

1 H.397

2 An act relating to miscellaneous amendments to the statutes governing
3 emergency management and flood response

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

5 * * * Division of Emergency Management; Plans and Reports * * *

6 Sec. 1. 20 V.S.A. § 3a is amended to read:

7 § 3a. EMERGENCY MANAGEMENT DIVISION; DUTIES; BUDGET

8 (a) In addition to other duties required by law, the Division of Emergency
9 Management shall:

10 * * *

11 (3) Annually on or before the last legislative day in January, provide an
12 update and presentation to the House Committee on Government Operations
13 and Military Affairs and the Senate Committee on Government Operations
14 concerning all action items in the all-hazards mitigation plan required by
15 subdivision (1) of this subsection.

16 * * *

17 Sec. 2. 20 V.S.A. § 41 is amended to read:

18 § 41. STATE EMERGENCY MANAGEMENT PLAN

19 The ~~Department of Public Safety's Vermont~~ Division of Emergency
20 Management ~~Division~~, in consultation with stakeholders, shall create, and
21 republish as needed, but not less than every five years, a comprehensive State
22 Emergency Management Plan. The Plan shall:

1 (1) detail response systems during all-hazards events, including
2 communications, coordination among State, local, private, and volunteer
3 entities, and the deployment of State and federal resources. ~~The Plan shall also;~~

4 (2) detail the State's emergency preparedness measures and goals,
5 including those for the prevention of, protection against, mitigation of, and
6 recovery from all-hazards events. ~~The Plan shall; and~~

7 (3) include templates and guidance for regional emergency management
8 and for local emergency plans that support municipalities in their respective
9 emergency management planning.

10 * * * Voluntary Buyouts * * *

11 Sec. 3. 20 V.S.A. § 48 is amended to read:

12 § 48. COMMUNITY RESILIENCE AND DISASTER MITIGATION
13 GRANT PROGRAM

14 * * *

15 (c) Administration; implementation.

16 (1) Grant awards. The Department of Public Safety, in coordination
17 with the Department of Environmental Conservation, shall administer the
18 Program, which shall award grants for the following:

19 * * *

20 (C) projects that implement disaster mitigation measures, adaptation,
21 or repair, including watershed restoration, voluntary buyouts for flood-

1 impacted or -prone properties, and similar activities that directly reduce risks
2 to communities, lives, public collections of historic value, and property; and

3 * * *

4 * * * Division of Emergency Management; Assistance to Municipalities * * *

5 Sec. 4. 20 V.S.A. § 51 is added to read:

6 § 51. DIVISION OF EMERGENCY MANAGEMENT; ALL-HAZARD
7 AND WEATHER ALERT SYSTEMS FOR MUNICIPAL
8 CORPORATIONS

9 Upon request of a municipal corporation, the Division of Emergency
10 Management shall assist the municipal corporation with access to the
11 following:

12 (1) a statewide river observation and modeling system that details
13 current river level observations and models river flood outlooks; and

14 (2) a statewide enhanced weather forecasting and alert system that:

15 (A) predicts local and regional conditions using advanced modeling;

16 and

17 (B) issues real-time warnings for potentially dangerous weather
18 through multiple communication channels.

* * * Needs Assessment Report * * *

Sec. 5. DIVISION OF EMERGENCY MANAGEMENT; STATE
STAKEHOLDERS; NEEDS ASSESSMENT; REPORT

The Division of Emergency Management shall conduct a needs assessment to identify any additional staffing, resources, technical needs, or authority needed to carry out the provisions of this act. On or before November 15, 2025, the Division shall submit a written report to the House Committees on Appropriations and on Government Operations and Military Affairs and the Senate Committees on Appropriations and on Government Operations containing the needs assessments conducted by the State agencies and departments identified in this section.

* * * Municipal Finances and Indebtedness * * *

Sec. 6. 24 V.S.A. § 1585 is added to read:

§ 1585. UNASSIGNED FUND BALANCE

Monies from a budget approved by the voters at an annual or special meeting that are not expended by the end of a municipality's fiscal year shall be under the control and direction of the legislative body of the municipality and may be carried forward from year to year as an unassigned fund balance. Unassigned fund balances may be invested and reinvested as are other monies received by a town treasurer and may be expended for any public purpose as established by the legislative body of the municipality.

