

House Calendar

Tuesday, March 18, 2025

70th DAY OF THE BIENNIAL SESSION

House Convenes at 10:00 A.M.

TABLE OF CONTENTS

	Page No.
ACTION CALENDAR	
Third Reading	
H. 137 The regulation of insurance products and services	483
H. 266 Protections for 340B covered entities and 340B contract pharmacies	483
H. 463 Technical corrections for the 2025 legislative session	483
Favorable with Amendment	
H. 125 Reporting on the energy transition Rep. Sabilia for Energy and Digital Infrastructure	483
H. 222 Participation in a domestic violence accountability program as a condition of a final relief from abuse prevention order Rep. Arsenault for Judiciary	484
H. 231 Technical corrections to fish and wildlife statutes Rep. Satcowitz for Environment	490
H. 259 Preventing workplace violence in hospitals Rep. Cordes for Health Care	495
Favorable	
H. 396 The creation of the Mollie Beattie Distinguished Service Award Rep. Lipsky for Agriculture, Food Resiliency, and Forestry	500
NOTICE CALENDAR	
Committee Bill for Second Reading	
H. 474 Miscellaneous changes to election law Rep. Waters Evans for Government Operations and Military Affairs	500
Favorable with Amendment	
H. 80 The Office of the Health Care Advocate Rep. Critchlow for Health Care	500

H. 167 Establishing the Vermonters Feeding Vermonters Grant at the Agency of Agriculture, Food and Markets Rep. Bos-Lun for Agriculture, Food Resiliency, and Forestry	501
H. 209 Intranasal epinephrine in schools Rep. Harple for Education	503
H. 219 Creating a family support pilot program for incarcerated parents and guardians Rep. Sweeney for Corrections and Institutions	506
Rep. Squirrell for Appropriations	508
H. 237 Prescribing by doctoral-level psychologists Rep. McFaun for Health Care	508
H. 243 The regulation of business organizations Rep. Cooper for Commerce and Economic Development	511
Rep. Burkhardt for Ways and Means	582
H. 244 State contracting standards for advertising Rep. Waters Evans for Government Operations and Military Affairs	644
H. 319 Miscellaneous environmental subjects Rep. Satcowitz for Environment	647
H. 321 Miscellaneous cannabis amendments Rep. Boyden for Government Operations and Military Affairs	665
Rep. Higley for Ways and Means	676
H. 342 Protecting the personal information of certain public servants Rep. Priestley for Commerce and Economic Development	677
H. 397 Miscellaneous amendments to the statutes governing emergency management and flood response Rep. Birong for Government Operations and Military Affairs	682
H. 401 Exemptions for food manufacturing establishments Rep. Burt for Agriculture, Food Resiliency, and Forestry	690
H. 461 Expanding employee access to unpaid leave Rep. Bartley for General and Housing	692
Governor's Veto	
H. 141 Fiscal year 2025 budget adjustments Text of Governor's Veto Message	700

ORDERS OF THE DAY

ACTION CALENDAR

Third Reading

H. 137

An act relating to the regulation of insurance products and services

H. 266

An act relating to protections for 340B covered entities and 340B contract pharmacies

H. 463

An act relating to technical corrections for the 2025 legislative session

Favorable with Amendment

H. 125

An act relating to reporting on the energy transition

Rep. Sibilia of Dover, for the Committee on Energy and Digital Infrastructure, recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. ENERGY TRANSITION ECONOMIC IMPACTS REPORT

(a) On or before December 15, 2025, the Secretary of Natural Resources, in consultation with the relevant State agencies, including the Agency of Agriculture, Food and Markets, the Department of Public Service, the Agency of Transportation, the Department of Labor, the Agency of Commerce and Community Development, and the Department of Taxes, shall publish a report that highlights existing data sources and indicators relevant to the impacts of the changing energy landscape on Vermonters and relevant to understanding the distribution of benefits and burdens by region.

(b) The report shall provide data for the previous five years. The report shall include:

(1) current and forecasted electric rates and the number of customers with electric vehicle rates;

(2) the total megawatts of distributed solar generation facilities, including the amount installed, by county and any active certificate of public good applications;

(3) the number of sellers and volume of heating fuel sales;

(4) the number of homes receiving incentivized weatherization services, by income level and county;

(5) firms and workers in thermal and renewable energy sector trades;

(6) gasoline and diesel transportation fuel sales;

(7) the number and location of retail gasoline and diesel outlets as indicated by metered pumps;

(8) progress in electric vehicle supply equipment installation, both fast charging and Level 2, to meet recommendations in the Comprehensive Energy Plan and Climate Action Plan and their locations;

(9) vehicle registrations by fuel type for light, medium, and heavy-duty vehicles; and

(10) fossil fuel and electricity consumption per unit of economic output.

(c) The report shall also include:

(1) regional distribution and graphic displays of the data compiled;

(2) an analysis of the data and recommendations of any additional data necessary to illustrate the impacts of the changing energy landscape by region;

(3) an identification of existing reports and requirements that may support the reporting of relevant indicators;

(4) consideration of equity and just transition indicators, with the goal of better understanding the benefits and burdens of the changing energy landscape by region; and

(5) any recommendations for future reporting requirements, including how and when all relevant data can be mapped.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

(Committee Vote: 5-3-1)

H. 222

An act relating to participation in a domestic violence accountability program as a condition of a final relief from abuse prevention order

Rep. Arsenault of Williston, for the Committee on Judiciary, recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 12 V.S.A. § 5131 is amended to read:

§ 5131. DEFINITIONS

As used in this chapter:

(1)(A) “Course of conduct” means:

(i) two or more acts over a period of time, however short, in which a person follows, monitors, surveils, threatens, or makes threats about another person, or interferes with another person’s property; or

(ii) use of any electronic, digital, or precise geolocation device or software or application to surveil a specific person or a specific person’s internet or wireless activity continuously for 12 hours or more or on two or more occasions over a period of time, however short, without authorization.

(B) This definition shall apply to acts conducted by the person directly or indirectly, and by any action, method, device, or means. Constitutionally protected activity is not included within the meaning of “course of conduct.”

~~(B)~~(C) As used in subdivision (A) of this subdivision (1), threaten shall not be construed to require an express or overt threat.

* * *

(4) “Reasonable person” means a reasonable person in the victim’s circumstances.

(5) “Sexually assaulted the plaintiff” means that the defendant engaged in conduct that meets elements of lewd and lascivious conduct as defined in 13 V.S.A. § 2601, lewd and lascivious conduct with a child as defined in 13 V.S.A. § 2602, sexual assault as defined in 13 V.S.A. § 3252, aggravated sexual assault as defined in 13 V.S.A. § 3253, use of a child in a sexual performance as defined in 13 V.S.A. § 2822, or consenting to a sexual performance as defined in 13 V.S.A. § 2823, and that the plaintiff was the victim of the offense.

(6) “Stalk” means to engage purposefully in a course of conduct directed at a specific person that the person engaging in the conduct knows or should know would cause a reasonable person to:

(A) fear for ~~his or her~~ the person’s safety or the safety of a family member; or

(B) suffer substantial emotional distress as evidenced by:

(i) a fear of unlawful sexual conduct, unlawful restraint, bodily injury, or death; or

(ii) significant modifications in the person's actions or routines, including moving from an established residence, changes to established daily routes to and from work that cause a serious disruption in the person's life, changes to the person's employment or work schedule, or the loss of a job or time from work.

* * *

Sec. 2. 15 V.S.A. § 1103 is amended to read:

§ 1103. REQUESTS FOR RELIEF

(a) Any family or household member may seek relief from abuse by another family or household member on behalf of ~~himself or herself~~ themselves or ~~his or her~~ their children by filing a complaint under this chapter. A minor 16 years of age or older, or a minor of any age who is in a dating relationship as defined in subdivision 1101(2) of this chapter, may file a complaint under this chapter seeking relief on ~~his or her~~ the minor's own behalf. The plaintiff shall submit an affidavit in support of the order.

(b) Except as provided in section 1104 of this title, the court shall grant relief only after notice to the defendant and a hearing. The plaintiff shall have the burden of proving abuse by a preponderance of the evidence.

(c)(1) The court shall make such orders as it deems necessary to protect the plaintiff or the children, or both, if the court finds that the defendant has abused the plaintiff, and:

(A) there is a danger of further abuse; or

(B) the defendant is currently incarcerated and has been convicted of one of the following: murder, attempted murder, kidnapping, domestic assault, aggravated domestic assault, sexual assault, aggravated sexual assault, stalking, aggravated stalking, lewd or lascivious conduct with a child, use of a child in a sexual performance, or consenting to a sexual performance.

(2) The court order may include the following:

(A) An order that the defendant refrain from abusing the plaintiff or ~~his or her~~ the plaintiff's children, or both, and from interfering with their personal liberty, including restrictions on the defendant's ability to contact the plaintiff or the plaintiff's children, or both, in any way, whether directly, indirectly, or through a third party, with the purpose of making contact with the plaintiff, including in writing or by telephone, ~~e-mail~~ email, or other electronic communication, and restrictions prohibiting the defendant from

coming within a fixed distance of the plaintiff, the children, the plaintiff's residence, or other designated locations where the plaintiff or the plaintiff's children are likely to spend time.

(B) An order that the defendant immediately vacate the household and that the plaintiff be awarded sole possession of a residence.

(C) A temporary award of parental rights and responsibilities in accordance with the criteria in section 665 of this title.

(D) An order for parent-child contact under such conditions as are necessary to protect the child or the plaintiff, or both, from abuse in accordance with section 665a of this title. An order for parent-child contact may, if necessary, include conditions under which the plaintiff may deny parent-child contact pending further order of the court.

(E) If the court finds that the defendant has a duty to support the plaintiff, an order that the defendant pay the plaintiff's living expenses for a fixed period of time not to exceed three months.

(F) If the court finds that the defendant has a duty to support the child or children, a temporary order of child support pursuant to chapter 5 of this title, for a period not to exceed three months. A support order granted under this section may be extended if the relief from abuse proceeding is consolidated with an action for legal separation, divorce, or parentage.

(G) An order concerning the possession, care, and control of any animal owned, possessed, leased, kept, or held as a pet by either party or a minor child residing in the household.

(H) An order that the defendant return any personal documentation in ~~his or her~~ the defendant's possession, including immigration documentation, birth certificates, and identification cards:

(i) pertaining to the plaintiff; or

(ii) pertaining to the plaintiff's children if relief is sought for the children or for good cause shown.

(I) An order awarding possession of a vehicle to the plaintiff for a set period of time, provided that the plaintiff:

(i) is the owner or joint owner of the vehicle;

(ii) is the primary payor on the vehicle loan;

(iii) has primary possession or control of the vehicle; or

(iv) has been restricted from using the vehicle by the defendant.

(J) An order requiring the defendant to complete a domestic violence accountability program approved by the Council on Domestic Violence. Failure to complete the program shall not be considered a crime for any purpose, including 13 V.S.A. § 1030, but may subject the defendant to civil contempt proceedings. Successful completion of the program shall be considered a substantial change in circumstances for purposes of requests to modify an order. A court may consider a defendant's failure to successfully complete the program when determining whether to extend an order.

* * *

Sec. 3. 15 V.S.A. § 1104 is amended to read:

§ 1104. EMERGENCY RELIEF

(a) In accordance with the Vermont Rules of Civil Procedure, temporary orders under this chapter may be issued ex parte, without notice to the defendant, upon motion and findings by the court that the defendant has abused the plaintiff or the plaintiff's children, or both. The plaintiff shall submit an affidavit in support of the order, which may be sworn to or affirmed by administration of the oath over the telephone to the applicant by an employee of the Judiciary authorized to administer oaths and shall conclude with the following statement: "I declare under the penalty of perjury pursuant to the laws of the State of Vermont that the foregoing is true and accurate. I understand that making false statements is a crime subject to a term of imprisonment or a fine, or both, as provided by 13 V.S.A. § 2904." The authorized person shall note on the affidavit the date and time that the oath was administered. A minor 16 years of age or older, or a minor of any age who is in a dating relationship as defined in subdivision 1101(2) of this chapter, may seek relief on the minor's own behalf. Relief under this section shall be limited as follows:

(1) Upon a finding that there is an immediate danger of further abuse, an order may be granted requiring the defendant:

(A) to refrain from abusing the plaintiff or the plaintiff's children, or both, or from cruelly treating as defined in 13 V.S.A. § 352 or 352a or killing any animal owned, possessed, leased, kept, or held as a pet by either party or by a minor child residing in the household;

(B) to refrain from interfering with the plaintiff's personal liberty or the personal liberty of the plaintiff's children, or both;

(C) to refrain from coming within a fixed distance of the plaintiff, the plaintiff's children, the plaintiff's residence, or the plaintiff's place of employment;

(D) to refrain from contacting the plaintiff or the plaintiff's children, or both, in any way, whether directly, indirectly, or through a third party, with the purpose of making contact with the plaintiff, including in writing or by telephone, ~~e-mail~~ email, or other electronic communication; or

(E) to immediately relinquish, until the expiration of the order, all firearms that are in the defendant's possession, ownership, or control and to refrain from acquiring or possessing any firearms while the order is in effect.

(2) Upon a finding that the plaintiff or the plaintiff's children, or both, have been forced from the household and will be without shelter unless the defendant is ordered to vacate the premises, the court may order the defendant to vacate immediately the household and may order sole possession of the premises to the plaintiff.

(3) Upon a finding that there is immediate danger of physical or emotional harm to minor children, the court may award temporary custody of these minor children to the plaintiff or to other persons.

(4) Upon a finding that the plaintiff's possession of a vehicle is necessary to escape abuse or prevent further abuse, the court may award the possession of a vehicle to the plaintiff for a set period of time, provided that the plaintiff:

(A) is the owner or joint owner of the vehicle;

(B) is the primary payor on the vehicle loan;

(C) has primary possession or control of the vehicle; or

(D) has been restricted from using the vehicle by the defendant.

(b) Every order issued under this section shall contain the name of the court, the names of the parties, the date of the petition, and the date and time of the order and shall be signed by the judge. Every order issued under this section shall inform the defendant that if ~~he or she~~ the defendant fails to appear at the final hearing, the temporary order will remain in effect until the final order is served on the defendant unless the temporary order is dismissed by the court. Every order issued under this section shall state upon its face a date, time, and place when the defendant may appear to petition the court for modification or discharge of the order. This opportunity to contest shall be scheduled as soon as reasonably possible, which in no event shall be more than 14 days from the date of issuance of the order. At such hearings, the plaintiff shall have the burden of proving abuse by a preponderance of the evidence. If the court finds that the plaintiff has met ~~his or her~~ the burden, it shall continue the order in effect and make such other order as it deems necessary to protect the plaintiff.

* * *

Sec. 4. 15 V.S.A. § 1140 is amended to read:

§ 1140. DOMESTIC VIOLENCE FATALITY REVIEW COMMISSION

* * *

(g) The Commission shall report its findings and recommendations to the Governor, the General Assembly, the Chief Justice of the Vermont Supreme Court, and the Vermont Council on Domestic Violence not later than the third Tuesday in January of the first year of the biennial session. The report shall be available to the public through the Office of the Attorney General. The Commission may issue data or other information periodically, in addition to the biennial report. 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.

(h) In the findings and recommendations required by subsection (g) of this section, the Commission shall report the number of defendants ordered to complete a domestic violence accountability program approved by the Council on Domestic Violence pursuant to 15 V.S.A. § 1103(c)(2)(J) and the number of those defendants who completed the program.

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

and that after passage the title of the bill be amended to read: “An act relating to civil orders of protection”

(Committee Vote: 9-0-2)

H. 231

An act relating to technical corrections to fish and wildlife statutes

Rep. Satcowitz of Randolph, for the Committee on Environment, recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 10 V.S.A. § 4001 is amended to read:

§ 4001. DEFINITIONS

Words and phrases used in this part, unless otherwise provided, shall be construed to mean as follows:

* * *

(6) ~~Pickereel: the great northern pike, chain pickerel, or muskellunge.~~
[Repealed.]

(7) ~~Pike perch; walleyed or yellow pike.~~ [Repealed.]

* * *

Sec. 2. 10 V.S.A. § 4905 is amended to read:

§ 4905. BIRDS' NESTS AND EGGS; DESTROYING OR ROBBING

A person shall not take or ~~wilfully~~ willfully destroy the nests or eggs of wild birds, other than rock pigeons, the English sparrow, starling, or purple grackle house sparrows, or European starlings, except when necessary to protect buildings and the nests to be removed contain no eggs or chicks and are no longer being used by birds for feeding, or when taken as provided in section 4152 of this title.

Sec. 3. 10 V.S.A. § 4502 is amended to read:

§ 4502. UNIFORM POINT SYSTEM; REVOCATION OF LICENSE

(a) A uniform point system that assigns points to those convicted of a violation of a provision of this part is established. The conviction report from the court shall be prima facie evidence of the points assessed. In addition to other penalties assessed for violation of fish and wildlife statutes, the Commissioner shall suspend licenses issued under this part that are held by a person who has accumulated 10 or more points in accordance with the provisions of subsection (c) of this section.

(b) A person violating provisions of this part shall receive points for convictions in accordance with the following schedule (all sections are in this title of the Vermont Statutes Annotated):

(1) Except for biological collection violations determined to be nonpoint violations under the rules of the Board, five points shall be assessed for any violation of statutes or rules adopted under this part except those listed in subdivisions (2) and (3) of this subsection.

(2) Ten points shall be assessed for:

* * *

(I) ~~§ 4706. Snaring animals~~ [Repealed.]

* * *

(Y) ~~Appendix § 2; Appendix § 33, section 14.3.~~ Reporting of big game

* * *

(II) ~~Appendix § 37, as it applies to annual deer limits~~ section 10. Novice season

(JJ) § 4742a. Youth deer hunting weekend. The points shall be assessed solely against the adult who is accompanying the youth hunter.

(KK) § 4908. Youth turkey hunting weekend. The points assessed against the adult accompanying the youth hunter.

(LL) § 4256. Mentored hunting license. The points shall be assessed against the licensed adult who is accompanying the individual holding the mentored hunting license.

(MM) § 4827a. Feeding a black bear

(NN) § 4826. Taking deer doing damage

(OO) § 22a. Taking turkey doing damage

(PP) § 35. Taking moose doing damage

(QQ) ~~Appendix § 22, section 6.7; Appendix § 33, section 13.1(g); Appendix § 37, section 7.7. Possession or transport of a cocked crossbow in or on a motor vehicle, motorboat, airplane, snowmobile, or other motor-propelled vehicle [Repealed.]~~

(RR) ~~Appendix § 7, section 6.3(b). Hunting bear with any dog not listed on the permit [Repealed.]~~

* * *

(3) Twenty points shall be assessed for:

(A) ~~§ 4192. General powers and duties; failure to obey warden [Repealed.]~~

* * *

(I) § 4745. Taking deer big game out of season prohibited

* * *

(O) Appendix § 7, sections 4.2, ~~5.1, 5.2,~~ 5.3, 6.1, 6.2, 6.3(b), 6.3(d), 6.3(e), ~~6.4, 6.5(e), 6.5(d),~~ 7.1, and 7.2, 7.3, and 7.4. Bear, unauthorized taking

(P) Appendix § 22. Turkey season, excluding: requirements for youth turkey hunting season; section 6.2, and size of shot used or possessed; and section 6.7, transport of cocked crossbow

* * *

(U) Appendix § 37. Deer management rule, excluding requirements for youth deer hunting weekend; requirements for novice season; limitations on feeding of deer; ~~section 7.7, transport of cocked crossbow;~~ reporting big game; and section 11.0, ban of urine and other natural lures

* * *

(W) ~~§ 4711. Crossbow hunting [Repealed.]~~

(X) ~~Appendix § 4. Hunting with a crossbow without a permit or license [Repealed.]~~

* * *

(Z) ~~Appendix § 44, section 4.6. Use of tooth jawed traps~~

(AA) ~~Appendix § 44, section 4.11. Taking furbearers with poison~~

(BB) ~~Appendix § 44, section 4.12. Taking furbearers from a den~~

(CC) § 4716. Holding or conducting a coyote-hunting competition

(DD) § 4706. Snaring animals

* * *

Sec. 4. 10 V.S.A. § 4705 is amended to read:

§ 4705. SHOOTING FROM MOTOR VEHICLES OR AIRCRAFT;
SHOOTING FROM OR ACROSS HIGHWAY; PERMIT

(a) A person shall not take or attempt to take a wild animal by shooting from a motor vehicle, motorboat, airplane, snowmobile, or other motor-propelled craft or any vehicle drawn by a motor-propelled vehicle except as permitted under subsection (e) of this section.

(b) A person shall not carry or possess while in or on a vehicle propelled by mechanical power or drawn by a vehicle propelled by mechanical power within the right-of-way of a public highway any of the following:

(1) a rifle or, airgun, shotgun, or other projectile implement containing a loaded cartridge or shell in the chamber, mechanism, or in a magazine, or clip within a rifle or shotgun, or;

(2) a muzzle-loading rifle or muzzle-loading shotgun that has been charged with powder and projectile and the ignition system of which has been enabled by having an affixed or attached percussion cap, primer, battery, or priming powder, except as permitted under subsections (d) and (e) of this section;

(3) unless it is uncocked, a person shall not possess or transport a crossbow in or on a motor vehicle, motorboat, airplane, snowmobile, or other motor-propelled craft or any vehicle drawn by a motor-propelled vehicle except as permitted under subsection 47059e); and

(4) a person who possesses a rifle, crossbow, or shotgun, including a muzzle-loading rifle or muzzle-loading shotgun, in or on a vehicle propelled by mechanical power, or drawn by a vehicle propelled by mechanical power within a right-of-way of a public highway shall upon demand of an enforcement officer exhibit the firearm for examination to determine compliance with this section.

