 4. REPORT; COMMUNITY JUSTICE UNIT OF THE OFFICE OF THE ATTORNEY GENERAL

(a) On or before December 1, 2025, the Community Justice Unit, in collaboration with the Vermont Network, and the participating community justice centers shall submit an interim report to the House and Senate Committees on Judiciary regarding the establishment of memorandums of understanding pursuant to 24 V.S.A. § 1968, the status of implementation of programming, referral sources, available data on effectiveness, and the available resources and capacity for such programming.

(b) On or before July 1, 2028, the Community Justice Unit, in collaboration with the Vermont Network, and the participating community justice centers shall submit a final report to the House and Senate Committees on Judiciary regarding the establishment of memorandums of understanding pursuant to 24 V.S.A. § 1968, the status of implementation of programming, referral sources, available data on effectiveness, and the available resources and capacity for such programming.

Which proposal of amendment was considered and concurred in.

Action on Bill Postponed

H. 53

House bill, entitled

An act relating to driver's license suspensions

Was taken up and pending the question, Shall the House concur in the Senate proposal of amendment?, on motion of **Rep. Dolan of Essex Junction**, action on the bill was postponed until April 26, 2023.

Joint Resolution Adopted

J.R.H. 5

Joint House resolution, entitled

Joint resolution authorizing the Green Mountain Girls State educational program to use the facilities of the State House on a mutually agreed upon day and for a designated time span during the week of June 18, 2023

Was taken up and adopted on the part of the House.

Message from the Senate No. 43

A message was received from the Senate by Ms. Kucserik, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Senate has considered a bill originating in the House of the following title:

H. 89. An act relating to civil and criminal procedures concerning legally protected health care activity.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the House is requested.

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

H. 190. An act relating to removing the residency requirement from Vermont's patient choice at end of life laws.

H. 271. An act relating to approval of amendments to the charter of the Town of Springfield.

And has passed the same in concurrence.

Adjournment

At seven o'clock and fifty minutes in the evening, on motion of **Rep. McCoy of Poultney**, the House adjourned until tomorrow at nine o'clock and thirty minutes in the forenoon.