1 Sec. 7. 24 V.S.A. § 1790 is added to read:

2 § 1790. EMERGENCY BORROWING; ALL-HAZARD EVENT OR STATE
3 OF EMERGENCY

4 The legislative body of a municipality may borrow money, in the name of
5 the municipal corporation, by issuance of its notes or orders for the purpose of
6 paying expenses of the municipal corporation or for public improvements
7 associated with an all-hazards event or a declared state of emergency pursuant
8 to 20 V.S.A. chapter 1. The notes or orders shall be for a period of not more
9 than five years or a term not to exceed the reasonably anticipated useful life of
10 the improvements or assets financed by the notes or orders.

11 Sec. 8. 24 V.S.A. § 1759 is amended to read:

12 § 1759. DENOMINATIONS; PAYMENTS; INTEREST

13 (a)(1) Any bond issued under this subchapter shall draw interest at a rate
14 not to exceed the rate approved by the voters of the municipal corporation in
15 accordance with section 1758 of this title, or if no rate is specified in the vote
16 under that section, at a rate approved by the legislative ~~branch~~ body of the
17 municipal corporation, ~~such the~~ interest to be payable semiannually as
18 determined by the legislative body of the municipal corporation. Such The
19 bonds or bond shall be payable serially, the first payment to be deferred not
20 later than from one to five years after the issuance of the bonds and subsequent
21 principal payments or debt service payments, which include both principal and

1 interest payments, to be continued annually in ~~equal~~ substantially level or
2 ~~diminishing declining~~ amounts, as determined by the legislative body of the
3 municipality, so that the entire debt will be paid in not more than 20 years from
4 the date of issue.

5 (2) In the case of bonds issued for the purchase or development of a
6 municipal forest, the first payment may be deferred not more than 30 years
7 from the date of issuance ~~thereof of the bond. Thereafter such~~ After any
8 deferral period, the bonds or bond shall be payable annually in ~~equal~~
9 substantially level or ~~diminishing amounts~~ declining annual debt service as the
10 legislative body of the municipal corporation may determine, so that the entire
11 debt will be paid in not more than 60 years from the date of issue.

12 * * *

13 (b) General obligation bonds authorized under this subchapter for the
14 purpose of financing the improvement, construction, acquisition, repair,
15 renovation, and replacement of a municipal plant as defined in 30 V.S.A.
16 § 2901 shall be paid serially, the first payment to be deferred not later than
17 from one to five years after the issuance of the bonds, and subsequent principal
18 payments or debt service payments, which include both principal and interest
19 payments, to be continued annually in substantially level or declining amounts,
20 as determined by the legislative body of the municipal corporation, so that the
21 entire debt will be paid ~~over a term equal to the useful life of the financed~~

1 ~~improvements, but not more than 40 years from the date of issue, and may be~~
2 ~~so arranged that beginning with the first year in which principal is payable, the~~
3 ~~amount of principal and interest in any year shall be as nearly equal as is~~
4 ~~practicable according to the denomination in which such bonds are issued,~~
5 notwithstanding other permissible payment schedules authorized by this
6 section.

7 * * * Dam Drawdown During Emergency Flood Events * * *

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

9 § 9. EMERGENCY POWERS OF GOVERNOR

10 (a) Subject to the provisions of this chapter, in the event of an all-hazards
11 event in or directed upon the United States or Canada that causes or may cause
12 substantial damage or injury to persons or property within the State in any
13 manner, the Governor may declare a state of emergency within the entire State
14 or any portion or portions of the State. Thereafter, the Governor shall have and
15 may exercise for as long as the Governor determines the emergency to exist the
16 following additional powers within ~~such~~ the area or areas:

17 * * *

18 (b)(1) In consultation with the Secretary of Natural Resources or designee,
19 the Governor may authorize the Agency of Natural Resources to waive
20 applicable permits and restrictions under 10 V.S.A. chapter 47 or the Vermont
21 Water Quality Standards to allow dams within the State to draw down water

1 levels in anticipation of a flood event that is likely to cause substantial damage
2 or injury to persons or property. Waivers may only be issued if the Director of
3 the Division of Emergency Management, in consultation with the Secretary of
4 Natural Resources or designee, has significant reason to believe that
5 authorizing an advance drawdown will decrease the risk of substantial damage
6 to persons or property within the State. The Secretary or designee shall, to the
7 extent feasible, consult with applicable dam owners for federally licensed sites.
8 Dam operators operating under a waiver shall be required to make every effort
9 to minimize the environmental impact of a water level drawdown under the
10 authorized waiver.