(c) A person while on or within 25 feet of the traveled portion of a public highway, except a public highway designated Class 4 on a town highway map, shall not take or attempt to take any wild animal by shooting a firearm, a muzzle loader, a bow and arrow, or a crossbow. A person while on or within the traveled portion of a public highway designated Class 4 on a town highway map shall not take or attempt to take any wild animal by shooting a firearm, a muzzle loader, a bow and arrow, or a crossbow. A person shall not shoot a firearm, a muzzle loader, a bow and arrow, or a crossbow over or across the traveled portion of a public highway, except for a person shooting over or across the traveled portion of a public highway from a sport shooting range, as that term is defined in section 5227 of this title, provided that:

(1) the sport shooting range was established before January 1, 2014; and

(2) the operators of the sport shooting range post signage warning users of the public highway of the potential danger from the sport shooting range.

(d) This section shall not restrict the possession or use of a loaded firearm by an enforcement officer in performance of ~~his or her~~ the officer's duty.

(e) Subsections (a) and (c) of this section shall not apply to a licensed hunter with paraplegia or who is certified by a physician to be unable to pursue game because of permanent severe physical disability, if ~~he or she~~ the licensed hunter obtains a permit as provided in this subsection. The Commissioner on receipt of satisfactory proof of the disability of an applicant may issue a permit under this subsection. This permit shall be attached to the license and shall remain in effect until the death of the holder, unless the Commissioner has reason to believe the permit is misused. The holder of the permit shall carry it at all times while hunting and shall produce it on demand for inspection by any game warden or other law enforcement officer authorized to make arrests. The holder of the permit may take game from a vehicle or boat but only if it is stationary and is not within 10 feet of the traveled portion of a public highway. In no event shall the holder of a permit shoot across the traveled portion of a public highway.

(f) The phrase "public highway," as used in this section, means roads, including Class 4 roads, shown on the highway maps of the respective towns,

made by the Agency of Transportation, but does not include foot trails or private roads.

Sec. 5. 23 V.S.A. § 3317(b) is amended to read:

(b) Penalty or fine; \$300.00 or \$1,000.00 maximum. A person who violates a requirement under 10 V.S.A. § 1454 shall be subject to enforcement under 10 V.S.A. § 8007 or 8008 or a fine under this chapter, provided that the person shall be assessed a penalty or fine of not more than \$1,000.00 for each violation. A person who violates a rule adopted under 10 V.S.A. § 1424 shall be subject to enforcement under 10 V.S.A. chapter 201 or a fine under this chapter, provided that the person shall be assessed a penalty of not more than \$300.00 for each violation. A person who violates any of the following sections of this title shall be subject to a penalty of not more than \$300.00 for each violation:

* * *

Sec. 6. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

(a) The Judicial Bureau is created within the Judicial Branch under the supervision of the Supreme Court.

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

* * *

(19) Violations of rules adopted under 10 V.S.A. § 1424, relating to the use of public waters.

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee Vote: 11-0-0)

H. 259

An act relating to preventing workplace violence in hospitals

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

Sec. 1. 18 V.S.A. § 1911b is added to read:

§ 1911b. WORKPLACE VIOLENCE PREVENTION PLANNING

(a)(1) A hospital licensed pursuant to this chapter shall establish and implement a security plan for preventing workplace violence and managing

aggressive behaviors. Each hospital shall establish a team for the purpose of providing advice during the development of the hospital's security plan. The hospital shall select individuals from the following groups to serve on its security plan development team:

(A) health care employees providing direct patient care at the hospital;

(B) representatives from the designated agency serving the region where the hospital is located; and

(C) representatives of relevant law enforcement agencies.

(2) The security plan shall be based on the results of a security risk assessment that addresses all high-risk areas of the hospital, including the emergency department, and all patient care areas. The security risk assessment shall be conducted in consultation with the medical and nursing directors of each department and those hospital employees supervising other high-risk areas of the hospital. The security risk assessment shall consider overall patient volume, crime rates in the community, and the availability of law enforcement to respond to violent incidents at the hospital.

(3) The security plan shall include an option for health care employees who provide direct patient care to request an identification badge containing only their first name or their first name and last initial.

(4)(A) The security plan shall require at least one hospital employee trained in de-escalation strategies to be present at all time in the hospital's emergency department and all other patient care areas.

(B) The security plan shall require that a hospital employee trained in trauma-informed care and victim support serve as a liaison to law enforcement, support victims through the legal process, and ensure that the response to incidents of violence at the hospital prioritize the safety and retention of hospital employees providing health care services.

(5) The security plan shall establish training requirements for appropriate hospital employees on the following:

(A) the culture of safety as determined by the hospital;

(B) response to the presence or use of weapons;

(C) defensive tactics;

(D) de-escalation techniques;

(E) appropriate physical restraint and seclusion techniques;

(F) crisis intervention;

(G) trauma-informed care and strategies;

(H) clinician well-being practices;

(I) presence and intervention of law enforcement; and

(J) safely addressing situations involving patients, family members, or other individuals who pose a risk of self-harm or harm to others.

(6) The security plan shall include guidelines indicating when a law enforcement officer should remain with a patient who has demonstrated violence or harm to others pursuant to 18 V.S.A. § 1883. The guidelines shall be developed jointly by a health care provider representative and law enforcement.

(7)(A) A hospital shall review and evaluate the security plan developed pursuant to this subsection annually in conjunction with the data collected pursuant to subdivision (b)(3) of this section. If necessary, the hospital shall revise the security plan.

(B) The security plan and any annual revisions to the security plan shall be distributed annually to all hospital employees, volunteers, the hospital's board of directors, relevant law enforcement agencies, and any other partners identified by the security plan development team.

(b)(1) A hospital licensed pursuant to this chapter shall establish and utilize a workplace violence incident reporting system to document, track, analyze, and evaluate incidents of workplace violence at the hospital. Data collection through the reporting system and resulting analysis shall be used to improve workplace safety and to manage aggressive behaviors, including improvements achieved through continuing education in targeted areas such as de-escalation training, risk identification, and prevention planning.

(2) All hospital employees shall be notified about the existence of the reporting system and shall receive training on how to report incidents of workplace violence to the hospital, hospital security, law enforcement, or any other entity the hospital deems appropriate.

(3) A hospital shall use its reporting system to track the following:

(A) the number of reported incidents; and

(B) the number of incidents reported to law enforcement.

(c) A hospital shall adopt a policy prohibiting discrimination or retaliation for:

- (1) reporting an incidence of workplace violence;
- (2) seeking assistance or intervention from the hospital, hospital security, law enforcement, or any other appropriate entity; or
- (3) participating or refusing to participate in an investigation of workplace violence.

(d)(1) A hospital shall post a notice in a conspicuous location, either electronically or in print, indicating that hospital employees do not tolerate an unsafe work environment where any type of threatening or aggressive behavior is present. The notice shall remind hospital patrons of the serious legal consequences of assaulting a hospital employee.

(2) As used in this subsection, “conspicuous” could include the hospital’s website, waiting room areas, or any other areas of the hospital that the hospital deems appropriate.

(e) The Agency of Human Services shall collaborate with hospitals to identify incentives, funding sources, and other means to support the development and operation of workplace violence prevention programs at hospitals.

Sec. 2. 18 V.S.A. § 9435 is amended to read:

§ 9435. EXCLUSIONS

* * *

(i) Excluded from this subchapter are expenditures by a hospital that are necessary to implement the security plan required pursuant to section 1911b of this title.

Sec. 3. 18 V.S.A. § 9454 is amended to read:

§ 9454. HOSPITALS; DUTIES

(a) Hospitals shall file the following information at the time and place and in the manner established by the Board:

- (1) a budget for the forthcoming fiscal year;
- (2) financial information, including costs of operation, revenues, assets, liabilities, fund balances, other income, rates, charges, units of services, and wage and salary data;
- (3) scope-of-service and volume-of-service information, including inpatient services, outpatient services, and ancillary services by type of service provided;
- (4) utilization information;

(5) new hospital services and programs proposed for the forthcoming fiscal year;

(6) costs associated with implementing their security plan pursuant to section 1911b of this title, including capital investments, program operation, and staff;

(7) known depreciation schedules on existing buildings, a four-year capital expenditure projection, and a one-year capital expenditure plan; and

~~(7)~~(8) such other information as the Board may require.

* * *

Sec. 4. 18 V.S.A. § 9456 is amended to read:

§ 9456. BUDGET REVIEW

(a) The Board shall conduct reviews of each hospital's proposed budget based on the information provided pursuant to this subchapter and in accordance with a schedule established by the Board.

* * *

(c) Individual hospital budgets established under this section shall:

* * *

(5) include a finding that the analysis provided in subdivision (b)(9) of this section is a reasonable methodology for reflecting a reduction in net revenues for non-Medicaid payers; ~~and~~

(6) demonstrate that they support equal access to appropriate mental health care that meets standards of quality, access, and affordability equivalent to other components of health care as part of an integrated, holistic system of care; and

(7) take into consideration the costs associated with implementing a security plan pursuant to section 1911b of this title.

* * *

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee Vote: 10-0-1)

Favorable

H. 396

An act relating to the creation of the Mollie Beattie Distinguished Service Award

Rep. Lipsky of Stowe, for the Committee on Agriculture, Food Resiliency, and Forestry, recommends the bill ought to pass.

(Committee Vote: 5-0-3)

NOTICE CALENDAR

Committee Bill for Second Reading

H. 474

An act relating to miscellaneous changes to election law

(Rep. Waters Evans of Charlotte will speak for the Committee on Government Operations and Military Affairs.)

Favorable with Amendment

H. 80

An act relating to the Office of the Health Care Advocate

Rep. Critchlow of Colchester, for the Committee on Health Care, recommends that the bill be amended as follows:

First: In Sec. 1, 8 V.S.A. § 4062, by striking out subdivision (c)(3)(A) in its entirety and inserting in lieu thereof a new subdivision (c)(3)(A) to read as follows:

(3)(A) In addition to the public comment provisions set forth in this subsection (c), the Office of the Health Care Advocate established in 18 V.S.A. chapter 229, acting on behalf of health insurance consumers in this State, may, within 30 calendar days after the Board receives an insurer's rate request pursuant to this section, submit to the Board, in writing, ~~suggested~~ questions regarding with an articulable nexus to the filing for that the Board to provide to shall ask the insurer, either directly or through its contracting actuary, if any.

Second: In Sec. 3, 18 V.S.A. chapter 229, in section 9604, by striking out subdivision (b)(1) in its entirety and inserting in lieu thereof a new subdivision (b)(1) to read as follows:

(1) When appropriate, State agencies shall allow the Office to access confidential or proprietary information that is otherwise exempt from public

inspection and copying under the Public Records Act and to participate in meetings, deliberations, and proceedings in which confidential or proprietary information is discussed; provided, however, that nothing in this section shall require a State agency to provide or disclose information that is prohibited from disclosure by State or federal law or that would cause the provider or discloser to violate any statutory or common law privilege.

(Committee Vote: 10-0-1)

H. 167

An act relating to establishing the Vermonters Feeding Vermonters Grant at the Agency of Agriculture, Food and Markets

Rep. Bos-Lun of Westminster, for the Committee on Agriculture, Food Resiliency, and Forestry, recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

The General Assembly finds that:

(1) Food insecurity in Vermont, and across the country, has increased in recent years after a decrease during the COVID-19 pandemic.

(2) Increased access to produce improves health outcomes for individuals.

(3) For local food purchased from Vermont farms, every dollar spent contributes an additional \$0.60 to the local economy.

(4) Vermont Foodbank has been administering the Vermonters Feeding Vermonters Program since 2018, injecting \$9.5 million dollars into the Vermont agricultural economy since 2018 by purchasing over 5.7 million pounds of local food and supporting 299 farms in 2024.

(5) The General Assembly should ensure the continued operation of the Vermonters Feeding Vermonters Program by Vermont Foodbank by establishing a grant program at the Agency of Agriculture, Food and Markets to provide ongoing, annual appropriations to the Program.

Sec. 2. 6 V.S.A. chapter 207, subchapter 4 is added to read:

Subchapter 4. Vermonters Feeding Vermonters Grant Program

§ 4631. VERMONTERS FEEDING VERMONTERS GRANT PROGRAM

(a) As used in this section, “local food” has the same meaning as “local” in 9 V.S.A. § 2465a(b).

(b) There is created in the Agency of Agriculture, Food and Markets the Vermonters Feeding Vermonters Grant Program to provide grants to Vermont Foodbank to:

(1) purchase local food directly from Vermont farms to distribute through Vermont Foodbank's distribution channels; and

(2) offer subgrants to:

(A) Vermont Foodbank's network partners to buy directly from local farms of all sizes a variety of agricultural commodities and products; and

(B) Vermont Foodbank's partners that buy directly from local farms of all sizes with a focus on providing culturally preferred foods or local relationships.

(c)(1) The Vermont Foodbank, after consultation with the Secretary of Agriculture, Food and Markets, shall report annually on or before March 1 to the House Committee on Agriculture, Food Resiliency, and Forestry and the Senate Committee on Agriculture regarding implementation and administration of the Vermonters Feeding Vermonters Grant Program. The report shall include:

(A) the total amount of food purchased with grants from the Program;

(B) the total number of farms purchased from;

(C) the total number of sites where food purchased under the Program was distributed; and

(D) if grants from the Program are used to purchase farm shares, the total number of shares.

(2) When the Vermont Foodbank reports under this section, information regarding persons receiving food under the Program shall be provided in a form that does not disclose the identity of the individual persons, households, or businesses from whom the information was obtained or whose characteristics, activities, or products the information is about.

Sec. 3. APPROPRIATION

In addition to other funds appropriated in fiscal year 2026, \$2,000,000.00 is appropriated from the General Fund to the Agency of Agriculture, Food and Markets to implement the Vermonters Feeding Vermonters Grant Program established pursuant to 6 V.S.A. § 4631. The Agency of Agriculture, Food and Markets may use up to \$67,500.00 of the appropriation under this section

for the purposes of administering the Vermonters Feeding Vermonters Grant Program.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee Vote: 8-0-0)

H. 209

An act relating to intranasal epinephrine in schools

Rep. Harple of Glover, for the Committee on Education, recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 16 V.S.A. § 1388 is amended to read:

§ 1388. STOCK SUPPLY AND EMERGENCY ADMINISTRATION OF
EPINEPHRINE AUTO-INJECTORS

(a) As used in this section:

(1) “Designated personnel” means a school employee, agent, or volunteer, or practical nurse licensed pursuant to 26 V.S.A. chapter 28 who has been authorized by the school administrator nurse to provide and administer epinephrine auto-injectors and intranasal epinephrine under this section and who has completed the training required by State Board policy.

(2) “Epinephrine auto-injector” means a single-use device that delivers a premeasured dose of epinephrine.

(3) “Health care professional” means a physician licensed pursuant to 26 V.S.A. chapter 23 or 33, an advanced practice registered nurse licensed to prescribe drugs and medical devices pursuant to 26 V.S.A. chapter 28, or a physician assistant licensed to prescribe drugs and medical devices pursuant to 26 V.S.A. chapter 31.

(4) “Intranasal epinephrine” means a nasal spray delivering a dose of epinephrine.

(5) “School” means a public or approved independent school and extends to school grounds, school-sponsored activities, school-provided transportation, and school-related programs.

(5)(6) “School administrator” means a school’s principal or headmaster.

(7) “School nurse” means a school nurse endorsed by the Agency of Education pursuant to the Licensing of Educators and the Preparation of Educational Professionals rule (CVR 22-000-010).

(b)(1) A health care professional may prescribe an epinephrine auto-injector or intranasal epinephrine, or both, in a school’s name, which may be maintained by the school for use as described in subsection (d) of this section. The health care professional, in consultation with the school nurse, shall issue to the school a standing order for the use of an epinephrine auto-injector prescribed under this section, including protocols for:

(A) assessing whether an individual is experiencing a potentially life-threatening allergic reaction;

(B) administering an epinephrine auto-injector and intranasal epinephrine to an individual experiencing a potentially life-threatening allergic reaction;

(C) caring for an individual after administering an epinephrine auto-injector ~~to him or her~~ or intranasal epinephrine, including contacting emergency services personnel and documenting the incident; and

(D) disposing of used or expired epinephrine auto-injectors and intranasal epinephrine.

(2) A pharmacist licensed pursuant to 26 V.S.A. chapter 36 or a health care professional may dispense prescribed epinephrine auto-injectors ~~prescribed or intranasal epinephrine, or both~~, to a school.

(c) A school may maintain a stock supply of epinephrine auto-injectors or intranasal epinephrine, or both. A school may enter into arrangements with ~~epinephrine auto-injector~~ manufacturers or suppliers of epinephrine auto-injectors or intranasal epinephrine, or both, to acquire ~~epinephrine auto-injectors~~ these products for free or at reduced or fair market prices.

(d) The school administrator may authorize a school nurse ~~or, who in turn may authorize~~ designated personnel, ~~or both~~, to:

(1) provide an epinephrine auto-injector or intranasal epinephrine to a student for self-administration according to a plan of action for managing the student’s life-threatening allergy maintained in the student’s school health records pursuant to section 1387 of this title;

(2) administer a prescribed epinephrine auto-injector or intranasal epinephrine to a student according to a plan of action maintained in the student’s school health records; and

(3) administer an epinephrine auto-injector or intranasal epinephrine, in accordance with the protocol issued under subsection (b) of this section, to a student or other individual at a school if the nurse or designated personnel believe in good faith that the student or individual is experiencing anaphylaxis, regardless of whether the student or individual has a prescription for an epinephrine auto-injector or intranasal epinephrine.

(e) Designated personnel, a school, and a health care professional prescribing an epinephrine auto-injector or intranasal epinephrine, or both, to a school shall be immune from any civil or criminal liability arising from the administration or self-administration of an epinephrine auto-injector or intranasal epinephrine under this section, unless the person's conduct constituted intentional misconduct. Providing or administering an epinephrine auto-injector or intranasal epinephrine under this section does not constitute the practice of medicine.

(f) ~~On or before January 1, 2014, the~~ The State Board, in consultation with the Department of Health, shall adopt policies for managing students with life-threatening allergies and other individuals with life-threatening allergies who may be present at a school. The policies shall:

(1) establish protocols to prevent exposure to allergens in schools;

(2) establish procedures for responding to life-threatening allergic reactions in schools, including postemergency procedures;

(3) implement a process for ~~schools~~ school nurses and the parents or guardians of students with a life-threatening allergy to jointly develop a written individualized allergy management plan of action that:

(A) incorporates instructions from a student's ~~physician~~ health care professional regarding the student's life-threatening allergy and prescribed treatment;

(B) includes the requirements of section 1387 of this title, if a student is authorized to possess and self-administer emergency medication at school;

(C) becomes part of the student's health records maintained by the school; and

(D) is updated each school year;

(4) require education and training for school nurses and designated personnel, including training related to storing and administering an epinephrine auto-injector or intranasal epinephrine and recognizing and responding to a life-threatening allergic reaction; and

(5) require each school to make publicly available protocols and procedures developed in accordance with the policies adopted by the State Board under this section.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee Vote: 11-0-0)

H. 219

An act relating to creating a family support pilot program for incarcerated parents and guardians

Rep. Sweeney of Shelburne, for the Committee on Corrections and Institutions, recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. INTENT

(a) It is the intent of the General Assembly that the Department of Corrections ensures gender parity in the access to services and programs that strengthen family connections.

(b) It is the further intent of the General Assembly that the Department of Corrections develop a phased plan to expand the application of 28 V.S.A. § 128 to all Vermont correctional facilities by 2028.

Sec. 2. 28 V.S.A. § 102(c) is amended to read:

(c) The Commissioner is charged with the following responsibilities:

* * *

(24) To include funding to sufficiently provide and sustain trauma-informed family support services and programming pursuant to section 128 of this title in the Department's annual proposed budget for the next subsequent fiscal year for the purposes of developing the State budget required to be submitted to the General Assembly in accordance with 32 V.S.A. § 306.

Sec. 3. 28 V.S.A. § 128 is added to read:

§ 128. INCARCERATED PARENTS AND GUARDIANS; FAMILY SUPPORT PROGRAM

(a) Family Support Program. The Department of Corrections shall establish the Family Support Program to provide free parenting and family support to all incarcerated individuals who are parents and guardians. The

Program shall include individualized services and programming intended to provide:

(1) increased knowledge and skill for incarcerated parents and guardians to address the specific needs of their children;

(2) resources to incarcerated parents and guardians to engage in needs-specific planning and communication strategies with their children and their children's caregivers;

(3) child-friendly visitation spaces, in consultation with the Department, for in-person and virtual visits between parents or guardians and their children, including establishing safety protocol;

(4) outreach and coordination with appropriate services for the children of incarcerated parents and guardians and the children's caregivers;

(5) improved cross-system coordination and collaboration to deliver necessary services to the families of incarcerated parents and guardians; and

(6) reentry support and preparation for incarcerated parents and guardians.

(b) Program support. The Department may support the operation of the Family Support Program established pursuant to this section through grants of financial assistance to, or contracts for services with, any nonprofit entity that meets the Department's requirements.

(c) Contingent on funding. The Family Support Program established pursuant this section shall operate only to the extent funds are appropriated for its operation.

(d) Annual report. Annually, on or before July 1, the Department shall submit a written report to the House Committees on Corrections and Institutions and on Judiciary and the Senate Committees on Institutions and on Judiciary, concerning:

(1) the funding, participation, and outcomes of the services and programming established pursuant to this section; and

(2) considerations and any progress towards sustained statewide programming and gender parity.

Sec. 4. DEPARTMENT OF CORRECTIONS; FAMILY SUPPORT PROGRAM; IMPLEMENTATION

The Department of Corrections shall first implement the Family Support Program established under 28 V.S.A. § 128 at the Chittenden Regional Correctional Facility and Northern State Correctional Facility.

Sec. 5. APPROPRIATION

(a) The sum of \$115,424.00 is appropriated from the General Fund to the Department of Corrections in fiscal year 2026 for the purpose of supporting the Family Support Program at the Chittenden Regional Correctional Facility in accordance with 28 V.S.A. § 128.

(b) The sum of \$268,155.00 is appropriated from the General Fund to the Department of Corrections in fiscal year 2026 for the purpose of establishing and supporting the Family Support Program at the Northern State Correctional Facility in accordance with 28 V.S.A. § 128.

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

and that after passage the title of the bill be amended to read: “An act relating to establishing the Department of Corrections’ Family Support Program”

(Committee Vote: 9-1-1)

Rep. Squirrell of Underhill, for the Committee on Appropriations, recommends that the report of the Committee on Corrections and Institutions be amended by striking out Sec. 5, appropriation, in its entirety and inserting a new Sec. 5 in lieu thereof to read as follows:

Sec. 5. [Deleted.]

(Committee Vote: 11-0-0)

H. 237

An act relating to prescribing by doctoral-level psychologists

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

Sec. 1. 26 V.S.A. § 3001 is amended to read:

§ 3001. DEFINITIONS

As used in this chapter:

(1) “Practice of psychology” means rendering or offering to render to individuals, groups, or organizations, for a consideration, any service involving the application of principles, methods, and procedures of

understanding, predicting, and influencing behavior that are primarily drawn from the science of psychology. The science of psychology includes assessment, diagnosis, prevention, and amelioration of adjustment problems and emotional and mental disorders of individuals and groups.

(2) “Psychologist” or “practicing psychologist” means a person who is licensed to practice psychology under this chapter.

(3) “Psychologist-doctorate” means a person who is so licensed under this chapter.

(4) “Psychologist-master” means a person who is so licensed under this chapter.

(5) “Board” means the Board of Psychological Examiners established under this chapter.

* * *

(12) “Collaborating practitioner” means a physician licensed to practice medicine pursuant to chapter 23 or 33 with a specialty in psychiatry.

(13) “DSM” means the Diagnostic and Statistical Manual of Mental Disorders current at the time of practice.

(14) “Drug” has the same meaning as section 2022 of this title.

(15) “Prescribing psychologist” means a licensed, doctoral-level psychologist who has undergone specialized training, has passed an examination as determined by rule, and has received a current prescribing specialty under section 3019 of this title that has not been revoked or suspended by the Board.

(16) “Prescription drug” has the same meaning as in section 2022 of this title.

(17) “Prescriptive authority” means the authority to prescribe or discontinue prescription drugs solely for the purpose of diagnosing, treating, or managing a condition recognized in the DSM. “Prescriptive authority” excludes the authority to:

(A) dispense, administer, or distribute prescription drugs; and

(B) prescribe or discontinue prescription drugs for patients who are less than 18 years of age, over 80 years of age, or pregnant.

Sec. 2. 26 V.S.A. § 3009a is amended to read:

§ 3009a. POWERS AND DUTIES OF BOARD

(a) The Board shall adopt rules necessary to perform its duties under this chapter, including rules that:

(1) specify educational and other prerequisites for obtaining licensure;

~~(2) explain complaint and appeal procedures to licensees, applicants, and the public;~~

~~(3) explain continuing education requirements; and~~

(3) regulate prescribing psychologist licensees pursuant to section 3019 of this title, including:

(A) the settings of clinical rotations; and

(B) prescriptive authority, including designation of conditions and drugs excluded from that authority, as well as requirements for the prescribing of particular drugs; and

~~(4) explain how the Board shall investigate suspected unprofessional conduct~~ regulate collaborative practice agreements pursuant to section 3019 of this title, including collaborating practitioner qualifications and annual competency evaluations.

* * *

Sec. 3. 26 V.S.A. § 3019 is added to read:

§ 3019. PRESCRIBING BY DOCTORAL-LEVEL PSYCHOLOGISTS

SPECIALITY

(a) Prescribing psychologist specialty. A psychologist-doctorate may apply to the Board for a prescribing psychologist specialty. The application shall be made in a manner approved by the Board and include the payment of any required fees.

(b) Specialty by examination. A psychologist-doctorate shall be eligible for the prescribing specialty if the psychologist-doctorate:

(1) holds a current license to practice psychology at the doctoral level in the State;

(2) has successfully completed a postdoctoral training program in psychopharmacology designated by the American Psychological Association or its successor;

(3) has completed clinical rotations over a total of not less than 14 months in not less than nine practice settings, to include psychiatry, pediatrics, geriatrics, family medicine, internal medicine, emergency medicine, obstetrics and gynecology, surgery, and one elective;

- (4) has completed a national certifying exam, as determined by rule; and
- (5) meets all other requirements for obtaining a prescribing psychologist specialty, as determined by rule.

(c) Criteria for prescribing medication.

(1) A written collaborative agreement is required for all prescribing psychologists practicing under a prescribing psychologist specialty issued pursuant to this section.

(2) The issuance of prescriptive authority by a collaborating practitioner to a prescribing psychologist shall only include prescription drugs for the treatment of mental health conditions that the collaborating practitioner generally provides to patients in the normal course of practice.

(3) The collaborating practitioner shall file the collaborative agreement with the Board and notice of any termination of the agreement.

(4) Issuance of prescribing authority for Schedule II through V controlled substances shall identify the specific controlled substance by brand name or generic name. Prescription or administration of a controlled substance by injection shall not be allowed.

(d) Specialty by endorsement. The Director of the Board may, upon payment of the required fee, grant a prescribing specialty without examination if:

(1) the applicant holds active psychologist prescribing authority in another U.S. or Canadian jurisdiction; and

(2) the requirements for psychologist prescribing authority in that jurisdiction are, in the judgement of the Director, substantially equivalent to the requirements of this section.

Sec. 4. EFFECTIVE DATES

(a) This section and Sec. 2 (power and duties of the Board) shall take effect on July 1, 2025.

(b) All remaining sections shall take effect on July 1, 2026.

(Committee Vote: 10-0-1)

H. 243

An act relating to the regulation of business organizations

Rep. Cooper of Pownal, for the Committee on Commerce and Economic Development, recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Updates to Title 3 language * * *

Sec. 1. 3 V.S.A. § 102a is amended to read:

§ 102a. FACSIMILE SIGNATURE OF SECRETARY OF STATE

A facsimile of the signature of the Secretary of State imprinted by or at his or her the Secretary's direction upon any certification issued ~~under Title 11 or 11A pursuant to law~~, upon any attestation required of the Secretary by law, or upon any certification of official documents or records of which the Secretary is custodian, shall have the same validity as the Secretary of State's written signature.

Sec. 2. 3 V.S.A. § 133 is amended to read:

§ 133. BUSINESS REGISTRATION

When professional services are required by law to be performed in or by a business entity registered with the Office, the business entity shall:

(1) register with the ~~Corporations~~ Business Services Division of the Office of the Secretary of State, if required by law; and

* * *

* * * Updates to Title 11 language * * *

Sec. 3. 11 V.S.A. chapter 7 is amended to read:

CHAPTER 7. COOPERATIVES GENERAL COOPERATIVE CORPORATIONS AND COOPERATIVE ASSOCIATIONS

Subchapter 1. ~~Provisions Relating to Cooperatives Formed Under General Corporation Law~~ General Cooperative Corporations

§ 981. GENERAL COOPERATIVE CORPORATION; USE OF "COOPERATIVE"

A corporation formed under Title 11A shall not have the word "cooperative" or any abbreviation thereof as part of its name, unless the corporation is a worker cooperative corporation organized under chapter 8 of this title, a cooperative housing corporation organized under chapter 14 of this title, or ~~the~~ a general cooperative corporation that includes in its articles of incorporation ~~contain all of~~ the following provisions:

* * *

Subchapter 2. The Cooperative Marketing Act; Cooperative Associations

§ 991. DEFINITIONS

~~In~~ As used in this subchapter, unless the context or subject matter otherwise requires:

(1) “Agricultural products” includes horticultural, viticultural, forestry, dairy, livestock, poultry, bee, and any farm products.

(2) “Association” means any ~~corporation~~ nonprofit cooperative association organized under this chapter.

(3) “Associations” organized hereunder means nonprofit cooperative associations.

(4) “Consumers’ cooperative” means a ~~corporation~~ an association organized under this chapter for the acquisition and distribution for the benefit of ultimate consumers of property, goods, commodities, or services.

(5) “Handcraft product” means any product fashioned primarily by hand with the final form and its characteristics shaped by hand and produced in the home or a small craft center by the artisan or craftsman in a skilled or artistic process rather than in an assembly line technique.

(6) “Marketing cooperative” means a ~~corporation~~ an association organized under this chapter for the marketing of agricultural or handcraft products.

(7) “Member” includes actual members of associations without capital stock and holders of common stock in associations organized with capital stock.

(8) “Person” includes individuals, firms, partnerships, corporations and associations.

(9) “Railroad cooperative” means any ~~corporation~~ association organized under this chapter for the organization, acquisition, and operation of a general transportation business by railroad, including truck, bus, air, and water transportation subsidiaries of the railroad.

* * *

§ 994. POWERS

Each association incorporated under this subchapter shall have the following powers:

(1) In the case of a marketing cooperative, the power to engage in any activity in connection with the purchasing, marketing, selling, preserving,

harvesting, drying, processing, manufacturing, canning, packing, grading, storing, handling, or utilization of any agricultural or handcraft products or the manufacturing or marketing of the ~~by-products~~ byproducts thereof, any activity in connection with the purchase, hiring, or use by its members of supplies, machinery or equipment, and in financing any of the aforementioned activities. However, a marketing association shall not handle agricultural or handcraft products of nonmembers to an extent greater in value than the products of its own members ~~which~~ that it handles. In the case of a consumers' cooperative, the power to engage in any one or more lawful mode or modes of acquiring, producing, building, operating, manufacturing, furnishing, exchanging, or distributing any type of property, commodities, goods, or services for the primary and mutual benefit of the patrons of the association, or their patrons, if any, as ultimate consumers. In the case of a railroad cooperative, to engage in any activity in connection with the organization, acquisition, and operation of a subsidiary transportation business, whether by means of railroad, truck, water carrier, air, or other. ~~Such a corporation formed under this subchapter shall have any other rights, powers, and privileges granted by the laws of this State to corporations in a like business organized under the general laws of this State.~~

* * *

§ 995. ARTICLES

Each association formed under this subchapter shall prepare and file articles of incorporation setting forth:

- (1) The name of the association.
- (2) The purpose for which it is formed.
- (3) ~~The place where its principal business will be transacted~~ address of its principal office in this State, and the name, email, and address information of an agent for service of process pursuant to section 1655 of this title.
- (4) The names and business addresses of the directors thereof who are to serve until the election and qualification of their successors.
- (5) The name and ~~residence~~ business address of the clerk, and of any other principal the association provides.
- (6) When organized without capital stock, whether the property rights and interest of the members are equal, and, if unequal, the general rules applicable to all members by which the property rights and interest, respectively, of each member shall be determined and fixed, and provision for the admission of new members who shall be entitled to share in the property of the association in accordance with such general rules. This provision or

paragraph of the ~~certificate of organization~~ articles of incorporation shall not be altered, amended, or replaced except by the written consent or vote representing three-fourths of the members.

(7) When organized with capital stock, the amount of such stock, the number of shares into which it is divided, and the par value thereof.

(8) The capital stock may be divided into preferred and one or more classes of common stock. When so divided, the ~~certificate of organization~~ articles of incorporation shall contain a statement of the number of shares of stock to which preference is granted, the number of shares of stock to which no preference is granted, and the nature and definite extent of the preference and privileges granted to each.

(9) The articles of incorporation of any association organized under this subchapter may provide that the members or stockholders thereof shall have the right to vote in person or through another method of communication, including through a telecommunications or electronic medium, but a member or stockholder may not vote by proxy. This provision or paragraph of the articles of incorporation shall not be altered and shall not be subject to amendment.

(10) In addition to the foregoing, the articles of incorporation of any association incorporated hereunder may contain any provision consistent with law with respect to management, regulation, government, financing, indebtedness, membership, the establishment of voting districts and the election of delegates for representative purposes, the issuance, retirement, and transfer of its stock, if formed with capital stock, or any provisions relative to the way or manner in which it shall operate or with respect to its members, officers, or directors and any other provisions relating to its affairs.

(11) The ~~certificate~~ articles of incorporation shall be subscribed by the incorporators and shall be sworn to by one or more of them; and shall be filed with the Secretary of State. A certified copy shall also be filed with the Secretary of Agriculture, Food and Markets.

(12) When so filed, the ~~certificate of organization~~ articles of incorporation or a certified copy thereof shall be received in the courts of this State as prima facie evidence of the facts contained therein and of the due incorporation of such association.

§ 996. AMENDMENT OF ~~CERTIFICATE~~ ARTICLES; STATEMENT OF CHANGE

(a) The ~~certificate of organization~~ articles of incorporation may be altered or amended except as otherwise provided in this subchapter at any regular

meeting or any special meeting called for that purpose. An amendment must first be approved by two-thirds of the directors and adopted by a vote of two-thirds of the members or delegates present and voting at such meeting. Amendments to the ~~certificate of organization~~ articles of incorporation, when so adopted, shall be filed in accordance with the provisions of section 995 of this title.

(b) Notwithstanding subsection (a) of this section, an association shall amend the name, email, or address information of its agent for service of process by submitting to the Secretary of State for filing a statement of change pursuant to section 1655 of this title.

§ 997. FEE

~~For filing a certificate of organization, an association shall pay \$20.00 to the Secretary of State, and for filing an amendment thereto, \$10.00~~ A person who submits a document for filing pursuant to this chapter shall pay to the Secretary of State the amount specified in section 1651 of this title.

* * *

§ 1001. CONTENTS OF BYLAWS

Each association may provide in its bylaws for any or all of the following matters:

* * *

(10) In the case of a ~~consumer's~~ consumers' or railroad cooperative, the method of distributing among members or stockholders and patrons, both members and nonmembers, the net savings derived from the excess of total income over operating expenses. Provision may be made for the accumulation of reserve funds out of net savings.

* * *

§ 1013. OFFICERS

The directors shall elect from their number a president and one or more vice presidents. They shall also elect a secretary, who shall be the clerk of the ~~corporation~~ association, and a treasurer, who need not be directors or members of the association. The directors may combine the two latter offices and designate the combined office as that of secretary-treasurer, or unite both functions and titles in one person. The treasurer may be a bank or any depository, and as such, shall not be considered as an officer, but as a function of the board of directors, and in such case, the secretary shall perform the usual accounting duties of the treasurer, except that the funds shall be deposited only as and where authorized by the board of directors.

* * *

§ 1023. OWNERSHIP OR CONTROL OF OTHER CORPORATIONS

BUSINESS ORGANIZATIONS

An association may organize, form, operate, own, control, have an interest in, own stock of, or be a member of, any other ~~corporation or corporations, with or without capital stock, and~~ business organization engaged in preserving, drying, processing, canning, packing, storing, handling, shipping, utilizing, manufacturing, marketing, or selling the agricultural products handled by the association or byproducts thereof.

§ 1024. WAREHOUSE RECEIPTS

~~When such corporations are warehousing corporations, they~~ An association engaged in warehousing may issue negotiable or nonnegotiable warehouse receipts of the association against the commodities delivered, and such warehouse receipts shall be considered as adequate collateral to the extent of the usual and current value of the commodity represented thereby. In case such warehouse is licensed, or licensed and bonded, under the laws of this or any other state of the United States, its warehouse receipt delivered to the association on commodities of the association or its members, or delivered by the association or by its members, shall not be challenged or discriminated against because of ownership or control, wholly or in part, by the association.

* * *

Subchapter 3. Consolidation of Cooperative Associations

§ 1061. PROCEDURE

Two or more cooperative associations organized under, or which have adopted the provisions of subchapter ~~4~~ 2 of this chapter, or similar laws of other states, whether having or not having capital stock, may merge or consolidate into one cooperative association which may be a new cooperative association or one of the constituent cooperatives by complying with the following requirements:

* * *

(3) If the articles of merger or consolidation are adopted by the affirmative vote of not less than two-thirds of the members attending and voting of each consolidating cooperative voting thereon at the meeting called to consider the same, or by not less than by a two-thirds vote of its delegates if qualified as provided in subdivision (4) of this section, articles of merger or consolidation in the form adopted shall be executed under its seal and acknowledged on behalf of each consolidating cooperative by its president or

vice-president. Such articles of merger or consolidation shall recite that they are executed pursuant to this subchapter and shall state:

(A) the name of each consolidating cooperative and the address of its principal office;

(B) the name of the new cooperative and the address of its principal office in this State, or if none, the name, email, and address of an agent for service of process pursuant to section 1655 of this title;

(C) a statement that each consolidating cooperative agrees to the merger or consolidation;

(D) the names and business addresses of the directors of the new cooperative, and of any other principal the association provides; and

(E) the terms and conditions of the merger or consolidation and the mode of carrying the same into effect, including the manner in which the members of the consolidating cooperative may or shall become members of the new cooperative; and may contain provisions, not inconsistent with law or this subchapter, which are deemed necessary or advisable for the conduct of the business of the new cooperative.

(4) The president or vice president and the clerk or secretary of each consolidating cooperative executing such articles of merger or consolidation shall make and annex thereto an affidavit stating that the provisions of this section in respect to such articles were duly complied with by such cooperative.

~~(4)~~(5) In the case of any consolidating cooperative having a district election of delegates and a delegate system of voting as permitted by subdivision 995(10) of this title, in which, under its articles of incorporation or bylaws, such delegates have complete voting power on behalf of the membership for every purpose, except that of their own election and the election of district directors, the vote adopting the merger or consolidation required by subdivision (3) of this section shall be that of not less than two-thirds of the delegates attending and voting at such meeting.

* * *

§ 1063. FEE

~~For filing articles of merger or consolidation the new cooperative shall pay \$20.00 to the Secretary of State; and for filing an amendment thereof \$10.00. [Repealed.]~~

* * *

Sec. 4. 11 V.S.A. chapter 15 is amended to read:

CHAPTER 15. REGISTRATION OF BUSINESS ENTITIES ASSUMED
BUSINESS NAMES, PARTNERSHIPS, AND UNINCORPORATED
NONPROFIT ASSOCIATIONS; ADMINISTRATIVE AUTHORITY;
ADMINISTRATIVE PROVISIONS

Subchapter 1. Assumed Business Names, Partnerships, and Unincorporated
Nonprofit Associations

§ 1621. REGISTRATION OF ASSUMED BUSINESS NAME BY PERSONS
NAMES, PARTNERSHIPS, AND UNINCORPORATED
NONPROFIT ASSOCIATIONS

~~(a) A person doing business in this State under any name other than his or her own, and every copartnership~~ An individual doing business under an assumed business name, or a partnership or unincorporated nonprofit or association of individuals, except corporations and limited liability companies, doing business in this State, resident or nonresident, shall cause to be recorded with submit to the Secretary of State for filing a return setting forth a registration that provides:

~~(1) the name under which such business is carried on, the name of the business;~~

~~(2) the name of the town wherein such place of business is located, the address of its principal office;~~

~~(3) a brief description of the kind of business to be transacted under such name, and its business purpose;~~

~~(4) the individual names and residences of all persons, general partners, or members so doing business thereunder the name and business address of the individual doing business under the assumed name, as a partner of the partnership, or as a member of the association, and of any other principal the registrant provides; and~~

~~(5) for each individual, partner, or member who is not a resident of this State, or for whom the registrant does not provide an address in this State for service of process, the name, email, and address information of an agent for service of process pursuant to section 1655 of this title.~~

~~(b) Such returns~~ A registration shall be subscribed and sworn to by one or more of the persons so doing business, and shall be a person with authority to act on behalf of the registrant and filed with the Secretary of State within not later than 10 days after commencement of business.

(c) The Secretary of State shall decline to register any business name unless the name is distinguishable in the records of the Secretary of State from any other business name of any name registered or reserved under this chapter, or the name of any other entity, whether domestic or foreign, that is reserved, registered, or granted by or with the Secretary of State, or any name that would lead a reasonable person to conclude that the business is a type of entity that it is not.

(d) The Secretary of State shall establish rules ~~and regulations~~ for the administration of this section.

(e) Prior to registering its business name under this section, a person intending to operate a postsecondary school, as defined in 16 V.S.A. §§ 176 and 176a, shall apply to the State Board of Education for a certificate of approval pursuant to those sections.

§ 1621a. ~~RESERVED NAME~~

~~(a) The exclusive right to the use of a business name may be reserved by any person, copartnership, or association intending to register its name under this section.~~

~~(b) The reservation shall be made by filing with the Secretary of State an application to reserve a specified business name, executed by the applicant, its agent, or attorney. If the Secretary of State finds that the name is available for use, he or she shall reserve the same for the exclusive use of the applicant for a period of 120 days.~~

~~(c) The right to the exclusive use of a specified business name so reserved may be transferred to any other person, copartnership, or association by filing in the office of the Secretary of State a notice of such transfer, executed by the applicant for whom the name was reserved, and specifying the name and address of the transferee. [Repealed.]~~

* * *

§ 1623. ~~REGISTRATION BY BUSINESS ORGANIZATIONS~~

~~(a) A business organization doing business in this State under any name other than that of the business organization shall be subject to all the provisions of this chapter; and shall file returns sworn to by some officer or director of the corporation or mutual benefit enterprise, or by some director or manager of the limited liability company, or by some partner of the partnership or limited partnership, setting forth:~~

~~(1) the name and location of the principal office of the business organization;~~

- ~~(2) the name under which the organization will conduct business;~~
- ~~(3) the town or towns where the organization conducts business under the name; and~~
- ~~(4) a brief description of the kind of business the organization conducts under the name.~~

~~(b) The Secretary of State shall decline to register any business name unless the name is distinguishable in the records of the Secretary of State from any other business name of any name registered or reserved under this chapter or the name of any other entity, whether domestic or foreign, that is reserved, registered, or granted by or with the Secretary of State, or any name that would lead a reasonable person to conclude that the business is a type of entity that it is not. [Repealed.]~~

§ 1624. FORMS

~~The Secretary of State shall formulate forms for the returns and shall, on request, furnish such forms by mail or otherwise to persons, copartnerships, associations, or corporations subject to the provisions of this chapter. [Repealed.]~~

§ 1625. FEES

~~(a) A person, copartnership, association, limited liability company, or corporation required by the provisions of this chapter to file a return shall, at the time of filing as provided, pay a registration fee of \$70.00 to the Secretary of State.~~

~~(b) A person, copartnership, association, limited liability company, or corporation required by the provisions of this chapter to file a certificate of cessation or change of business status or an application to reserve a business name shall, at the time of filing, pay a fee of \$35.00 to the Secretary of State.~~

~~(c) Statement of change of designated agent or designated office, or both: \$25.00, not to exceed \$1,000.00 per filer per calendar year.~~

~~(d) The Secretary shall collect \$25.00 each time process is served on the Secretary under this chapter. The party to a proceeding causing service of process is entitled to recover this fee as costs if he or she prevails in the proceeding. A person who submits a document for filing pursuant to this subchapter shall pay to the Secretary of State the amount specified in section 1651 of this title.~~

§ 1626. FAILURE TO REGISTER; ENFORCING COMPLIANCE

(a) A person transacting business in this State who is not registered with the Secretary of State as required under this ~~chapter~~ subchapter and any successor to the person or assignee of a cause of action arising out of the business of the person, may not maintain an action or proceeding or raise a counterclaim, crossclaim, or affirmative defense in this State until the person, successor, or assignee registers with the Secretary.