11 (2) Dam owners authorized to use a waiver under this subsection shall
12 be required to develop a drawdown plan that is approved by the Secretary prior
13 to implementation of a drawdown. This subdivision shall not apply to dam
14 owners that have other plans approved by the Secretary in effect that address
15 emergency drawdowns. The drawdown plan shall at minimum include the
16 following:

17 (A) hydrologic and hydraulic modeling of the dam, reservoir, and
18 downstream channel performed by an engineer experienced in dam safety
19 engineering that proves the public safety benefit of pre-event drawdown;

20 (B) dam owner communications with downstream communities and
21 applicable regulators prior to and during drawdown operations;

1 Notwithstanding 32 V.S.A. § 603 or any other provision of law or municipal
2 charter to the contrary, revenue from the fee shall be used to compensate the
3 Department for the costs of administering and collecting the local option tax
4 and of administering the State appraisal and litigation program established in
5 32 V.S.A. § 5413. The fee shall be subject to the provisions of 32 V.S.A.
6 § 605.

7 * * *

8 (d)(1) Except as provided in subsection (c) of this section and subdivision
9 (2) of this subsection with respect to taxes collected on the sale of aviation jet
10 fuel, of the taxes collected under this section, ~~70~~ 75 percent of the taxes shall
11 be paid on a quarterly basis to the municipality in which they were collected,
12 after reduction for the costs of administration and collection under subsection
13 (c) of this section. Revenues received by a municipality may be expended for
14 municipal services only, and not for education expenditures. Any remaining
15 revenue shall be deposited into the PILOT Special Fund established by 32
16 V.S.A. § 3709.

17 * * *

18 * * * Municipal Charters; Local Option Tax Revenue Share * * *

19 Sec. 12. 24 App. V.S.A. chapter 3, § 102d is amended to read:

20 § 102d. LOCAL OPTION SALES TAX AUTHORITY

1 The Burlington City Council is authorized to impose a one percent sales tax
2 upon sales within the City that are subject to the State of Vermont sales tax
3 with the same exemptions as the State sales tax. The City sales tax shall be
4 effective beginning on the next tax quarter following 30 days' notice in 2006 to
5 the Department of Taxes, or shall be effective on the next tax quarter following
6 90 days' notice to the Department of Taxes if notice is given in 2007 or after.
7 Any tax imposed under the authority of this section shall be collected and
8 administered by the Vermont Department of Taxes in accordance with State
9 law governing the State sales tax. ~~Seventy percent of the~~ The taxes collected
10 shall be paid to the City, ~~and the remaining amount of the taxes collected shall~~
11 ~~be remitted to the State Treasurer for deposit in the PILOT Special Fund first~~
12 ~~established in 1997 Acts and Resolves No. 60, Sec. 89. The cost of~~
13 ~~administration and collection of this tax shall be paid 70 percent by the City~~
14 ~~and 30 percent by the State from the PILOT Special Fund pursuant to 24~~
15 V.S.A. § 138. The tax to be paid to the City, ~~less its obligation for 70 percent~~
16 ~~of the costs of administration and collection,~~ pursuant to 24 V.S.A. § 138 shall
17 be paid ~~to the City~~ on a quarterly basis and may be expended by the City for
18 municipal services only and not for education expenditures.

1 Sec. 13. 24 App. V.S.A. chapter 5, § 1214 is amended to read:

2 § 1214. LOCAL OPTION TAXES

3 Local option taxes are authorized under this section for the purpose of
4 affording the City an alternative method of raising municipal revenues.

5 Accordingly:

6 * * *

7 (3) ~~Of the taxes reported under this section, 70 percent shall be paid to~~
8 ~~the City for calendar years thereafter. Such revenues~~ The City's local option
9 tax revenue may be expended by the City for municipal services only and not
10 for educational expenditures. The remaining amount of the taxes reported
11 shall be remitted monthly to the State Treasurer for deposit in the PILOT
12 Special Fund set forth in 32 V.S.A. § 3709. Taxes due to the City under this
13 section shall be paid by the State on a quarterly basis.

14 Sec. 14. 24 App. V.S.A. chapter 127, § 1308a is amended to read:

15 § 1308a. SALES, ROOMS, MEALS, AND ALCOHOLIC BEVERAGES

16 TAX

17 * * *

18 (d) ~~Of the taxes collected under this section, 70 percent~~ The share of taxes
19 due to the Town pursuant to 24 V.S.A. § 138 shall be paid to the Town on a
20 quarterly basis to the Town after reduction for the costs of administration and
21 collection under subsection (c) of this section. Revenues received by the Town

1 may be expended for municipal services only and not for education
2 expenditures. Any remaining revenues shall be deposited in the PILOT
3 Special Fund established by 32 V.S.A. § 3709.

4 Sec. 15. 24 App. V.S.A. chapter 171, § 18 is amended to read:

5 § 18. LOCAL OPTIONS TAX

6 The Selectboard is authorized to impose a one percent sales tax, a one
7 percent meals and alcoholic beverages tax, and a one percent rooms tax upon
8 sales within the Town that are subject to the State of Vermont tax on sales,
9 meals, alcoholic beverages, and rooms. The Town tax shall be implemented in
10 the event the State local options tax as provided for in 24 V.S.A. § 138 is
11 repealed or the 70-percent allocation to the town is reduced. A tax imposed
12 under the authority of this section shall be collected and administered by the
13 Vermont Department of Taxes in accordance with State law governing the
14 State tax on sales, meals, alcoholic beverages, and rooms. ~~The amount of 70~~
15 ~~percent of the taxes collected shall be paid to the Town, and the remaining~~
16 ~~amount of the taxes collected shall be remitted to the State Treasurer for~~
17 ~~deposit in the Pilot Special Fund first established in 1997 Acts and Resolves~~
18 ~~No. 60, § 89 pursuant to 24 V.S.A. § 138.~~ The cost of administration and
19 collection of this tax shall be paid 70 percent by the Town and 30 percent by
20 the State from the Pilot Special Fund pursuant to 24 V.S.A. § 138. The tax to
21 be paid to the Town, ~~less its obligation for the 70 percent of the costs of~~

1 ~~administration and collection~~, pursuant to 24 V.S.A. § 138 shall be paid to the
2 Town on a quarterly basis and may be expended by the Town for municipal
3 services only and not for education expenditures. The Town may repeal the
4 local option taxes by Australian ballot vote.

5 * * * Division of Emergency Management; Technical Corrections * * *

6 Sec. 16. 20 V.S.A. chapter 1 is amended to read:

7 CHAPTER 1. EMERGENCY MANAGEMENT

8 * * *

9 § 2. DEFINITIONS

10 As used in this chapter:

11 * * *

12 (3) "Director" means the Director of ~~Vermont~~ the Division of
13 Emergency Management of the Department of Public Safety.

14 * * *

15 § 3. VERMONT EMERGENCY MANAGEMENT ~~DIVISION~~

16 (a) There is hereby created within the Department of Public Safety a
17 ~~division to~~ the Division of Emergency Management, which may also be known
18 as ~~the~~ Vermont Emergency Management ~~Division~~.

19 * * *

1 § 4. LANGUAGE ASSISTANCE SERVICES FOR STATE EMERGENCY
2 COMMUNICATIONS

3 (a) If an all-hazards event occurs, the ~~Vermont Emergency Management~~
4 Division shall ensure that language assistance services are available for all
5 State communications regarding the all-hazards event, including relevant press
6 conferences and emergency alerts, as soon as practicable. Language assistance
7 services shall be provided for:

8 * * *

9 (c) Annually, the ~~Vermont Emergency Management~~ Division shall hold a
10 public meeting with members of the Vermont Deaf, Hard of Hearing, and
11 DeafBlind Advisory Council; the Office of Racial Equity; the Vermont
12 Association of Broadcasters; and other relevant stakeholders to review the
13 adequacy and efficacy of the provision and distribution of language assistance
14 services of emergency communications over mass communication platforms to
15 individuals who are Deaf, Hard of Hearing, and DeafBlind as well as
16 individuals with limited English language proficiency.