(b) The failure of a person to register as required under this ~~chapter~~ subchapter does not impair the validity of a contract or act of the person or preclude it from defending an action or proceeding in this State.

(c) An individual does not waive a limitation on his or her personal liability afforded by other law solely by transacting business in this State without registering with the Secretary of State as required under this ~~chapter~~ subchapter.

(d) If a person transacts business in this State without registering with the Secretary of State as required under this ~~chapter~~ subchapter, the Secretary is its agent for service of process with respect to a right of action arising out of the transaction of business in this State.

(e) A person that transacts business in this State without registering with the Secretary of State as required under this ~~chapter~~ subchapter shall be liable to the State for:

(1) a civil penalty of \$50.00 for each day, not to exceed a total of \$10,000.00 for each year, it transacts business in this State without a registration;

(2) an amount equal to the fees due under this ~~chapter~~ subchapter during the period it transacted business in this State without a registration; and

(3) other penalties imposed by law.

(f) The Attorney General may maintain an action in the Civil Division of the Superior Court to collect the penalties imposed in subsection (e) of this section and to restrain a person from transacting business in this State in violation of this ~~chapter~~ subchapter.

§ 1627. SERVICE OF PROCESS

~~Service of such complaint and process thereunder may be made by delivering within this State a true and attested copy thereof to any person so doing business or any servant or agent of such person, copartnership, association, limited liability company, or corporation, or in any manner otherwise provided by law. A name so registered shall not thereafter be used~~

~~by a person, copartnership, association, limited liability company, or corporation, unless it is lawfully entitled thereto at the date of such registration. [Repealed.]~~

§ 1628. CERTIFICATE OF CESSATION OF BUSINESS OR CHANGE OF
BUSINESS STATUS; AMENDMENT

~~(a) When a person, copartnership, association, limited liability company, or corporation subject to the provisions of this chapter shall cease to do business in this State, a certificate setting forth such fact and the date whereon it so ceased shall be filed with the Secretary of State within 10 days after the date such business ceases. Such certificate may be sworn to and filed by a surviving partner, member of such association, officer of such corporation, member or manager of such limited liability company, or person so doing business, or his or her executor or administrator A registrant that ceases to do business in this State shall submit to the Secretary of State for filing a certificate of cessation of business not later than 10 days after the date of cessation.~~

~~(b) Whenever any general partner of such partnership, or member of such association withdraws from the business, a remaining general partner or member shall within 30 days file a certificate with the Secretary of State signed and sworn by a remaining general partner or member, setting forth the fact of such withdrawal, together with the date of that withdrawal. Filing of this certificate shall avoid any interruption in the period of registration remaining before the need for renewal, as if no partner or member of the association had withdrawn A registrant that adds or removes an individual, partner, or member named in its registration shall submit to the Secretary of State for filing an amendment to reflect the change not later than 30 days after the date of the change.~~

~~(c) A registrant may amend its agent information by filing a statement of change pursuant to section 1655 of this title and may amend any other information in its registration by submitting an amendment to the Secretary of State for filing.~~

§ 1629. PENALTIES

~~Failure to file such certificate at the time so required by section 1628 of this title shall work a forfeiture of \$10.00 to be recovered by the Secretary of State in a civil action on this statute, in his or her name, against any surviving partner, any member of such association, any officer of such corporation, or any person so doing business, or his executor or administrator, and the same shall be paid into the Treasury of the State. [Repealed.]~~

§ 1630. PROCESS AGENT

~~Each nonresident doing business in this State in his or her individual capacity, or as copartner or member of a copartnership or association required by sections 1621 and 1623 of this title to file the returns therein specified, or under any name other than his or her own, except as otherwise provided, shall appoint in writing a person having an office or place of business and residing in the town wherein the principal office of such nonresident, copartnership, or association is located, upon whom process against such nonresident may be served in an action founded upon a liability incurred in this State. Such appointment shall continue in force until revoked by a like instrument appointing another person therein residing, and having therein an office or place of business. Such instrument shall be recorded with the Secretary of State. In the event a nonresident has not appointed a process agent, and has not filed such appointment, as set forth in this section, the Secretary of State shall be such process agent. [Repealed.]~~

§ 1631. VACANCY

~~When an appointee dies or removes from the State, another person residing in such town and having therein an office or place of business, within 10 days from the date of such death or removal, shall be appointed in the manner hereinbefore specified, upon whom service of process may be made as provided in section 1630 of this title. In case of such death or removal, or if a person is not appointed as aforesaid, process against such nonresident person may be served by delivering to the Secretary of State duplicate copies thereof, one of which shall be filed with the Secretary of State and the other shall be forwarded by mail prepaid by the clerk to the last known residence of such person. [Repealed.]~~

§ 1632. EXCEPTIONS

~~The provisions of sections 1630 and 1631 of this title shall not apply to foreign investment companies, foreign building and loan associations, or foreign creamery companies. [Repealed.]~~

§ 1633. SECRETARY OF STATE AS PROCESS AGENT

~~A foreign insurance, express, shipping car, telegraph, or telephone company, or a foreign company under any other name engaged in like business, shall not do business in this State as an unincorporated association or partnership, until it has filed with the Secretary of State a written stipulation containing the association or firm name, and the names and residences of the associates or partners, and appointing the Secretary of State as its process agent. Such stipulation shall be in form and substance like that specified in subdivision 692(3) of this title, and shall have the same legal effect. The~~

~~provisions of 12 V.S.A. §§ 851-853, shall apply to service of process on such company and to acts done by persons or agents in its behalf. [Repealed.]~~

§ 1634. EFFECT OF FAILURE AND NEGLECT

~~A person, copartnership, limited liability company, or corporation subject to this chapter shall not institute any proceedings in this State for the enforcement of any right or obligation unless it shall, prior to the issuance of the original return or complaint therein, have filed the returns and paid the registration fee required by this chapter; nor shall a license or certificate be granted to a nonresident individual, copartnership, or unincorporated association to transact a business specified in Titles 5 and 23 or in 6 V.S.A. chapter 29 until such individual, copartnership, or association has complied with the provisions of section 1630 of this title. [Repealed.]~~

§ 1635. REREGISTRATION

~~(a) One or more persons doing business under a registered business name A registrant shall reregister the name every five years by filing a reregistration return with the Secretary of State with a fee of \$65.00 within not sooner than 60 days following the date five years after the date prior to the expiration of the original registration or of the last reregistration. The Secretary of State shall prepare and supply the necessary forms.~~

~~(b) When reregistration is not accomplished as provided in subsection (a) of this section, a business name may be registered by the first applicant making application to the Secretary of State for an original registration as provided by this ~~chapter~~ subchapter.~~

Subchapter 2. Administrative Authority

§ 1636. TERMINATION OF BUSINESS NAME; HEARING

~~(a) If the Secretary of State declines to register a business in accordance with the provisions of subsection 1621(e) of this title because it is not distinguishable in the records of the Secretary from another business name, the applicant may request that the Secretary determine whether the person to whom the business name is registered is doing business or taking steps to do business in this State.~~

* * *

§ 1637. AUTHORITY TO TERMINATE AND AMEND REGISTRATION

(a) The Secretary of State shall have the authority to:

(1) terminate the registration of a person who, pursuant to an administrative order, a final court order, or an assurance of discontinuance, is not authorized to conduct business in this State; and

(2) amend ~~his or her~~ the person's records to reflect the termination of a registration pursuant to subdivision (1) of this subsection.

(b)(1) If the Secretary of State terminates the registration of a person pursuant to this section, the person appoints the Secretary as ~~his or her~~ the person's agent for service of process in any proceeding based on a cause of action that arose during the time the person was authorized to transact, or was transacting without authorization, business in this State.

(2) Upon receipt of process, the Secretary of State shall deliver by registered mail a copy of the process to ~~the secretary of~~ the terminated person at its principal office shown in its most recent annual report or in any subsequent communication received from the person stating the current mailing address of its principal office, or, if none is on file, in its application for registration.

(c)(1) If a court or other person with sufficient legal authority reinstates the ability of a terminated person to conduct business in this State, the terminated person may file with the Secretary of State evidence of the reinstated authority and ~~pay to the Secretary a fee of \$25.00 for each year the person is delinquent~~ submit any filing necessary to update its registration.

(2) Upon receipt of a filing and payment pursuant to subdivision (1) of this subsection, the Secretary shall cancel the termination and prepare a certificate of reinstatement, file the original of the certificate, and serve a copy on the person.

§ 1638. AUTHORITY TO REJECT, AMEND, OR TERMINATE

(a) The Secretary of State shall have the authority to:

(1) reject a record submitted for filing that the Secretary reasonably determines contains false, fraudulent, or clearly erroneous information; and

(2) amend a record or terminate the registration of a person who the Secretary determines, after notice and opportunity for hearing pursuant to 3 V.S.A. chapter 25, has submitted false or fraudulent information in a record, or has attempted or submitted a record for filing in bad faith, without lawful authority, or to commit fraud or cause injury.

(b)(1) If the Secretary terminates the registration of a person pursuant to this section, or the Secretary's rejection or amendment of a record results in the person's failure to designate or maintain an agent for service of process,

then the person appoints the Secretary as the person's agent for service of process.

(2) Upon receipt of process, the Secretary of State shall deliver by registered mail a copy of the process to the person's last known address.

(c) A person aggrieved by a final decision of the Secretary under this section may appeal to the Superior Court of Washington County, which shall consider the matter de novo.

§ 1639. FORMS; PROCEDURES; RULES

The Secretary of State may adopt forms, procedures, and rules to implement the processes and provisions of governing business registration in this State.

Subchapter 3. Administrative Provisions for Business Organizations

§ 1651. FEES

The Secretary of State shall collect the following fees for services and for documents submitted for filing pursuant to the provisions of Titles 11–11C and 30 V.S.A. chapter 81:

(1) \$150.00 for the initial filing of a domestic business organization, including:

(A) articles of incorporation for a nonprofit cooperative association pursuant to 11 V.S.A. chapter 7;

(B) a statement of qualification for a limited liability partnership pursuant to 11 V.S.A. chapter 22;

(C) a certificate of limited partnership for a limited partnership pursuant to 11 V.S.A. chapter 23;

(D) articles of organization for a limited liability company pursuant to 11 V.S.A. chapter 25;

(E) articles of incorporation for a business corporation pursuant to Title 11A;

(F) articles of incorporation for a nonprofit corporation pursuant to Title 11B;

(G) articles of organization for a mutual benefit enterprise pursuant to Title 11C; and

(H) articles of incorporation for a utility cooperative pursuant to 30 V.S.A. chapter 81;

(2) \$175.00 for the initial filing of a foreign business organization, including:

(A) a statement of foreign qualification for a limited liability partnership pursuant to 11 V.S.A. chapter 22;

(B) an application for registration for a limited partnership pursuant to 11 V.S.A. chapter 23;

(C) an application for a certificate of authority for a limited liability company pursuant to 11 V.S.A. chapter 25;

(D) an application for a certificate of authority for a business corporation pursuant to Title 11A;

(E) an application for a certificate of authority for a nonprofit corporation pursuant to Title 11B; and

(F) an application for a certificate of authority of a foreign enterprise pursuant to Title 11C;

(3) \$75.00 for a registration or reregistration of an assumed business name, partnership, or unincorporated nonprofit association pursuant to 11 V.S.A. chapter 15;

(4) \$50.00 for the annual report of a domestic business organization;

(5) \$175.00 for the annual report of a foreign business organization;

(6) \$35.00 for the biennial report of a nonprofit corporation, except that the Secretary shall waive the fee for the biennial report of a nonprofit corporation that in the prior calendar year did not pay compensation to any officer, director, or employee; and

(7) \$35.00 for recording any other document submitted for filing and for any related fees, including fees for a certified copy, for a returned check or charge back, for each year a reinstatement fee is due, and for service of process on the Secretary.

§ 1652. RESERVED NAME

(a) A person may reserve the exclusive use of a business name by delivering an application to the Secretary of State for filing. The application shall state the name and address of the applicant and the name to be reserved. If the Secretary finds that the entity name is available, the Secretary shall reserve the name for the applicant's exclusive use for 120 days.

(b) The owner of a reserved name may transfer the reservation to another person by submitting to the Secretary of State for filing a notice of the transfer, which states the name and address of the transferee.

§ 1653. ASSUMED BUSINESS NAME OF BUSINESS ORGANIZATION

A business organization that is authorized to do business in this State may conduct business under an assumed name by submitting to the Secretary of State for filing a registration that identifies the authorized business and the assumed name.

§ 1654. [Reserved]

§ 1655. DESIGNATION OF AGENT FOR SERVICE OF PROCESS;

CHANGE; RESIGNATION

(a) Duty to designate agent for service of process. A person doing business in this State that is required to designate and maintain an agent for service of process shall provide the name, email, and address information of an individual resident of this State or of a business organization that has a place of business in, and is authorized to conduct business in, this State.

(b) Attestation. A person who designates an agent for service of process attests that the agent consents to the appointment.

(c) Duty to maintain current agent information; statement of change. Except as provided in subsection (d) of this section, a person registered with the Secretary of State may change its agent for service of process, or the agent's email or address information, solely by submitting to the Secretary of State for filing a statement of change that provides its current agent information and specifies any changes to the agent information.

(d) Bulk statement of change by agent.

(1) If an agent for service of process changes its name, email, or address information in the records of the Secretary of State, the agent may submit to the Secretary for filing a bulk statement of change that:

(A) identifies the businesses for which the agent serves as the agent for service of process and whose records the Secretary shall update to reflect the change to the agent's information; and

(B) attests that the agent has or will promptly provide notice to each business whose record is updated pursuant to the bulk statement of change.

(2) For a bulk statement of change, the Secretary of State shall collect from the agent a separate filing fee for each business whose record is amended.

(e) Agent resignation; termination.

(1) An agent for service of process may resign as agent by submitting to the Secretary of State for filing a statement of resignation and delivering a copy of the statement to the affected business.

(2) An agency for service of process terminates on the earlier of:

(A) 30 days after the Secretary files a statement of resignation; or

(B) the date on which a statement of change designating a new agent takes effect.

(3) The Secretary shall waive the filing fee for a statement of resignation if the agent on record attests that it did not consent to serve as agent for service of process.

§ 1655. SECRETARY OF STATE AS AGENT FOR SERVICE OF
PROCESS

(a) An agent for service of process appointed by a person registered with the Secretary of State is an agent for service of any process, notice, or demand required or permitted by law to be served upon the person.

(b) If a person registered with the Secretary of State fails to appoint or maintain an agent for service of process in this State as required by law, or the agent for service of process cannot with reasonable diligence be found at the agent's address, the Secretary of State is an agent of the person upon whom process, notice, or demand may be served.

(c)(1) Service of any process, notice, or demand on the Secretary of State may be made by delivering to and leaving with the Secretary of State duplicate copies of the process, notice, or demand.

(2) If the process, notice, or demand is served on the Secretary of State, the Secretary of State shall forward one of the copies by registered or certified mail, return receipt requested, to the company at its principal office or last known address.

(d) The Secretary of State shall keep a record of all processes, notices, and demands served pursuant to this section and record the time of and the action taken regarding the service.

(e) This section shall not affect the right to serve process, notice, or demand upon a person in any manner otherwise provided by law.

§ 1656. SECRETARY OF STATE AS AGENT FOR SERVICE OF
PROCESS

(a) An agent for service of process appointed by a person registered with the Secretary of State is an agent for service of any process, notice, or demand required or permitted by law to be served upon the person.

(b) If a person registered with the Secretary of State fails to appoint or maintain an agent for service of process in this State as required by law, or the agent for service of process cannot with reasonable diligence be found at the agent's address, the Secretary of State is an agent of the person upon whom process, notice, or demand may be served.

(c)(1) Service of any process, notice, or demand on the Secretary of State may be made by delivering to and leaving with the Secretary of State duplicate copies of the process, notice, or demand.

(2) If the process, notice, or demand is served on the Secretary of State, the Secretary of State shall forward one of the copies by registered or certified mail, return receipt requested, to the company at its principal office or last known address.

(d) Service is effective on the earliest of:

(1) the date the person receives the process, notice, or demand;

(2) the date shown on the return receipt, if signed on behalf of the person; or

(3) five days after the process, notice, or demand is deposited by the Secretary of State for delivery by the U.S. Postal Service, if postage is prepaid to the address of the principal office or last known address reflected in the records of the Secretary of State.

(e) The Secretary of State shall keep a record of all processes, notices, and demands served pursuant to this section and record the time of and the action taken regarding the service.

(f) This section shall not affect the right to serve process, notice, or demand upon a person in any manner otherwise provided by law.

Sec. 5. 11 V.S.A. chapter 22 is amended to read:

CHAPTER 22. PARTNERSHIPS

* * *

§ 3205. EXECUTION, FILING, AND RECORDING OF STATEMENTS

* * *

(f) The Secretary of State shall collect a fee for filing or providing a certified copy of a statement as set forth in section ~~3310~~ 1651 of this title.

* * *

§ 3291. STATEMENT OF QUALIFICATION

* * *

(c) After the approval required by subsection (b) of this section, a partnership may only become a limited liability partnership by filing a statement of qualification. The statement must contain:

(1) the name of the partnership;

(2) the location of the principal place of business in this State;

(3) if the partnership does not have a principal place of business in this State, the name, email, and street address information of the partnership's agent for service of process pursuant to section 1655 of this title;

(4) a statement that the partnership elects to be a limited liability partnership; and

(5) a deferred effective date, if any.

~~(d) The agent of a limited liability partnership for service of process must be an individual who is a resident of this State or other person authorized to do business in this State. [Repealed.]~~

(e) The status of a partnership as a limited liability partnership is effective on the later of the filing of the statement or a date specified in the statement. The status remains effective, regardless of changes in the partnership, until it is canceled pursuant to subsection 3205(d) of this title or revoked pursuant to section 3293 of this title.

* * *

§ 3293. ANNUAL REPORT

(a) A limited liability partnership, and a foreign limited liability partnership authorized to transact business in this State, shall file an annual report in the Office of the Secretary of State ~~which~~ that contains:

(1) the name of the limited liability partnership and the state or other jurisdiction under whose laws the foreign limited liability partnership is formed;

(2) the ~~street~~ address of the partnership's principal office and, if different, the ~~street~~ address of an office in this State, if any; and

(3) if the partnership does not have an office in this State, the name, email, and ~~street~~ address of the partnership's designated agent for service of process.

* * *

(f) A reinstatement under subsection (e) of this section relates back to and takes effect as of the effective date of the revocation, and the partnership's status as a limited liability partnership continues as if the revocation had never occurred.

(g) The Secretary of State shall amend its records to reflect a change, if specified in the report, to the business's purpose, email, address, or principal information.

* * *

§ 3302. STATEMENT OF FOREIGN QUALIFICATION

(a) Before transacting business in this State, a foreign limited liability partnership must file a statement of foreign qualification. The statement must contain:

* * *

(3) If there is no office of the partnership in this State, the name, email, and street address information of the partnership's agent for service of process pursuant to section 1655 of this title.

(4) A deferred effective date, if any.

~~(b) The agent of a foreign limited liability partnership for service of process must be an individual who is a resident of this State or other person authorized to do business in this State. [Repealed.]~~

(c) The status of a partnership as a foreign limited liability partnership is effective on the later of the filing of the statement of foreign qualification or a date specified in the statement. The status remains effective, regardless of changes in the partnership, until it is canceled pursuant to subsection 3205(d) or revoked pursuant to section 3293 of this title.

(d) An amendment or cancellation of a statement of foreign qualification is effective when it is filed or on a deferred effective date specified in the amendment or cancellation.

§ 3303. EFFECT OF FAILURE TO QUALIFY

(a)(1) A foreign limited liability partnership transacting business in this State may not maintain an action or proceeding or raise a counterclaim, crossclaim, or affirmative defense in this State unless it has in effect a statement of foreign qualification.

(2) The successor to a foreign limited liability partnership that transacted business in this State without a ~~certificate of authority~~ statement of foreign qualification in effect and the assignee of a cause of action arising out of that business may not maintain a proceeding or raise a counterclaim, crossclaim, or affirmative defense based on that cause of action in any court in this State until the foreign limited liability partnership or its successor or assignee obtains files a ~~certificate of authority~~ statement of foreign qualification.

* * *

§ 3310. FEES

(a) ~~The Secretary of State shall collect the following fees when a document described in this section is delivered to the Office of the Secretary of State for filing:~~

(1) Statement of authority	\$155.00
(2) Statement of denial	\$25.00
(3) Statement of dissociation	\$20.00
(4) Statement of dissolution	\$20.00
(5) Statement of merger	\$85.00
(6) Statement of qualification	\$130.00
(7) Statement of foreign qualification	\$170.00
(8) Amendment	\$45.00
(9) Cancellation	\$10.00
(10) Annual report of domestic limited liability partnership	\$30.00
(11) Annual report of foreign limited liability partnership	\$170.00
(12) Reinstatement	\$45.00
(13) Statement of change of designated agent or designated office, or both	\$35.00
	not to exceed
	\$1,000.00

	per
	filer
	per
	calendar
	year
(14) Application for certificate of good standing	\$45.00
(15) Any other document permitted or required to be filed by this chapter	\$20.00
(16) Amendment—Foreign	\$35.00

(b) The Secretary of State shall collect the following fees:

(1) ~~\$ 25.00 each time process is served on the Secretary under this chapter. The party to a proceeding causing service of process is entitled to recover this fee as costs if he or she prevails in the proceeding.~~

(2) ~~\$ 25.00 for the certificate certifying the copy of any filed document related to a partnership, limited liability partnership, or a foreign limited liability partnership. A person who submits a document for filing pursuant to this chapter shall pay to the Secretary of State the amount specified in section 1651 of this title.~~

* * *

Sec. 6. 11 V.S.A. chapter 23 is amended to read:

CHAPTER 23. LIMITED PARTNERSHIPS

* * *

§ 3403. RESERVATION OF NAME

(a) The exclusive right to the use of a name may be reserved by:

(1) ~~any person intending to organize a limited partnership under this chapter and to adopt that name;~~

(2) ~~any domestic limited partnership or any foreign limited partnership registered in this State which, in either case, intends to adopt that name;~~

(3) ~~any foreign limited partnership intending to register in this State and adopt that name; and~~

(4) ~~any person intending to organize a foreign limited partnership and intending to have it registered in this State and to adopt that name.~~

~~(b) The reservation shall be made by filing with the Secretary of State an application, executed by the applicant, to reserve a specified name. If the Secretary of State finds that the name is available for use by a domestic or foreign limited partnership, he or she shall reserve the name for the exclusive use of the applicant for a period of 120 days. The owner of a name reserved under this section may renew the reservation for two successive periods of 120 days each. The right to the exclusive use of a reserved name may be transferred to any other person by filing in the Office of the Secretary of State a notice of the transfer, executed by the applicant for whom the name was reserved and specifying the name and address of the transferee A person may reserve the exclusive use of a business name by delivering an application to the Secretary of State for filing pursuant to section 1652 of this title.~~

§ 3404. SPECIFIED OFFICE AND AGENT

Each limited partnership shall continuously maintain in this State:

(1) an office, which may but need not be a place of its business in this State, at which shall be kept the records required by section 3405 of this title to be maintained; and

~~(2) an agent for service of process on the limited partnership, which agent must be an individual resident of this State, a domestic corporation, partnership, limited liability company, or a foreign corporation, partnership, or limited liability company authorized to do business in this State pursuant to section 1655 of this title.~~

* * *

§ 3411. CERTIFICATE OF LIMITED PARTNERSHIP

(a) In order to form a limited partnership, a certificate of limited partnership must be executed and filed in the Office of the Secretary of State. The certificate shall set forth:

(1) the name of the limited partnership;

(2) the address of the office and the name, email, and address information of the agent for service of process required to be maintained by section 3404 of this title;

(3) the name and the business address of each general partner, and of any other principal the limited partnership provides;

(4) the name and ~~place of residence~~ the business address of each limited partner and the amount of cash and a description of and the agreed value of other property contributed by each limited partner;

* * *

§ 3420. FEES

(a) The Secretary of State shall collect the following fees when a document described in this section is delivered to the Office of the Secretary of State for filing:

(1) Certificate of Limited Partnership	\$130.00
(2) Registration of Foreign Limited Partnership	\$155.00
(3) Amendment—Domestic	\$35.00
(4) Cancellation	\$25.00
(5) Merger	\$65.00
(6) Statement of change of designated agent or designated office, or both	\$35.00
	not to exceed \$1,000.00 per filer per calendar year
(7) Application for certificate of good standing	\$35.00
(8) Any other document permitted or required to be filed by this chapter	\$20.00
(9) Amendment—Foreign	\$35.00.
(10) Name reservation, application	\$20.00.
(11) Name reservation, transfer	\$20.00.
(12) Restated certificate of limited partnership	\$20.00.

(b) The Secretary of State shall collect the following fees:

(1) ~~\$25.00 each time process is served on the Secretary under this chapter. The party to a proceeding causing service of process is entitled to recover this fee as costs if he or she prevails in the proceeding.~~

~~(2) \$25.00 for the certificate certifying the copy of any filed document related to a partnership, limited liability partnership, or a foreign limited liability partnership~~ A person who submits a document for filing pursuant to this chapter shall pay to the Secretary of State the amount specified in section 1651 of this title.

* * *

§ 3482. REGISTRATION

Before transacting business in this State, a foreign limited partnership shall register with the Secretary of State. In order to register, a foreign limited partnership shall submit to the Secretary of State, ~~in duplicate,~~ an application for registration as a foreign limited partnership, signed and sworn to by a general partner and setting forth:

(1) the name of the foreign limited partnership and, if different, the name under which it proposes to register and transact business in this State;

(2) the state and date of its formation;

(3) the name, email, and address information of any agent for service of process on the foreign limited partnership ~~whom the foreign limited partnership elects to appoint; the agent must be an individual resident of this State, a domestic corporation, or a foreign corporation having a place of business in, and authorized to do business in, this State pursuant to section 1655 of this title;~~

(4) a statement that the Secretary of State is appointed the agent of the foreign limited partnership for service of process if no agent has been appointed under subdivision (3) of this section or, if appointed, the agent's authority has been revoked or if the agent cannot be found or served with the exercise of reasonable diligence;

(5) the address of the office required to be maintained in the state of its organization by the laws of that state or, if not so required, of the principal office of the foreign limited partnership;

(6) the name and business address of each general partner, and of any other principal the foreign limited partnership provides; and

(7) the address of the office at which is kept a list of the names and addresses of the limited partners and their capital contributions, together with an undertaking by the foreign limited partnership to keep those records until the foreign limited partnership's registration in this State is canceled or withdrawn.

* * *

§ 3487. TRANSACTION OF BUSINESS WITHOUT REGISTRATION

(a)(1) A foreign limited partnership transacting business in this State may not maintain an action or proceeding or raise a counterclaim, crossclaim, or affirmative defense in this State until it has registered in this State.

(2) The successor to a foreign limited partnership that transacted business in this State without a ~~certificate of authority~~ registration and the assignee of a cause of action arising out of that business may not maintain a proceeding or raise a counterclaim, crossclaim, or affirmative defense based on that cause of action in any court in this State until the foreign limited partnership or its successor or assignee ~~obtains a certificate of authority~~ has registered.

* * *

Sec. 7. 11 V.S.A. chapter 25 is amended to read:

CHAPTER 25. LIMITED LIABILITY COMPANIES

* * *

§ 4006. RESERVED NAME

~~(a)(1) A person may reserve the exclusive use of the name of a limited liability company, including a fictitious or assumed name for a foreign limited liability company whose name is not available, by delivering an application to the Secretary of State for filing.~~

~~(2) The application shall state the name and address of the applicant and the name proposed to be reserved.~~

~~(3) If the Secretary of State finds that the name applied for is available, the Secretary shall reserve that name for the applicant's exclusive use for a 120-day period.~~

~~(b) The owner of a reserved limited liability company name may renew the reservation for successive periods of 120 days each by delivering a renewal application to the Secretary of State during the 45-day period preceding the date of expiration of the reservation.~~

~~(c) The owner of a name reserved for a limited liability company may assign the reservation to another person by delivering to the Secretary of State for filing a signed notice of the assignment that states the name and address of the assignee.~~

~~(d) The owner of a reserved limited liability company name may terminate the name reservation by delivering to the Secretary of State for filing a signed notice of withdrawal of name reservation~~ A person may reserve the exclusive

use of a business name by delivering an application to the Secretary of State for filing pursuant to section 1652 of this title.

§ 4007. DESIGNATED OFFICE AND AGENT

(a) A limited liability company and a foreign limited liability company authorized to do business in this State shall designate and continuously maintain:

(1) a designated office for notification purposes, which may but need not be a place of its business, and may but need not be located in this State; and

(2) ~~an agent and street address of the agent for service of process on the limited liability company in this State pursuant to section 1655 of this title.~~

~~(b) An agent for service of process shall be an individual resident of this State, a domestic corporation, another limited liability company, or a foreign corporation or foreign limited liability company authorized to do business in this State.~~

§ 4008. CHANGE OF DESIGNATED OFFICE OR AGENT FOR SERVICE OF PROCESS

(a) A limited liability company or foreign limited liability company may change its designated office ~~or agent for service of process~~ by delivering to the Secretary of State for filing a statement of change that sets forth: its current designated office information and any change to the information.

(1) ~~the name of the company;~~

(2) ~~the street address, and the mailing address if different from the street address, of its current designated office;~~

(3) ~~if the current designated office is to be changed, the street address, and the mailing address if different from the street address, of the new designated office;~~

(4) ~~the name and address of its current agent for service of process; and~~

(5) ~~if the current agent for service of process is to be changed, the name of the new agent for service of process and the new agent's written consent, either on the statement or attached to it, to the appointment.~~

(b) ~~If an agent for service of process changes the street address of the agent's business office, the agent may change the street address of the designated office of any limited liability company or foreign limited liability company for which the agent is the agent for service of process by notifying~~

~~the company in writing of the change and signing, either manually or in facsimile, and filing with the Secretary of State a statement that complies with the requirements of subsection (a) of this section and recites that the company has been notified of the change A limited liability company or foreign limited liability company shall change its agent for service of process, or the agent's email or address information, by delivering to the Secretary for filing a statement of change pursuant to section 1655 of this title.~~

§ 4009. RESIGNATION OF AGENT FOR SERVICE OF PROCESS

~~(a) To resign as an agent for service of process of a limited liability company or foreign limited liability company, the agent shall deliver to the Secretary of State for filing a statement of resignation containing the company name and stating that the agent is resigning pursuant to section 1655 of this title.~~

~~(b) The Secretary of State shall file a statement of resignation delivered under subsection (a) of this section and mail or otherwise deliver a copy to the designated office of the limited liability company.~~

~~(c) An agency for service of process terminates on the earlier of:~~

~~(1) the 41st day after the Secretary of State files the statement of resignation; or~~

~~(2) when a record designating a new agent for service of process is delivered to the Secretary of State for filing on behalf of the limited liability company and becomes effective.~~

§ 4010. SERVICE OF PROCESS

~~(a) An agent for service of process appointed by a limited liability company or a foreign limited liability company is an agent of the company for service of any process, notice, or demand required or permitted by law to be served upon the company.~~

~~(b) If a limited liability company or foreign limited liability company fails to appoint or maintain an agent for service of process in this State or the agent for service of process cannot with reasonable diligence be found at the agent's address, the Secretary of State is an agent of the company upon whom process, notice, or demand may be served.~~

~~(c) Service of any process, notice, or demand on the Secretary of State may be made by delivering to and leaving with the Secretary of State duplicate copies of the process, notice, or demand. If the process, notice, or demand is served on the Secretary of State, the Secretary of State shall forward one of the copies by registered or certified mail, return receipt requested, to the company~~

at its registered office. Service on the Secretary of State shall be returnable in not less than 30 days.

(d) The Secretary of State shall keep a record of all processes, notices, and demands served pursuant to this section and record the time of and the action taken regarding the service.

(e) This section shall not affect the right to serve process, notice, or demand upon a limited liability company or foreign limited liability company in any manner otherwise provided by law A limited liability company or foreign limited liability company is subject to the service of process provisions in section 1656 of this title.

* * *

§ 4012. FEES

(a) The Secretary of State shall collect the following fees when a document described in this section is delivered to the Office of the Secretary of State for filing:

(1) Articles of organization	\$155.00
(2) Application for certificate of authority	\$155.00
(3) Amendment of articles or certificate of authority	\$35.00
(4) Cancellation of certificate of authority	\$25.00
(5) Application for reserved name	\$25.00
(6) Notice of transfer of reserved name	\$20.00
(7) Application for registered name	\$25.00
(8) Application for renewal of registered name	\$25.00
(9) Statement of change of designated agent or designated office, or both	\$35.00 and not to exceed \$1,000.00 per filer per calendar year
(10) Agent's statement of resignation	no fee
(11) Restatement of articles of organization	\$25.00
(12) Articles of correction	\$35.00
(13) Application for certificate of existence or authorization	\$35.00
(14) Articles of merger	\$55.00
(15) Annual report of a domestic limited liability company	\$45.00
(16) Annual report of a foreign limited liability company	\$170.00

(17) Reinstatement	\$35.00
(18) Any other document required or permitted to be filed by this chapter	\$20.00
(19) Articles of domestication	\$20.00
(20) Articles of termination	\$20.00
(21) Notice of withdrawal of reserved name	\$20.00
(22) Statement of conversion	\$20.00

~~(b) The Secretary of State shall collect the following fees:~~

~~(1) \$35.00 each time process is served on the Secretary under this chapter. The party to a proceeding causing service of process is entitled to recover this fee as costs if the party prevails in the proceeding.~~

~~(2) \$25.00 for the certificate certifying the copy of any filed document relating to a limited liability company or a foreign limited liability company A person who submits a document for filing pursuant to this chapter shall pay to the Secretary of State the amount specified in section 1651 of this title.~~

~~* * *~~

§ 4023. ARTICLES OF ORGANIZATION

~~* * *~~

~~(b) Articles of organization of a limited liability company may set forth:~~

~~(1) provisions permitted to be set forth in an operating agreement; and~~

~~(2) name, email, and address information for one or more owners, officers, or other principals of the company; and~~

~~(3) other matters not inconsistent with law.~~

~~* * *~~

§ 4033. ANNUAL REPORT FOR SECRETARY OF STATE

~~(a) Each domestic limited liability company and each foreign limited liability company authorized to transact business in this State shall file an annual report with the Secretary of State. The annual report shall set forth the following information:~~

~~(1) the name of the company and the state or country under whose law it is organized; and~~

~~(2) the address of its designated office; and~~

(3) the name, email, and address of its designated agent for service of process at that office in this State.

(b) Information in the annual report shall be current as of the date the annual report is signed on behalf of the company.

(c) The annual report shall be delivered to the Secretary of State within three months after the expiration of the company's fiscal year.

(d) The Secretary of State shall amend its records to reflect a change, if specified in the report, to the business's purpose, email, address, or principal information.

* * *

§ 4112. APPLICATION FOR CERTIFICATE OF AUTHORITY

(a) A foreign limited liability company may apply for a certificate of authority to transact business in this State by delivering an application to the Secretary of State for filing. The application shall set forth:

(1) the name of the foreign company and, if its name is unavailable for use in this State, an alternate name that satisfies the requirements of section 4116 of this title;

(2) the name of the state or country under whose law it is organized;

(3) the address of its initial designated office; and

(4) the name, email, and address information ~~and street address, and the mailing address if different from the street address,~~ of its designated agent for service of process in this State pursuant to section 1655 of this title.

(b) An application may set forth:

(1) provisions permitted to be included in an operating agreement;

(2) the name, email, and address information for one or more owners, officers, or other principals of the company; and

(3) other matters not inconsistent with law.

(c) A foreign limited liability company shall deliver with the completed application a certificate of existence or a document of similar import, authenticated by the Secretary of State or other official having custody of company records in the state or country under whose law it is organized, dated ~~no~~ not earlier than 90 days prior to filing of the application.

* * *

* * * Updates to Title 11A language * * *

Sec. 8. 11A V.S.A. chapter 1 is amended to read:

CHAPTER 1. GENERAL PROVISIONS

* * *

§ 1.20. FILING REQUIREMENTS

* * *

(j)(1) Any of the terms of a plan or filed documents may be made dependent on facts ascertainable outside the plan or filed documents as follows:

(A) The manner in which the facts operate on the terms of the plan or filed document must be clearly and expressly set forth in the plan or filed document.

(B) The facts may include without limitation actions or events within the control of, or determinations made by, a ~~part~~ party to the plan or filing the filed document or a representative of a party to the plan or filing the filed document.

(2) As used in this section:

(A) "Filed document" means a document filed with the ~~secretary of state~~ Secretary of State under any provision of this title, except chapter 15 or section 16.22 of this title.

(B) "Plan" means a plan of merger or share exchange.

* * *

§ 1.22. ~~FILING; SERVICE AND COPYING FEES~~

~~(a) The Secretary of State shall collect the following fees when the documents described in this section are delivered to the Office of the Secretary of State for filing:~~

(1) Articles of incorporation	\$155.00
(2) Application for reserved name	\$40.00
(3) Notice of transfer of reserved name	\$20.00
(4) Application for registered name of a foreign corporation	\$50.00
(5) Application for renewal of registered name of a foreign corporation	\$50.00

(6) Statement of change of registered agents or registered office, or both	
	\$25.00 and not to exceed \$1,000.00 per filer per calendar year.
(7) Agent's statement of resignation	No fee
(8) Amendment of articles of incorporation	\$50.00
(9) Restatement of articles of incorporation	\$50.00
(10) Articles of merger or share exchange	\$95.00
(11) Articles of dissolution	\$35.00
(12) Articles of revocation of dissolution	\$35.00
(13) Application for certificate of authority	\$155.00
(14) Application for amended certificate of authority	\$50.00
(15) Application for certificate of withdrawal	\$25.00
(16) Annual report of a foreign corporation	\$250.00
(17) Annual report of a domestic corporation	\$60.00
(18) Application for certificate of good standing	\$25.00
(19) Any other document required or permitted to be filed by this title	\$35.00
(20) Articles of correction	\$20.00
(21) Articles of domestication	\$20.00
(22) Statement of conversion	\$20.00

~~(b) The Secretary of State shall collect a fee of \$25.00 each time process is served on him or her under this title. The party to a proceeding causing service of process is entitled to recover this fee as costs if he or she prevails in the proceeding.~~

~~(c) The Secretary of State shall collect a fee of \$25.00 for copying and certifying the copy of any filed document relating to a domestic or foreign corporation.~~

~~(d) When a corporation has been involuntarily terminated for failure to file its annual report, the Secretary of State shall collect, for each year the corporation failed to file its annual report, the annual report filing fee and a reinstatement fee of \$50.00. A person who submits a document for filing pursuant to this title shall pay to the Secretary of State the amount specified in 11 V.S.A. § 1651.~~

* * *

§ 1.40. DEFINITIONS

As used in this title:

* * *

(8) "Entity" includes corporation and foreign corporation; ~~not-for-profit~~ nonprofit corporation; profit and not-for-profit nonprofit unincorporated association; business trust, estate, partnership, trust, and two or more persons having a joint or common economic interest; and state, United States, and foreign government.

* * *

Sec. 9. 11A V.S.A. § 2.02 is amended to read:

§ 2.02. ARTICLES OF INCORPORATION

(a) The articles of incorporation shall set forth:

(1) a corporate name for the corporation that satisfies the requirements of section 4.01 of this title;

(2) the classes of shares, if any, and the number of shares in each class that the corporation is authorized to issue;

(3) the number of shares the corporation is authorized to issue;

(4) the street address of the corporation's initial registered office and the name and email of its initial registered agent for service of process at that office pursuant to 11 V.S.A. § 1655;

(5) the name and address of each incorporator;

(6) one or more classes of shares that together have unlimited voting rights; and

(7) one or more classes of shares, (which may be the same class or classes as those with voting rights), that together are entitled to receive the net assets of the corporation upon dissolution.

(b) The articles of incorporation may set forth:

(1) the names and addresses of the individuals who are to serve as the initial board of directors, and of any other principals the corporation provides;

(2) provisions not inconsistent with law regarding:

* * *

Sec. 10. 11A V.S.A. chapter 4 is amended to read:

CHAPTER 4. NAME

§ 4.01. CORPORATE ~~HEAD~~ NAME

(a) A corporate name:

(1) shall contain the word “corporation,” “incorporated,” “company,” or “limited,” or the abbreviation “corp.,” “inc.,” “co.,” or “ltd.,” or words or abbreviations of like import in another language;

(2) may not contain language stating or implying that the corporation is organized for a purpose other than that permitted by section 3.01 of this title and its articles of incorporation;

(3) shall not have the word “cooperative” or any abbreviation thereof as part of its name unless the corporation is a worker cooperative corporation organized under 11 V.S.A. chapter 8, a housing cooperative corporation organized under 11 V.S.A. chapter 14, or the articles of incorporation contain all of the provisions required of a ~~corporation organized as a cooperative association~~ general cooperative corporation in 11 V.S.A. § 981; and

(4) shall not include any word not otherwise authorized by law.

* * *

§ 4.02. RESERVED NAME

~~(a) A person may reserve the exclusive use of a corporate name, including a fictitious name for a foreign corporation whose corporate name is not available, by delivering an application to the Secretary of State for filing. The application must set forth the name and address of the applicant and the name proposed to be reserved. If the Secretary of State finds that the corporate name applied for is available, he or she shall reserve the name for the applicant’s exclusive use for a 120-day period. Such 120-day period may be renewed no more than twice.~~

~~(b) The owner of a reserved corporate name may transfer the reservation to another person by delivering to the Secretary of State a signed notice of the transfer that states the name and address of the transferee~~ A person may reserve the exclusive use of a business name by delivering an application to the Secretary of State for filing pursuant to 11 V.S.A. § 1652.

§ 4.03. REGISTERED NAME

(a) A foreign corporation may register its corporate name, or its alternate name or corporate name with any addition required by section 15.06 of this title, if the name is distinguishable in the records of the Secretary of State from

the corporate or business names that are not available under section 4.01(b)(3) of this title.