17 * * *

18 Sec. 17. 20 V.S.A. § 112 is amended to read:

19 § 112. ADDITIONAL PROVISIONS — ARTICLE X

20 * * *

* * *

* * *

* * *

* * *

* * *

1 Sec. 19. 32 V.S.A. § 3102 is amended to read:

2 § 3102. CONFIDENTIALITY OF TAX RECORDS

3 * * *

4 (e) The Commissioner may, in the Commissioner's discretion and subject
5 to such conditions and requirements as the Commissioner may provide,
6 including any confidentiality requirements of the Internal Revenue Service,
7 disclose a return or return information:

8 * * *

9 (24) To the Division of ~~Vermont~~ Emergency Management at the
10 Department of Public Safety for the purposes of emergency management and
11 communication, and to the Department of Housing and Community
12 Development and any organization then under contract with the Department of
13 Housing and Community Development to carry out a statewide housing needs
14 assessment for the purpose of the statewide housing needs assessment,
15 provided that the disclosure relates to the information collected on the landlord
16 certificate pursuant to subsection 6069(c) of this title.

17 * * *

18 * * * Rulemaking; Federal Regulations Incorporated by Reference * * *

19 Sec. 20. 3 V.S.A. § 850 is added to read:

20 § 850. RULES; INCORPORATION OF FEDERAL REGULATIONS

1 Any federal regulation incorporated by reference into a Vermont Rule as of
2 January 1, 2025 shall continue in effect as a State rule until January 31, 2029
3 or when the State rule is next amended, whichever is sooner, regardless of
4 whether the federal rule was later repealed or amended. The secretary of an
5 agency or commissioner of a department, as applicable, shall provide notice of
6 these incorporated regulations by posting them on the agency or department
7 website. Nothing in this section shall prevent the secretary or commissioner
8 from adopting or amending a rule pursuant to this chapter, including
9 emergency rulemaking.

10 * * * Property Tax Overpayment Refunds; City of Barre and
11 Town of Milton * * *

12 Sec. 21. GENERAL FUND TRANSFER TO THE EDUCATION FUND;
13 APPROPRIATION FOR COMPENSATION FOR
14 OVERPAYMENT

15 (a) In fiscal year 2026, in addition to any other fund transfers made,
16 \$621,479.00 shall be transferred from the General Fund to the Education Fund
17 to compensate the City of Barre and the Town of Milton for overpayment of
18 education property tax increment from Tax Increment Financing District funds,
19 pursuant to the findings of State Auditor Reports Nos. 21-03 and 24-06.

1 (b) Notwithstanding 16 V.S.A. § 4025, in fiscal year 2026, \$621,479.00
2 Education Fund shall be appropriated to the Department of Taxes for the
3 following:

4 (1) \$437,028.00 to make a payment to the City of Barre to compensate
5 the City for overpayments of education property taxes in fiscal years 2016
6 through 2020 due to insufficient retention of tax increment by the City's Tax
7 Increment Financing District fund; and

8 (2) \$184,451.00 to make a payment to the Town of Milton to
9 compensate the Town for overpayments of education property taxes in fiscal
10 years 2017 through 2023 due to insufficient retention of tax increment by the
11 Town's Tax Increment Financing District fund.

12 Sec. 22. 2023 Acts and Resolves No. 72, Sec. 37 is amended to read:

13 Sec. 37. TAX INCREMENT FINANCING DISTRICT; CITY OF BARRE;
14 EXTENSION; INCREMENT

15 (a) Notwithstanding 2021 Acts and Resolves No. 73, Sec. 26a, amending
16 2020 Acts and Resolves No. 175, Sec. 29, or any other provision of law, the
17 authority of the City of Barre to incur indebtedness is hereby extended to
18 March 31, ~~2026~~ 2028.

19 (b) Notwithstanding any other provision of law, the authority of the City of
20 Barre to retain municipal and education tax increment is hereby extended until
21 June 30, 2039.

1 Sec. 23. REPEAL

2 3 V.S.A. § 850 (rules; incorporation of federal regulations) is repealed on
3 January 31, 2029.

4 * * * Effective Dates * * *

5 Sec. 24. EFFECTIVE DATES

6 (a) This section and Sec. 20 (rules; incorporation of federal regulations)
7 shall take effect on passage.

8 (b) Sec. 11 (local option taxes) shall take effect on October 1, 2025.

9 (c) All other sections shall take effect on July 1, 2025.