(b) A foreign corporation registers its corporate name, or its alternate name or corporate name with any addition required by section 15.06 of this title, by delivering to the Secretary of State for filing an application:

(1) setting forth its corporate name, or its alternate name or corporate name with any addition required by section 15.06 of this title, the state or country and date of its incorporation, and a brief description of the nature of the business in which it is engaged; and

(2) accompanied by a certificate of good standing or a document of similar import from the state or country of incorporation.

* * *

Sec. 11. 11A V.S.A. chapter 5 is amended to read:

CHAPTER 5. OFFICE AND AGENT

§ 5.01. REGISTERED OFFICE AND REGISTERED AGENT FOR SERVICE OF PROCESS

Each corporation must continuously maintain in this State:

(1) a registered office that may be the same as any of its places of business; and

(2) a registered agent for service of process pursuant to 11 V.S.A. § 1655, who may be:

~~(A) an individual who resides in this State and whose business office is identical with the registered office;~~

~~(B) a domestic corporation or nonprofit domestic corporation whose business office is identical with the registered office; or~~

~~(C) a foreign corporation or nonprofit foreign corporation authorized to transact business in this State whose business office is identical with the registered office.~~

§ 5.02. CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT FOR SERVICE OF PROCESS

~~(a) A corporation may change its registered office or registered agent for service of process information by delivering to the Secretary of State for filing a statement of change pursuant to 11 V.S.A. § 1655. that sets forth:~~

~~(1) the name of the corporation;~~

~~(2) the street address of its current registered office;~~

~~(3) if the current registered office is to be changed, the street address of the new registered office;~~

~~(4) the name of its current registered agent;~~

~~(5) if the current registered agent is to be changed, the name of the new registered agent and the new agent's written consent (either on the statement or attached to it) to the appointment; and~~

~~(6) that after the change or changes are made, the street addresses of its registered office and the business office of its registered agent will be identical~~

~~(b) If a registered agent changes the street address of the agent's business office, the agent may change the street address of the registered office of any corporation for which he or she is the registered agent by notifying the corporation in writing of the change and signing (either manually or in facsimile) and delivering to the Secretary of State for filing a statement that complies with the requirements of subsection (a) of this section and recites that the corporation has been notified of the change.~~

§ 5.03. RESIGNATION OF REGISTERED AGENT

~~(a) A registered agent may resign his or her agency appointment by signing and delivering to the Secretary of State for filing, and the corporation at its registered office, the signed original and two exact copies of a statement of resignation. The statement may include a statement that the registered office is also discontinued.~~

~~(b) After filing the statement, the Secretary of State shall mail one copy to the registered office (if not discontinued) and the other copy to the corporation at its principal office.~~

~~(c) The agency appointment is terminated, and the registered office discontinued if so provided, on the 31st day after the date on which the statement is filed A registered agent for service of process may resign as agent by filing a statement of resignation pursuant to 11 V.S.A. § 1655.~~

§ 5.04. SERVICE ON CORPORATION

~~(a) The corporation's registered agent shall be an agent of such corporation upon whom any process, notice, or demand required or permitted by law to be served upon the corporation may be served.~~

~~(b) Whenever a corporation shall fail to appoint or maintain a registered agent in this State, or whenever its registered agent cannot with reasonable diligence be found at the registered office, then the Secretary of State shall be~~

~~an agent of such corporation upon whom any such process, notice or demand may be served. Service on the Secretary of State of any such process, notice, or demand shall be made by delivering to and leaving with him or her, or with any clerk having charge of the corporation department of his or her office, duplicate copies of such process, notice, or demand. In the event any such process, notice, or demand is served on the Secretary of State, he or she shall immediately cause one of the copies thereof to be forwarded by registered or certified mail, return receipt requested, addressed to the corporation at its registered office.~~

~~(e) The Secretary of State shall keep a record of all processes, notices, and demands served upon the Secretary under this section, and shall record therein the time of such service and the Secretary's action with reference thereto.~~

~~(d) Nothing herein contained shall limit or affect the right to serve any process, notice, or demand required or permitted by law to be served upon a corporation in any other manner now or hereafter permitted by law, or by rule~~
A corporation is subject to the service of process provisions in 11 V.S.A. 1656.

Sec. 12. 11A V.S.A. chapter 14 is amended to read:

CHAPTER 14. DISSOLUTION

* * *

§ 14.05. EFFECT OF DISSOLUTION

* * *

(b) Dissolution of a corporation does not:

- (1) transfer title to the corporation's property;
- (2) prevent transfer of its shares or securities, although the authorization to dissolve may provide for closing the corporation's share transfer records;
- (3) subject its directors or officers to standards of conduct different from those prescribed in chapter 8 of this title;
- (4) change quorum or voting requirements for its board of directors or shareholders; change provisions for selection, resignation, or removal of its directors or officers or both; or change provisions for amending its bylaws;
- (5) prevent commencement of a proceeding by or against the corporation in its corporate name;
- (6) abate or suspend a proceeding pending by or against the corporation on the effective date of dissolution; or

(7) terminate the authority of the registered agent for service of process of the corporation.

* * *

§ 14.20. INVOLUNTARY TERMINATION

* * *

(d) Involuntary termination of a corporation does not:

(1) prevent commencement of a proceeding against the corporation in its corporate name;

(2) abate or suspend a proceeding pending by or against the corporation on the effective date of involuntary termination; or

(3) terminate the authority of the registered agent for service of process of the corporation.

* * *

Sec. 13. 11A V.S.A. chapter 15 is amended to read:

CHAPTER 15. FOREIGN CORPORATIONS

* * *

§ 15.03. APPLICATION FOR CERTIFICATE OF AUTHORITY

(a) A foreign corporation may apply for a certificate of authority to transact business in this State by delivering an application and the applicable filing fee to the Secretary of State for filing. The application must set forth:

(1) the name of the foreign corporation or, if its name is unavailable for use in this State, a corporate name that satisfies the requirements of section 15.06 of this title;

(2) the name of the state or country under whose law it is incorporated;

(3) its date of incorporation and period of duration;

(4) the street address of its principal office;

(5) the address of its registered office in this State and the name of its registered agent for service of process at that office, pursuant to 11 V.S.A. § 1655; and

(6) the names and usual business addresses of its current directors and officers, and of any other principals the corporation provides.

(b) The foreign corporation shall deliver with the completed application a certificate of good standing (or a document of similar import) duly

authenticated by the Secretary of State or other official having custody of corporate records in the state or country under whose law it is incorporated.

* * *

§ 15.06. CORPORATE NAME OF FOREIGN CORPORATION

(a) If the corporate name of a foreign corporation does not satisfy the requirements of section 4.01 of this title, the foreign corporation to obtain or maintain a certificate of authority to transact business in this State:

(1) may add the word “corporation,” “incorporated,” “company,” or “limited,” or the abbreviation “corp.,” “inc.,” “co.,” or “ltd.,” to its corporate name for use in this State; or

(2) may ~~use an available trade~~ adopt an alternate name to transact business in this State if its corporate name is unavailable and it delivers to the Secretary of State for filing a copy of the resolution of its board of directors, certified by its secretary, adopting the ~~trade~~ alternate name.

(b) Except as authorized by subsections (c) and (d) of this section, the corporate name, including a ~~trade~~ an alternate name, of a foreign corporation shall be distinguishable in the records of the Secretary of State from any name granted, registered, or reserved under this chapter, or the name of any other entity, whether domestic or foreign, that is reserved, registered, or granted by or with the Secretary of State.

(c) A foreign corporation may apply to the Secretary of State for authorization to use in this State the name of another corporation incorporated or authorized to transact business in this State that is not distinguishable in the records from one or more of the names described in subsection (b) of this section, by submitting to the Secretary of State a satisfactory written form indicating the other corporation’s consent and change of name.

(d) A foreign corporation may use in this State the name, including the ~~trade~~ alternate name, of another domestic or foreign corporation that is used in this State if the other corporation is incorporated or authorized to transact business in this State and the foreign corporation:

(1) has merged with the other corporation;

(2) has been formed by reorganization of the other corporation; or

(3) has acquired all or substantially all of the assets, including the corporate name, of the other corporation.

* * *

§ 15.07. REGISTERED OFFICE AND REGISTERED AGENT FOR

SERVICE OF PROCESS OF FOREIGN CORPORATION

Each foreign corporation authorized to transact business in this State must continuously maintain in this State:

(1) a registered office that may be the same as any of its places of business; and

(2) a registered agent for service of process, pursuant to 11 V.S.A. § 1655, who may be:

~~(A) an individual who resides in this State and whose business office is identical with the registered office;~~

~~(B) a domestic corporation or domestic not-for-profit corporation whose business office is identical with the registered office; or~~

~~(C) a foreign corporation or foreign not-for-profit corporation authorized to transact business in this State whose business office is identical with the registered office.~~

§ 15.08. CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT FOR SERVICE OF PROCESS OF FOREIGN CORPORATION

(a) A foreign corporation authorized to transact business in this State may change its registered office or registered agent for service of process by delivering to the Secretary of State for filing a statement of change ~~that sets forth:~~

~~(1) its name;~~

~~(2) the street address of its current registered office;~~

~~(3) if the current registered office is to be changed, the street address of its new registered office;~~

~~(4) the name of its current registered agent;~~

~~(5) if the current registered agent is to be changed, the name of its new registered agent and the new agent's written consent (either on the statement or attached to it) to the appointment; and~~

~~(6) that after the change or changes are made, the street addresses of its registered office and the business office of its registered agent will be identical.~~

(b) If a registered agent changes the street address of his or her business office, he or she may change the street address of the registered office of any foreign corporation for which he or she is the registered agent by notifying the corporation in writing of the change and signing (either manually or in facsimile) and delivering to the Secretary of State for filing a statement of

~~change that complies with the requirements of subsection (a) of this section and recites that the corporation has been notified of the change pursuant to 11 V.S.A. § 1655.~~

§ 15.09. RESIGNATION OF REGISTERED AGENT FOR SERVICE OF
PROCESS OF FOREIGN CORPORATION

~~(a) The registered agent of a foreign corporation may resign his or her agency as agent by filing a statement of resignation pursuant to 11 V.S.A. § 1655 appointment by signing and delivering to the Secretary of State for filing the original and two exact or conformed copies of a statement of resignation. The statement of resignation may include a statement that the registered office is also discontinued.~~

~~(b) After filing the statement, the Secretary of State shall attach the filing receipt to one copy and mail the copy and receipt to the registered office if not discontinued. The Secretary of State shall mail the other copy to the foreign corporation at its principal office address shown in its most recent annual report.~~

~~(c) The agency appointment is terminated, and the registered office discontinued if so provided, on the 31st day after the date on which the statement was filed.~~

§ 15.10. SERVICE OF PROCESS ON FOREIGN CORPORATION

~~Service of process on a foreign corporation is governed by 12 V.S.A. subchapter 6, chapter 25 and by the Vermont Rules of Civil Procedure A foreign corporation is subject to the service of process provisions in 11 V.S.A. § 1656.~~

* * *

§ 15.30. INVOLUNTARY TERMINATION

(a) The Secretary of State shall terminate the certificate of authority of a foreign corporation if:

(1) the foreign corporation fails to deliver its annual report to the Secretary of State as required by section 16.22 of this title;

(2) the foreign corporation does not pay any franchise taxes or penalties imposed by this title or other law;

(3) the foreign corporation is without a registered agent for service of process or registered office in this State;

(4) the foreign corporation fails to inform the Secretary of State under section 15.08 or 15.09 of this title that its registered agent for service of process or registered office has changed;

(5) a material misrepresentation is knowingly made in a signed document delivered to the Secretary of State for filing;

(6) the Secretary of State receives a duly authenticated certificate from the Secretary of State or other official having custody of corporation records in the state or country under whose law the foreign corporation is incorporated stating that it has been dissolved or terminated or disappeared as the result of a merger;

(7) the foreign corporation has failed to comply with subdivision 11.07(a)(3) of this title requiring it to file articles of merger where it is the survivor of a merger with a domestic corporation; or

(8) the Commissioner of Taxes notifies the Secretary of State that a foreign corporation has failed to make a return, to pay a tax, to file a bond, or to do any other act required to be done under the provisions of 32 V.S.A. chapter 211.

(b) The Secretary of State shall serve the foreign corporation with written notice of termination of its certificate of authority under section 15.10 of this title, setting out each deficiency.

(c) The authority of a foreign corporation to transact business in this State ceases on the date shown on the notice terminating its certificate of authority. Termination of a foreign corporation's certificate of authority does not terminate the authority of the registered agent for service of process of the corporation.

(d) The Secretary of State's termination of a foreign corporation's certificate of authority appoints the Secretary of State the foreign corporation's agent for service of process in any proceeding based on a cause of action that arose during the time the foreign corporation was authorized to transact or was transacting without authorization business in this State. Service of process on the Secretary of State under this subsection is service on the foreign corporation. Upon receipt of process, the Secretary of State shall mail a copy of the process to the secretary of the foreign corporation at its principal office shown in its most recent annual report or in any subsequent communication received from the corporation stating the current mailing address of its principal office, or, if none is on file, in its application for a certificate of authority, or otherwise perfect service under section 15.10 of this title.

(e) If the foreign corporation corrects each ground for termination and demonstrates to the reasonable satisfaction of the Secretary of State that each ground cited in the notice of termination does not exist, and pays to the Secretary of State a reinstatement fee of ~~\$25.00~~ for each year it is delinquent, the secretary may cancel the termination and prepare a certificate of reinstatement, file the original of the certificate, and serve a copy on the corporation under section 15.10 of this title.

* * *

Sec. 14. 11A V.S.A. chapter 16 is amended to read:

CHAPTER 16. RECORDS AND REPORTS

* * *

§ 16.22. ANNUAL REPORT FOR SECRETARY OF STATE

(a) Each domestic corporation, and each foreign corporation authorized to transact business in this State, shall deliver to the Secretary of State for filing an annual report that sets forth:

(1) the name of the corporation and the state or country under whose law it is incorporated;

(2) the address of its registered office and the name and email of its registered agent for service of process at that office in this State;

* * *

~~(e) Listing the name of the registered agent and the address of the registered office does not effectuate a change in such agent or office unless the report also contains the requirements of section 5.02 of this title The Secretary of State shall amend its records to reflect a change, if specified in the report, to the business's purpose, email, address, or principal information.~~

* * * Updates to Title 11B language * * *

Sec. 15. 11B V.S.A. chapter 1 is amended to read:

CHAPTER 1. GENERAL PROVISIONS

* * *

§ 1.21. FORMS

(a) The Secretary of State may prescribe the form or electronic format of and furnish on request, forms or specifications for formats for:

(1) an application for a certificate of ~~existence~~ good standing;

(2) a foreign corporation's application for a certificate of authority to transact business in this State;

(3) a foreign corporation's application for a certificate of withdrawal; and

(4) the biennial report.

(b) The Secretary of State may prescribe and furnish on request forms for other documents required or permitted to be filed by this title but their use is not mandatory.

§ 1.22. ~~FILING; SERVICE AND COPYING FEES~~

~~The Secretary of State shall collect the following fees when the documents described in this section are delivered to the Office of the Secretary of State for filing:~~

(1) Articles of incorporation	\$155.00
(2) Application for reserved name	\$35.00
(3) Transfer of reserved name	\$35.00
(4) Application for registered name	\$45.00
(5) Renewal of registered name	\$45.00
(6) Statement of change of registered agents or registered office, or both	\$35.00 and not to exceed \$1,000.00 per filer per calendar year.
(7) Agent's statement of resignation	No fee
(8) Amendment of articles of association	\$45.00
(9) Restatement of articles of association	\$45.00
(10) Articles of merger	\$90.00
(11) Articles of dissolution	No fee
(12) Articles of revocation of dissolution	\$10.00
(13) Application for reinstatement following administrative dissolution	\$45.00
(14) Application for certificate of authority for a foreign corporation	\$175.00
(15) Application for amended certificate of authority	\$45.00
(16) Application for certificate of withdrawal	\$10.00

(17) ~~Biennial report~~ \$35.00 ~~except that a corporation which certifies to the Secretary of State, on a form approved by the Secretary, that it did not compensate its officers, directors, or employees during the prior calendar year shall be exempt from the fee required by this subdivision.~~

(18) ~~Articles of correction~~ \$30.00

(19) ~~Application for certificate of good standing~~ \$35.00

(20) ~~Certified copy of any filed document~~ \$25.00

(21) ~~Restatement of articles of organization~~ \$30.00 A person who submits a document for filing pursuant to this title shall pay to the Secretary of State the amount specified in 11 V.S.A. § 1651.

* * *

Sec. 16. 11B V.S.A. chapter 2 is amended to read:

CHAPTER 2. INCORPORATION

* * *

§ 2.02. ARTICLES OF INCORPORATION

(a) The articles of incorporation must set forth:

(1) a A corporate name for the corporation that satisfies the requirements of section 4.01 of this title;

(2) ~~one~~ One of the following statements:

(A) This corporation is a public benefit corporation.

(B) This corporation is a mutual benefit corporation.

(3) ~~the~~ The street address of the corporation's initial registered office and the name and email of its initial registered agent for service of process at that office, pursuant to 11 V.S.A. § 1655;

(4) ~~the~~ The name and address of each incorporator;

(5) ~~whether~~ Whether or not the corporation will have members; ~~and~~.

(6) ~~provisions~~ Provisions not inconsistent with law regarding the distribution of assets on dissolution.

(b) The articles of incorporation may set forth:

(1) the purpose or purposes for which the corporation is organized, which may be, either alone or in combination with other purposes, the transaction of any lawful activity;

(2) the names and addresses of the individuals who are to serve as the initial directors, and of any other principals the corporation provides;

(3) provisions not inconsistent with law regarding:

(A) managing and regulating the affairs of the corporation;

(B) defining, limiting, and regulating the powers of the corporation, its board of directors, and members (or any class of members);

(C) the characteristics, qualifications, rights, limitations, and obligations attaching to each or any class of members; and

(4) any provision that under this title is required or permitted to be set forth in the bylaws.

* * *

Sec. 17. 11B V.S.A. chapter 4 is amended to read:

CHAPTER 4. NAME

* * *

§ 4.02. RESERVED NAME

~~(a) A person may reserve the exclusive use of a corporate name, including a fictitious name for a foreign corporation whose corporate name is not available, by delivering an application to the Secretary of State for filing. Upon finding that the corporate name applied for is available, the Secretary of State shall reserve the name for the applicant's exclusive use for a 120-day period. Such 120-day period may be renewed no more than twice.~~

~~(b) The owner of a reserved corporate name may transfer the reservation to another person by delivering to the Secretary of State a signed notice of the transfer that states the name and address of the transferee~~ A person may reserve the exclusive use of a business name by delivering an application to the Secretary of State for filing pursuant to 11 V.S.A. § 1652.

§ 4.03. REGISTERED NAME

(a) A foreign corporation may register its corporate name, or its alternate name or corporate name with any addition required by section 15.06 of this title, if the name is distinguishable upon the records of the Secretary of State from:

(1) the corporate name of a nonprofit or business corporation incorporated or authorized to do business in this State; and

(2) a corporate name reserved under section 4.02 of this title or 11A V.S.A. § 4.02 or registered under this section.

(b) A foreign corporation registers its corporate name, or its alternate name corporate name with any addition required by section 15.06 of this title, by delivering to the Secretary of State an application:

(1) setting forth its corporate name, or its alternate name or corporate name with any addition required by section 15.06 of this title, the state or country and date of its incorporation, and a brief description of the nature of the activities in which it is engaged; and

(2) accompanied by a certificate of existence (or a document of similar import) from the state or country of incorporation.

* * *

Sec. 18. 11B V.S.A. chapter 5 is amended to read:

CHAPTER 5. OFFICE AND AGENT

§ 5.01. REGISTERED OFFICE AND REGISTERED AGENT FOR SERVICE OF PROCESS

Each corporation must continuously maintain in this State:

(1) a registered office that may be the same as any of its places of business; and

(2) a registered agent for service of process, pursuant to 11 V.S.A. § 1655, whose business office is identical with the registered office.

§ 5.02. CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT FOR SERVICE OF PROCESS

(a) A corporation may change its registered office or registered agent for service of process by delivering to the Secretary of State for filing a statement of change pursuant to 11 V.S.A. § 1655 that sets forth:

(1) the name of the corporation;

(2) the street address of its current registered office;

(3) if the current registered office is to be changed, the street address of the new registered office;

(4) the name of its current registered agent;

(5) if the current registered agent is to be changed, the name of the new registered agent and the new agent's written consent (either on the statement or attached to it) to the appointment; and

~~(6) that after the change or changes are made, the street addresses of its registered office and the office of its registered agent will be identical~~

~~(b) If the street address of a registered agent's office is changed, the registered agent may change the street address of the registered office of any corporation for which the registered agent is the registered agent by notifying the corporation in writing of the change and by signing (either manually or in facsimile) and delivering to the Secretary of State for filing a statement that complies with the requirements of subsection (a) of this section and recites that the corporation has been notified of the change.~~

§ 5.03. RESIGNATION OF REGISTERED AGENT FOR SERVICE OF PROCESS

~~(a) A registered agent may resign as registered agent by signing and delivering to the Secretary of State a statement of resignation pursuant to 11 V.S.A. § 1655 the original and two exact or conformed copies of a statement of resignation. The statement may include a statement that the registered office is also discontinued.~~

~~(b) After filing the statement, the Secretary of State shall mail one copy to the registered office (if not discontinued) and the other copy to the corporation at its principal office as shown in the most recent biennial report filed pursuant to section 16.22 of this title.~~

~~(c) The agency appointment is terminated, and the registered office discontinued if so provided, on the 31st day after the date on which the statement is filed.~~

§ 5.04. SERVICE ON CORPORATION

~~(a) The corporation's registered agent shall be an agent of such corporation upon whom any process, notice, or demand required or permitted by law to be served upon the corporation may be served~~

~~(b) Whenever a corporation shall fail to appoint or maintain a registered agent in this State, or whenever its registered agent cannot with reasonable diligence be found at the registered office, then the Secretary of State shall be an agent of such corporation upon whom any such process, notice, or demand may be served. Service on the Secretary of State of any such process, notice, or demand shall be made by delivering to and leaving with him or her, or with any clerk having charge of the corporation department of his or her office, duplicate copies of such process, notice, or demand. In the event any such process, notice, or demand is served on the Secretary of State, he or she shall immediately cause one of the copies thereof to be forwarded by registered or~~

~~certified mail, return receipt requested, addressed to the corporation at its registered office.~~

~~(e) The Secretary of State shall keep a record of all processes, notices, and demands served upon the Secretary under this section, and shall record therein the time of such service and the Secretary's action with reference thereto.~~

~~(d) Nothing herein contained shall limit or affect the right to serve any process, notice, or demand required or permitted by law to be served upon a corporation in any other manner now or hereafter permitted by law, or by rule~~
A corporation is subject to the service of process provisions in 11 V.S.A. § 1656.

Sec. 19. 11B V.S.A. chapter 14 is amended to read:

CHAPTER 14. DISSOLUTION

* * *

§ 14.05. EFFECT OF DISSOLUTION

* * *

(b) Dissolution of a corporation does not:

- (1) transfer title to the corporation's property;
- (2) subject its directors or officers to standards of conduct different from those prescribed in chapter 8 of this title;
- (3) change quorum or voting requirements for its board or members; change provisions for selection, resignation, or removal of its directors or officers or both; or change provisions for amending its bylaws;
- (4) prevent commencement of a proceeding by or against the corporation in its corporate name;
- (5) abate or suspend a proceeding pending by or against the corporation on the effective date of dissolution; or
- (6) terminate the authority of the registered agent for service of process.

* * *

§ 14.20. INVOLUNTARY TERMINATION

The Secretary of State may commence a proceeding under section 14.21 of this title to administratively dissolve a corporation if:

- (1) the corporation does not pay within 60 days after they are due fees imposed by this title;

(2) the corporation does not deliver its biennial report to the Secretary of State within 60 days after it is due;

(3) the corporation is without a registered agent for service of process or registered office in this State for 60 days or more; or

(4) the corporation does not notify the Secretary of State within 120 days that its registered agent for service of process or registered office has been changed, that its registered agent for service of process has resigned, or that its registered office has been discontinued.

§ 14.21. PROCEDURE FOR AND EFFECT OF INVOLUNTARY
TERMINATION

* * *

(d) The ~~involuntarily~~ involuntary dissolution of a corporation does not terminate the authority of its registered agent for service of process.

§ 14.22. REINSTATEMENT FOLLOWING INVOLUNTARY
DISSOLUTION

(a) A corporation involuntarily dissolved that has not distributed its assets under section 14.21 of this title may apply to the Secretary of State for reinstatement upon payment of \$25.00 the fee specified in 11 V.S.A. § 1651 for each year the corporation is delinquent. The application must:

(1) recite the name of the corporation and the effective date of its involuntary dissolution;

(2) state that the ground or grounds for dissolution either did not exist or have been eliminated; and

(3) state that the corporation's name satisfies the requirements of section 4.01 of this title.

* * *

Sec. 20. 11B V.S.A. chapter 15 is amended to read:

CHAPTER 15. FOREIGN CORPORATIONS

* * *

§ 15.03. APPLICATION FOR CERTIFICATE OF AUTHORITY

(a) A foreign corporation may apply for a certificate of authority to transact business in this State by delivering an application to the Secretary of State. The application must set forth:

(1) the name of the foreign corporation or, if its name is unavailable for use in this State, a corporate name that satisfies the requirements of section 15.06 of this title;

(2) the name of the state or country under whose law it is incorporated;

(3) the date of incorporation and period of duration;

(4) the street address of its principal office;

(5) the address of its registered office in this State and the name and email of its registered agent for service of process at that office;

(6) the names and usual business or home addresses of its current directors and officers and of any other principals the corporation provides;

(7) whether the foreign corporation has members; and

(8) whether the corporation, if it had been incorporated in this State, would be a public benefit or mutual benefit corporation.

(b) The foreign corporation shall deliver with the completed application a certificate of existence, (or a document of similar import), duly authenticated by the Secretary of State or other official having custody of corporate records in the state or country under whose law it is incorporated.

* * *

§ 15.06. CORPORATE NAME OF FOREIGN CORPORATION

(a) If the corporate name of a foreign corporation does not satisfy the requirements of section 4.01 of this title, the foreign corporation to obtain or maintain a certificate of authority to transact business in this State:

(1) may add the word “corporation,” “incorporated,” “company,” or “limited,” or the abbreviation “corp.,” “inc.,” “co.,” or “ltd.,” to its corporate name for use in this State; or

(2) may ~~use an available trade~~ adopt an alternate name to transact business in this State if its corporate name is unavailable and it delivers to the Secretary of State for filing a copy of the resolution of its board of directors, certified by its secretary, adopting the ~~trade~~ alternate name.

(b) Except as authorized by subsections (c) and (d) of this section, the corporate name, (including a ~~trade~~ an alternate name,) of a foreign corporation must be distinguishable upon the records of the Secretary of State from reserved or registered trade names or corporate names.

(c) A foreign corporation may apply to the Secretary of State for authorization to use in this State the name of another corporation incorporated

or authorized to transact business in this State that is not distinguishable upon the records from the name applied for by submitting to the Secretary of State a satisfactory written form indicating the other corporation's consent and change of name.

(d) A foreign corporation may use in this State the name, (including the trade alternate name,) of another domestic or foreign corporation that is used in this State if the other corporation is incorporated or authorized to transact business in this State and the foreign corporation:

* * *

§ 15.07. REGISTERED OFFICE AND REGISTERED AGENT FOR
SERVICE OF PROCESS OF FOREIGN CORPORATION

Each foreign corporation authorized to transact business in this State must continuously maintain in this State:

(1) a registered office with the same address as that of its registered agent for service of process; and

(2) a registered agent for service of process, who may be:

~~(A) an individual who resides in this State and whose office is identical with the registered office;~~

~~(B) a domestic business or nonprofit corporation whose office is identical with the registered office; or~~

~~(C) a foreign business or nonprofit corporation authorized to transact business in this State whose office is identical with the registered office pursuant to 11 V.S.A. § 1655.~~

§ 15.08. CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT
FOR SERVICE OF PROCESS OF FOREIGN CORPORATION

~~(a) A foreign corporation authorized to transact business in this State may change its registered office or registered agent for service of process by delivering to the Secretary of State for filing a statement of change that sets forth:~~

~~(1) its name;~~

~~(2) the street address of its current registered office;~~

~~(3) if the current registered office is to be changed, the street address of its new registered office;~~

~~(4) the name of its current registered agent;~~

~~(5) if the current registered agent is to be changed, the name of its new registered agent and the new agent's written consent (either on the statement or attached to it) to the appointment; and~~

~~(6) that after the change or changes are made, the street addresses of its registered office and the office of its registered agent will be identical.~~

~~(b) If a registered agent changes the street address of its business office, the agent may change the address of the registered office of any foreign corporation for which the agent is the registered agent by notifying the corporation in writing of the change and signing (either manually or in facsimile) and delivering to the Secretary of State for filing a statement of change that complies with the requirements of subsection (a) of this section and recites that the corporation has been notified of the change pursuant to 11 V.S.A. § 1655.~~

~~§ 15.09. RESIGNATION OF REGISTERED AGENT OF FOREIGN CORPORATION~~

~~(a) The registered agent of a foreign corporation may resign as agent by signing and delivering to the Secretary of State for filing a statement of resignation pursuant to 11 V.S.A. § 1655 the original and two exact or conformed copies of a statement of resignation. The statement of resignation may include a statement that the registered office is also discontinued.~~

~~(b) After filing the statement, the Secretary of State shall attach the filing receipt to one copy and mail the copy and receipt to the registered office if not discontinued. The Secretary of State shall mail the other copy to the foreign corporation at its principal office address shown in its most recent biennial report.~~

~~(c) The agency is terminated, and the registered office discontinued if so provided, on the 31st day after the date on which the statement was filed.~~

~~§ 15.10. SERVICE ON FOREIGN CORPORATION~~

~~(a) The registered agent of a foreign corporation authorized to transact business in this State is the corporation's agent for service of process, notice, or demand required or permitted by law to be served on the foreign corporation.~~

~~(b) A foreign corporation may be served by registered or certified mail, return receipt requested, addressed to the secretary of the foreign corporation at its principal office shown in its application for a certificate of authority or in its most recent biennial report filed under section 16.22 of this title if the foreign corporation:~~

~~(1) has no registered agent or its registered agent cannot with reasonable diligence be served;~~

~~(2) has withdrawn from transacting business in this State under section 15.20 of this title; or~~

~~(3) has had its certificate of authority revoked under section 15.31 of this title.~~

~~(e) Service is perfected under subsection (b) of this section at the earliest of:~~

~~(1) the date the foreign corporation receives the mail;~~

~~(2) the date shown on the return receipt, if signed on behalf of the foreign corporation; or~~

~~(3) five days after its deposit in the U.S. mail, as evidenced by the postmark if mailed postpaid and correctly addressed.~~

~~(d) This section does not prescribe the only means, or necessarily the required means, of serving a foreign corporation. A foreign corporation is subject to the service of process provisions in 11 V.S.A. § 1656.~~

§ 15.20. WITHDRAWAL OF FOREIGN CORPORATION

* * *

(b) A foreign corporation authorized to transact business in this State may apply for a certificate of withdrawal by delivering an application to the Secretary of State for filing. The application must set forth:

(1) the name of the foreign corporation and the name of the state or country under whose law it is incorporated;

(2) that it is not transacting business in this State and that it surrenders its authority to transact business in this State;

(3) that it revokes the authority of its registered agent for service of process to accept service on its behalf and appoints the Secretary of State as its agent for service of process in any proceeding based on a cause of action arising during the time it was authorized to do business in this State;

(4) a mailing address to which the Secretary of State may mail a copy of any process served on him or her under subdivision (3) of this subsection; and

(5) a commitment to notify the Secretary of State in the future of any change in the mailing address.

* * *

§ 15.30. INVOLUNTARY TERMINATION

(a) The Secretary of State shall terminate the certificate of authority of a foreign corporation if:

(1) the foreign corporation fails to deliver its biennial report to the Secretary of State as required by section 16.22 of this title;

(2) the foreign corporation does not pay any penalties imposed by this title or other law;

(3) the foreign corporation is without a registered agent for service of process or registered office in this State;

(4) the foreign corporation fails to inform the Secretary of State under section 15.08 or 15.09 of this title that its registered agent for service of process or registered office has changed;

(5) a material misrepresentation is knowingly made in a signed document delivered to the Secretary of State for filing;

(6) the Secretary of State receives a duly authenticated certificate from the secretary of state or other official having custody of corporation records in the state or country under whose law the foreign corporation is incorporated stating that it has been dissolved or terminated or disappeared as the result of a merger; or

(7) the foreign corporation has failed to comply with subdivision 11.07(a) of this title requiring it to file articles of merger where it is the survivor of a merger with a domestic corporation.

(b) The Secretary of State shall serve the foreign corporation with written notice of termination of its certificate of authority under section 15.10 of this title, setting out each deficiency.

(c) The authority of a foreign corporation to transact business in this State ceases on the date shown on the notice terminating its certificate of authority. Termination of a foreign corporation's certificate of authority does not terminate the authority of the registered agent for service of process of the corporation.

(d) The Secretary of State's termination of a foreign corporation's certificate of authority appoints the Secretary of State the foreign corporation's agent for service of process in any proceeding based on a cause of action that arose during the time the foreign corporation was authorized to transact or was transacting without authorization business in this State. Service of process on the Secretary of State under this subsection is service on the foreign corporation. Upon receipt of process, the Secretary of State shall mail a copy of the process to the secretary of the foreign corporation at its principal office

shown in its most recent biennial report or in any subsequent communication received from the corporation stating the current mailing address of its principal office, or, if none is on file, in its application for a certificate of authority, or otherwise perfect service under section 15.10 of this title.

(e) If the foreign corporation corrects each ground for termination and demonstrates to the reasonable satisfaction of the Secretary of State that each ground cited in the notice of termination does not exist, and pays to the Secretary of State ~~a fee of \$25.00~~ the fee specified in 11 V.S.A. § 1651 for each year it is delinquent, the Secretary may cancel the termination and prepare a certificate of reinstatement, file the original of the certificate, and serve a copy on the corporation under section 15.10 of this title.

* * *

Sec. 21. 11B V.S.A. chapter 16 is amended to read:

CHAPTER 16. RECORDS AND REPORTS

* * *

§ 16.22. BIENNIAL REPORT FOR SECRETARY OF STATE

(a) Each domestic corporation, and each foreign corporation authorized to transact business in this State, shall deliver to the Secretary of State a biennial report on a form prescribed and furnished by the Secretary of State that sets forth:

(1) the name of the corporation and the state or country under whose law it is incorporated;

(2) the address of its registered office and the name and email of its registered agent for service of process at the office in this State;

(3) the address of its principal office;

(4) the names and business or residence addresses of its directors and principal officers; and

(5) a brief description of the nature of its activities.

(b) The information in the biennial report must be current on the date the biennial report is executed on behalf of the corporation.

(c) The first biennial report must be delivered to the Secretary of State between January 1 and April 1 of the year following the calendar year in which a domestic corporation was incorporated or a foreign corporation was authorized to transact business. Subsequent biennial reports must be delivered

to the Secretary of State between January 1 and April 1 following each succeeding two calendar years.

(d) If a biennial report does not contain the information required by this section, the Secretary of State shall promptly notify the reporting domestic or foreign corporation in writing and return the report to it for correction. If the report is corrected to contain the information required by this section and delivered to the Secretary of State within 30 days after the effective date of notice, it is deemed to be timely filed.

(e) The Secretary of State shall amend its records to reflect a change, if specified in the report, to the business's purpose, email, address, or principal information.

* * * Updates to Title 11C language * * *

Sec. 22. 11C V.S.A. chapter 1 is amended to read:

CHAPTER 1. GENERAL PROVISIONS

* * *

§ 112. RESERVATION OF NAME

~~(a) A person may reserve the exclusive use of the name of a mutual benefit enterprise, including a fictitious name for a foreign enterprise whose name is not available under section 111 of this title, by delivering an application to the Secretary of State for filing. The application shall set forth the name and address of the applicant and the name proposed to be reserved. If the Secretary of State finds that the name applied for is available under section 111 of this title, the Secretary of State shall reserve the name for the applicant's exclusive use for a nonrenewable period of 120 days.~~

~~(b) A person who has reserved a name for a mutual benefit enterprise may transfer the reservation to another person by delivering to the Secretary of State a signed notice of the transfer which states the name, street address, and, if different, the mailing address of the transferee. If the person is an organizer of the enterprise and the name of the enterprise is the same as the reserved name, the delivery of articles of organization for filing by the Secretary of State is a transfer by the person to the enterprise~~ A person may reserve the exclusive use of a business name by delivering an application to the Secretary of State for filing pursuant to 11 V.S.A. § 1652.

* * *

§ 117. DESIGNATED OFFICE AND AGENT FOR SERVICE OF PROCESS

(a) A mutual benefit enterprise or a foreign enterprise that has a certificate of authority under section 1404 of this title shall designate and continuously maintain in this State:

(1) an office, as its designated office, which need not be a place of the enterprise's or foreign enterprise's activity in this State; and

(2) an agent for service of process, pursuant to 11 V.S.A. § 1655, at the designated office.

~~(b) An agent for service of process of a mutual benefit enterprise or foreign enterprise shall be an individual who is a resident of this State or an entity that is authorized to do business in this State.~~

§ 118. CHANGE OF DESIGNATED OFFICE OR AGENT FOR SERVICE OF PROCESS

~~(a) Except as otherwise provided in subsection 207(e) of this title, to change its designated office, its agent for service of process, or the street address or, if different, mailing address of its principal office, a mutual benefit enterprise shall deliver to the Secretary of State for filing a statement of change containing:~~

~~(1) the name of the mutual benefit enterprise;~~

~~(2) the street address and, if different, mailing address of its designated office;~~

~~(3) if the designated office is to be changed, the street address and, if different, mailing address of the new designated office;~~

~~(4) the name of its agent for service of process; and~~

~~(5) if the agent for service of process is to be changed, the name of the new agent.~~

~~(b) Except as otherwise provided in subsection 207(e) of this title, to change its agent for service of process, the address of its designated office, or the street address or, if different, mailing address of its principal office, a foreign enterprise shall deliver to the Secretary of State for filing a statement of change containing:~~

~~(1) the name of the foreign enterprise;~~

~~(2) the name, street address, and, if different, mailing address of its designated office;~~

~~(3) if the current agent for service of process or an address of the designated office is to be changed, the new information;~~

~~(4) the street address and, if different, the mailing address of its principal office; and~~

~~(5) if the street address or, if different, the mailing address of its principal office is to be changed, the street address and, if different, the mailing address of the new principal office.~~

~~(c) Except as otherwise provided in section 204 of this title, a statement of change is effective when filed by the Secretary of State A mutual benefit enterprise or foreign enterprise shall change its designated office or agent for service of process information by submitting to the Secretary of State for filing a statement of change pursuant to 11 V.S.A. § 1655.~~

§ 119. RESIGNATION OF AGENT FOR SERVICE OF PROCESS

~~(a) To resign as an agent for service of process of a mutual benefit enterprise or foreign enterprise, the agent shall deliver to the Secretary of State for filing a statement of resignation containing the name of the agent and the name of the enterprise or foreign enterprise.~~

~~(b) After receiving a statement of resignation under subsection (a) of this section, the Secretary of State shall file it and mail or otherwise provide or deliver a copy to the mutual benefit enterprise or foreign enterprise at its principal office.~~

~~(c) An agency for service of process of a mutual benefit enterprise or foreign enterprise terminates on the earlier of:~~

~~(1) the 31st day after the Secretary of State files a statement of resignation under subsection (b) of this section; or~~

~~(2) when a record designating a new agent for service of process is delivered to the Secretary of State for filing on behalf of the enterprise or foreign enterprise and becomes effective An agent for service of process may resign as agent by submitting to the Secretary of State for filing a statement of resignation pursuant to 11 V.S.A. § 1655.~~

§ 120. SERVICE OF PROCESS

~~(a) An agent for service of process appointed by a mutual benefit enterprise or foreign enterprise is an agent of the enterprise or foreign enterprise for service of process, notice, or a demand required or permitted by law to be served upon the enterprise or foreign enterprise.~~

~~(b) If a mutual benefit enterprise or foreign enterprise does not appoint or maintain an agent for service of process in this State or the agent for service of process cannot with reasonable diligence be found at the address of the designated office on file with the Secretary of State, the Secretary of State is~~

~~an agent of the enterprise or foreign enterprise upon which process, notice, or a demand may be served.~~

~~(c) Service of process, notice, or a demand on the Secretary of State as agent of a mutual benefit enterprise or foreign enterprise may be made by delivering to the Secretary of State two copies of the process, notice, or demand. The Secretary of State shall forward one copy by registered or certified mail, return receipt requested, to the enterprise or foreign enterprise at its principal office.~~

~~(d) Service is effected under subsection (c) of this section on the earliest of:~~

~~(1) the date the mutual benefit enterprise or foreign enterprise receives the process, notice, or demand;~~

~~(2) the date shown on the return receipt, if signed on behalf of the enterprise or foreign enterprise; or~~

~~(3) five days after the process, notice, or demand is deposited by the Secretary of State for delivery by the U.S. Postal Service, if postage is prepaid to the address of the principal office on file with the Secretary of State.~~

~~(e) The Secretary of State shall keep a record of each process, notice, and demand served pursuant to this section and record the time of and the action taken regarding the service.~~

~~(f) This section does not affect the right to serve process, notice, or a demand in any other manner provided by law. A mutual benefit enterprise or foreign enterprise is subject to the service of process provisions in 11 V.S.A. § 1656.~~

Sec. 23. 11C V.S.A. chapter 2 is amended to read:

CHAPTER 2. FILING AND ANNUAL REPORTS

* * *

§ 202. SIGNING AND FILING OF RECORDS PURSUANT TO JUDICIAL ORDER

(a) If a person required by this title to sign or deliver a record to the Secretary of State for filing does not do so, the Superior Court of the county of the mutual benefit enterprise's principal office or the foreign enterprise's registered designated office, upon petition of an aggrieved person, may order:

(1) the person to sign the record and deliver it to the Secretary of State for filing; or

(2) delivery of the unsigned record to the Secretary of State for filing.

* * *

§ 206. CERTIFICATE OF GOOD STANDING OR AUTHORIZATION

(a) The Secretary of State, upon request and payment of the required fee, shall furnish any person that requests it a certificate of good standing for a mutual benefit enterprise if the records filed in the Office of the Secretary of State show that the Secretary of State has filed the enterprise's articles of organization, that the enterprise is in good standing, and that the Secretary of State has not filed a statement of termination.

(b) The Secretary of State, upon request and payment of the required fee, shall furnish to any person that requests it a certificate of ~~authority~~ authorization for a foreign enterprise if the records filed in the Office of the Secretary of State show that the Secretary of State has filed the foreign enterprise's certificate of authority, has not revoked nor has reason to revoke the certificate of authority, and has not filed a notice of cancellation.

(c) Subject to any exceptions stated in the certificate, a certificate of good standing or ~~authority~~ authorization issued by the Secretary of State establishes conclusively that the mutual benefit enterprise or foreign enterprise is in good standing or is authorized to transact business in this State.

§ 207. ANNUAL REPORT FOR SECRETARY OF STATE

(a) A mutual benefit enterprise or foreign enterprise authorized to transact business in this State shall deliver to the Secretary of State for filing an annual report that states:

(1) the name of the enterprise or foreign enterprise;

(2) ~~the street address and, if different, mailing~~ address of the enterprise's or foreign enterprise's designated office and the name of its agent for service of process at the designated office;

(3) ~~the street address and, if different, mailing~~ address of the enterprise's or foreign enterprise's principal office;

(4) the name and business address of any director or officer; and

(5) in the case of a foreign enterprise, the state or other jurisdiction under whose law the foreign enterprise is formed and any alternative name adopted under section 1405 of this title.

(b) Information in an annual report shall be current as of the date the report is delivered to the Secretary of State.

(c) A mutual benefit enterprise or foreign enterprise authorized to transact business in this State shall deliver its annual report to the Secretary for filing

between January 1 and April 1 of each year, beginning in the year following the calendar year in which the mutual benefit enterprise is formed or the foreign enterprise is authorized to transact business in this State.

(d) If an annual report does not contain the information required by subsection (a) of this section, the Secretary of State shall promptly notify the reporting mutual benefit enterprise or foreign enterprise and return the report for correction. If the report is corrected to contain the information required by subsection (a) of this section and delivered to the Secretary of State not later than 30 days after the date of the notice from the Secretary of State, it is timely delivered.

~~(e) If a filed annual report contains an address of the designated office, the name or business address of a director or officer, or address of the principal office which differs from the information shown in the records of the Secretary of State immediately before the filing, the differing information in the annual report is considered a statement of change~~ The Secretary of State shall amend its records to reflect a change, if specified in the report, to the business's purpose, email, address, or principal information.

* * *

§ 208. FILING FEES

~~The filing fees for records filed under this article by the Secretary of State are the same as those set forth for a limited liability company under 11 V.S.A. § 3013~~ A person who submits a document for filing pursuant to this title shall pay to the Secretary of State the amount specified in 11 V.S.A. § 1651.

Sec. 24. 11C V.S.A. chapter 14 is amended to read:

CHAPTER 14. FOREIGN ENTERPRISES

* * *

§ 1402. APPLICATION FOR CERTIFICATE OF AUTHORITY

(a) A foreign enterprise may apply for a certificate of authority by delivering an application to the Secretary of State for filing. The application shall state:

(1) the name of the foreign enterprise and, if the name does not comply with section 111 of this title, an alternative name adopted pursuant to section 1405 of this title;

(2) the name of the state or other jurisdiction under whose law the foreign enterprise is organized;

(3) the street address and, if different, mailing address of the principal office and, if the law of the jurisdiction under which the foreign enterprise is organized requires the foreign enterprise to maintain another office in that jurisdiction, the street address and, if different, mailing address of the required office;

(4) the street address and, if different, mailing address of the foreign enterprise's designated office in this State, and the name of the foreign enterprise's agent for service of process at the designated office; and

(5) the name, street address and, if different, mailing address of each of the foreign enterprise's current directors and officers, and of any other principal the enterprise provides.

* * *

* * * Updates to Title 12 language * * *

Sec. 25. 12 V.S.A. chapter 25, subchapter 6 is amended to read:

Subchapter 6. ~~Foreign Corporations~~ Business Organizations

§ 851. SERVICE ON SECRETARY OF STATE

~~When a foreign corporation has appointed the Secretary of State as its process agent pursuant to the statutes relating to such corporations, service of process made upon the Secretary by delivering to him or her duplicate copies thereof, shall be sufficient. A copy of the stipulation, filed under the provisions of 11 V.S.A. § 3011, 11A V.S.A. § 15.10, and 11B V.S.A. § 15.10, certified by the Secretary, with his or her certificate that process has been served on him or her, shall be sufficient evidence thereof~~ A business organization is subject to the service of process provisions in 11 V.S.A. § 1656.

§ 852. FEES; MAILING OF COPY TO CORPORATION BUSINESS

ORGANIZATION

~~When process is served on the Secretary of State under the provisions of section 851 of this title 11 V.S.A. § 1656, there shall be paid to the Secretary by the officer at the time of such service the sum of \$35.00 amount specified in 11 V.S.A. § 1651. The Secretary shall forthwith forward by mail prepaid one of the duplicate copies to the corporation at its home office or to a person whom it designates.~~

§ 853. DOING BUSINESS BY PARTICULAR COMPANIES WITHOUT
DESIGNATING PROCESS AGENT; PENALTY

A person or agent for a foreign insurance, express, shipping car, telephone or telegraph company, or other foreign company doing like business, which has not designated the Secretary of State as its process agent, ~~as required by 11 V.S.A. § 692~~ who solicits or receives a risk or application for insurance, or receives money or value for such insurance by such company, or receives money or value for the transportation of a package or property by such express or shipping car company, or for the transmission of a message or dispatch by such telegraph company, or receives money, rent, royalty, or income for such telephone company for the use of its instruments or lines or for the sending of any message, shall be fined not more than \$500.00 nor less than \$100.00.

* * *

§ 855. DOING BUSINESS AS APPOINTMENT OF PROCESS AGENT

If the contact with the State or the activity in the state of a foreign ~~corporation~~ business organization, or the contact or activity imputable to it, is sufficient to support a Vermont personal judgment against it, the contact or activity shall be deemed to be doing business in Vermont by that foreign ~~corporation~~ organization and shall be equivalent to the appointment by it of the Secretary of the State of Vermont and ~~his or her~~ the Secretary's successors to be its true and lawful attorney upon whom may be served all lawful process in any action or proceedings against it arising or growing out of that contact or activity, and also shall be deemed to be its agreement that any process against it ~~which~~ that is so served upon the Secretary of State shall be of the same legal force and effect as if served on the foreign corporation at its principal place of business in the state or country where it is incorporated according to the law of that state or country.

§ 856. SERVICE OF PROCESS

Service of process by virtue of section 855 of this title shall be made pursuant to 11 V.S.A. § 1656 ~~by delivering to the Secretary of State duplicate copies of the process, with the officer's return of service thereon, and a fee of \$25.00, to be taxed in the plaintiff's costs if he or she prevails. The Secretary shall forthwith forward one of the duplicate copies by registered mail prepaid to the corporation at its principal place of business in the state or country where it is incorporated, which principal place of business shall be stated in the process. The service shall be sufficient if a copy of the process, with the officer's return thereon showing the service upon the Secretary of State, is sent by the plaintiff to the foreign corporation by registered mail, and if the~~

~~plaintiff's affidavit of compliance herewith is filed with the process in court. The Secretary shall file one of the copies and endorse upon each copy the day and hour of service.~~

§ 857. CONTINUANCE; COSTS

~~The court in which the action is pending may order such continuances as may be necessary to afford the defendant reasonable opportunity to appear and defend. The fee provided in section 856 of this title shall be taxed in the plaintiff's costs if he or she prevails. [Repealed.]~~

§ 858. ALTERNATIVE MEANS OF SERVICE

~~As an alternative to service of process under this subchapter or when a stipulation appointing the Secretary of State as process agent is not filed with the Commissioner of Foreign Corporations, process may be served upon a foreign corporation in accordance with sections 912 and 913 of this title or by any method that the Supreme Court shall by rule provide for service upon a domestic corporation. [Repealed.]~~

* * * Updates to Title 30 language * * *

Sec. 26. 30 V.S.A. chapter 81 is amended to read:

CHAPTER 81. ELECTRIC UTILITY COOPERATIVES

* * *

§ 3001a. PURPOSE

Cooperatives A cooperative may be organized under this chapter for the purpose of creating or supplying energy, cable television, telecommunications, interactive media, and internet access and facilitating and extending the use thereof, and in addition, any other lawful business not inconsistent with this chapter that utilizes the electric distribution facilities of the cooperative.

§ 3002. POWERS

A cooperative shall have power:

- (1) To sue and be sued in its corporate name.
- (2) To have perpetual existence.
- (3) To adopt a corporate seal and alter the same.

(4) To generate, manufacture, purchase, acquire, accumulate, and transmit electric energy; and to distribute, sell, supply, and dispose of energy, cable television, telecommunications, interactive media, and internet access to its members, to governmental agencies, and to political subdivisions; provided, however, that in the generation of electric energy by water power, a

cooperative shall comply with the provisions of 10 V.S.A. §§ 1081–1099, relating to the construction and maintenance of dams and, provided further, that a cooperative doing any activity governed by this title shall be regulated for that activity.

* * *

§ 3003. NAME

The name of a cooperative governed by this chapter shall include the words “utility” or “energy” or a word designating any specific form of energy such as “electric,” “propane,” or “natural gas” and “cooperative” and the abbreviation “inc.” unless, in an affidavit made by its president or vice president and filed with the Secretary of State, or in an affidavit made by a person signing articles of incorporation, consolidation, merger, or conversion, which relate to the cooperative and filed, together with the articles, with the Secretary of State, it shall appear that the cooperative desires to do business in another state and is or would be precluded by reason of the inclusion of the words in its name. The name of a cooperative shall be distinct from the name of any other cooperative or corporation organized under the laws of, or authorized to do business in, this State.

* * *

§ 3037. FOREIGN COMPANIES; SERVICE OF PROCESS

A foreign nonprofit or cooperative corporation supplying or authorized to supply electric energy and owning or operating electric transmission or distribution lines in an adjacent state, prior to March 26, 1943, may construct or acquire extensions of lines in this State within an area no point of which is more than 25 miles from the boundary line of this State and may operate those extensions without qualifying as a foreign corporation to do business in this State. Before constructing or operating such extensions, by an instrument executed and acknowledged on its behalf by its president or vice president, under its seal attested by its clerk or secretary, and filed with the Secretary of State, a corporation shall designate the Secretary of State its agent to accept service of process on its behalf. Thereafter, the corporation shall have all the rights, powers, privileges, and immunities of a cooperative. Service of process shall be made upon the Secretary of State in accordance with the provisions of ~~12 V.S.A. §§ 851 and 852 and shall forward one copy of the same by registered mail to such corporation at the address of its principal office~~ 11 V.S.A. § 1656.

§ 3038. FEES

(a) ~~There shall be paid to the Secretary of State fees for filing as follows:~~

- ~~(1) Articles of incorporation, \$15.00;~~
- ~~(2) Articles of amendment, \$10.00;~~
- ~~(3) Articles of consolidation or merger, \$15.00;~~
- ~~(4) Articles of conversion, \$10.00;~~
- ~~(5) Certificate of election to dissolve, \$5.00;~~
- ~~(6) Articles of dissolution, \$5.00; and~~
- ~~(7) Certificate of change of principal office, \$5.00.~~

~~(b) Such fees shall include two certified copies of the respective instruments~~
A person who submits a document for filing pursuant to this chapter shall pay to the Secretary of State the amount specified in 11 V.S.A. § 1651.

* * * Business Organizations Study * * *

Sec. 27. BUSINESS SERVICES AND BUSINESS ORGANIZATIONS;
STUDY

(a) Task. The Secretary of State shall conduct a public engagement process with interested partners to study, consider, and address the following issues:

(1) technical, procedural, and substantive issues concerning the online business filing system;

(2) statutory revisions to adopt provisions of the Uniform Business Organizations Code or other provisions to further harmonize the laws governing business organizations in this State, including provisions governing commercial registered agents and updates to the Titles of the Vermont Statutes Annotated related to business organizations;

(3) statutory revisions to the laws governing trademarks and possible expansion to include service marks;

(4) statutory revisions to the dual framework governing partnerships in 11 V.S.A. chapters 15 and 22 and the mandatory registration of assumed business names and unincorporated nonprofit associations;

(5) assessment of the need for any updates to current model laws or the addition of new model legislation; and

(6) assessment of the administrative oversight authority and substantive provisions governing data brokers, telemarketers, utility cooperatives, and amusement ride operators.

(b) Reporting. The Secretary of State shall, based on the task set forth in subsection (a) of this section, submit to the House Committee on Commerce

and Economic Development and to the Senate Committee on Economic Development, Housing and General Affairs, an interim report on or before November 15, 2025 and a final report on or before December 1, 2026 including its findings and any proposed legislation for the General Assembly's consideration. The interim report shall provide the General Assembly with any recommended actions to pursue in the 2026 legislative session.

* * * Effective Date * * *

Sec. 28. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee Vote: 11-0-0)

Rep. Burkhardt of South Burlington, for the Committee on Ways and Means, recommends that the report of the Committee on Commerce and Economic Development be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Updates to Title 3 language * * *

Sec. 1. 3 V.S.A. § 102a is amended to read:

§ 102a. FACSIMILE SIGNATURE OF SECRETARY OF STATE

A facsimile of the signature of the Secretary of State imprinted by or at his or her the Secretary's direction upon any certification issued ~~under Title 11 or 11A pursuant to law~~, upon any attestation required of the Secretary by law, or upon any certification of official documents or records of which the Secretary is custodian, shall have the same validity as the Secretary of State's written signature.

Sec. 2. 3 V.S.A. § 133 is amended to read:

§ 133. BUSINESS REGISTRATION

When professional services are required by law to be performed in or by a business entity registered with the Office, the business entity shall:

(1) register with the ~~Corporations~~ Business Services Division of the Office of the Secretary of State, if required by law; and

* * *

* * * Updates to Title 11 language * * *

Sec. 3. 11 V.S.A. chapter 7 is amended to read:

CHAPTER 7. COOPERATIVES GENERAL COOPERATIVE
CORPORATIONS AND COOPERATIVE ASSOCIATIONS

Subchapter 1. ~~Provisions Relating to Cooperatives Formed Under General Corporation Law~~ General Cooperative Corporations

§ 981. GENERAL COOPERATIVE CORPORATION; USE OF
“COOPERATIVE”

A corporation formed under Title 11A shall not have the word “cooperative” or any abbreviation thereof as part of its name, unless the corporation is a worker cooperative corporation organized under chapter 8 of this title, a cooperative housing corporation organized under chapter 14 of this title, or ~~the a general cooperative corporation that includes in its articles of incorporation contain all of~~ a general cooperative corporation that includes in its articles of incorporation the following provisions:

* * *

Subchapter 2. The Cooperative Marketing Act; Cooperative Associations

§ 991. DEFINITIONS

~~In~~ As used in this subchapter, unless the context or subject matter otherwise requires:

(1) “Agricultural products” includes horticultural, viticultural, forestry, dairy, livestock, poultry, bee, and any farm products.

(2) “Association” means any ~~corporation~~ nonprofit cooperative association organized under this chapter.

(3) “Associations” organized hereunder means nonprofit cooperative associations.

(4) “Consumers’ cooperative” means ~~a corporation~~ an association organized under this chapter for the acquisition and distribution for the benefit of ultimate consumers of property, goods, commodities, or services.

(5) “Handcraft product” means any product fashioned primarily by hand with the final form and its characteristics shaped by hand and produced in the home or a small craft center by the artisan or craftsman in a skilled or artistic process rather than in an assembly line technique.

(6) “Marketing cooperative” means ~~a corporation~~ an association organized under this chapter for the marketing of agricultural or handcraft products.

(7) “Member” includes actual members of associations without capital stock and holders of common stock in associations organized with capital stock.

(8) "Person" includes individuals, firms, partnerships, corporations and associations.

(9) "Railroad cooperative" means any ~~corporation~~ association organized under this chapter for the organization, acquisition, and operation of a general transportation business by railroad, including truck, bus, air, and water transportation subsidiaries of the railroad.

* * *

§ 994. POWERS

Each association incorporated under this subchapter shall have the following powers:

(1) In the case of a marketing cooperative, the power to engage in any activity in connection with the purchasing, marketing, selling, preserving, harvesting, drying, processing, manufacturing, canning, packing, grading, storing, handling, or utilization of any agricultural or handcraft products or the manufacturing or marketing of the ~~by-products~~ byproducts thereof, any activity in connection with the purchase, hiring, or use by its members of supplies, machinery or equipment, and in financing any of the aforementioned activities. However, a marketing association shall not handle agricultural or handcraft products of nonmembers to an extent greater in value than the products of its own members ~~which~~ that it handles. In the case of a consumers' cooperative, the power to engage in any one or more lawful mode or modes of acquiring, producing, building, operating, manufacturing, furnishing, exchanging, or distributing any type of property, commodities, goods, or services for the primary and mutual benefit of the patrons of the association, or their patrons, if any, as ultimate consumers. In the case of a railroad cooperative, to engage in any activity in connection with the organization, acquisition, and operation of a subsidiary transportation business, whether by means of railroad, truck, water carrier, air, or other. ~~Such a corporation formed under this subchapter shall have any other rights, powers, and privileges granted by the laws of this State to corporations in a like business organized under the general laws of this State.~~

* * *

§ 995. ARTICLES

Each association formed under this subchapter shall prepare and file articles of incorporation setting forth:

- (1) The name of the association.
- (2) The purpose for which it is formed.

(3) ~~The place where its principal business will be transacted~~ address of its principal office in this State, and the name, email, and address information of an agent for service of process pursuant to section 1655 of this title.

(4) The names and business addresses of the directors thereof who are to serve until the election and qualification of their successors.

(5) The name and ~~residence~~ business address of the clerk, and of any other principal the association provides.

(6) When organized without capital stock, whether the property rights and interest of the members are equal, and, if unequal, the general rules applicable to all members by which the property rights and interest, respectively, of each member shall be determined and fixed, and provision for the admission of new members who shall be entitled to share in the property of the association in accordance with such general rules. This provision or paragraph of the ~~certificate of organization~~ articles of incorporation shall not be altered, amended, or replaced except by the written consent or vote representing three-fourths of the members.

(7) When organized with capital stock, the amount of such stock, the number of shares into which it is divided, and the par value thereof.

(8) The capital stock may be divided into preferred and one or more classes of common stock. When so divided, the ~~certificate of organization~~ articles of incorporation shall contain a statement of the number of shares of stock to which preference is granted, the number of shares of stock to which no preference is granted, and the nature and definite extent of the preference and privileges granted to each.

(9) The articles of incorporation of any association organized under this subchapter may provide that the members or stockholders thereof shall have the right to vote in person or through another method of communication, including through a telecommunications or electronic medium, but a member or stockholder may not vote by proxy. This provision or paragraph of the articles of incorporation shall not be altered and shall not be subject to amendment.

(10) In addition to the foregoing, the articles of incorporation of any association incorporated hereunder may contain any provision consistent with law with respect to management, regulation, government, financing, indebtedness, membership, the establishment of voting districts and the election of delegates for representative purposes, the issuance, retirement, and transfer of its stock, if formed with capital stock, or any provisions relative to

the way or manner in which it shall operate or with respect to its members, officers, or directors and any other provisions relating to its affairs.

(11) The ~~certificate~~ articles of incorporation shall be subscribed by the incorporators and shall be sworn to by one or more of them; and shall be filed with the Secretary of State. A certified copy shall also be filed with the Secretary of Agriculture, Food and Markets.

(12) When so filed, the ~~certificate of organization~~ articles of incorporation or a certified copy thereof shall be received in the courts of this State as prima facie evidence of the facts contained therein and of the due incorporation of such association.

§ 996. AMENDMENT OF CERTIFICATE ARTICLES; STATEMENT OF CHANGE

(a) The ~~certificate of organization~~ articles of incorporation may be altered or amended except as otherwise provided in this subchapter at any regular meeting or any special meeting called for that purpose. An amendment must first be approved by two-thirds of the directors and adopted by a vote of two-thirds of the members or delegates present and voting at such meeting. Amendments to the ~~certificate of organization~~ articles of incorporation, when so adopted, shall be filed in accordance with the provisions of section 995 of this title.

(b) Notwithstanding subsection (a) of this section, an association shall amend the name, email, or address information of its agent for service of process by submitting to the Secretary of State for filing a statement of change pursuant to section 1655 of this title.

§ 997. FEE

For filing a ~~certificate of organization~~ articles of incorporation, an association shall pay \$20.00 to the Secretary of State, and for filing an amendment thereto, \$10.00.

* * *

§ 1001. CONTENTS OF BYLAWS

Each association may provide in its bylaws for any or all of the following matters:

* * *

(10) In the case of a ~~consumer's~~ consumers' or railroad cooperative, the method of distributing among members or stockholders and patrons, both members and nonmembers, the net savings derived from the excess of total

income over operating expenses. Provision may be made for the accumulation of reserve funds out of net savings.

* * *

§ 1013. OFFICERS

The directors shall elect from their number a president and one or more vice presidents. They shall also elect a secretary, who shall be the clerk of the ~~corporation~~ association, and a treasurer, who need not be directors or members of the association. The directors may combine the two latter offices and designate the combined office as that of secretary-treasurer, or unite both functions and titles in one person. The treasurer may be a bank or any depository, and as such, shall not be considered as an officer, but as a function of the board of directors, and in such case, the secretary shall perform the usual accounting duties of the treasurer, except that the funds shall be deposited only as and where authorized by the board of directors.

* * *

§ 1023. OWNERSHIP OR CONTROL OF OTHER CORPORATIONS

BUSINESS ORGANIZATIONS

An association may organize, form, operate, own, control, have an interest in, own stock of, or be a member of, any other ~~corporation or corporations, with or without capital stock, and~~ business organization engaged in preserving, drying, processing, canning, packing, storing, handling, shipping, utilizing, manufacturing, marketing, or selling the agricultural products handled by the association or byproducts thereof.

§ 1024. WAREHOUSE RECEIPTS

~~When such corporations are warehousing corporations, they~~ An association engaged in warehousing may issue negotiable or nonnegotiable warehouse receipts of the association against the commodities delivered, and such warehouse receipts shall be considered as adequate collateral to the extent of the usual and current value of the commodity represented thereby. In case such warehouse is licensed, or licensed and bonded, under the laws of this or any other state of the United States, its warehouse receipt delivered to the association on commodities of the association or its members, or delivered by the association or by its members, shall not be challenged or discriminated against because of ownership or control, wholly or in part, by the association.

* * *

Subchapter 3. Consolidation of Cooperative Associations

§ 1061. PROCEDURE

Two or more cooperative associations organized under, or which have adopted the provisions of subchapter ~~4~~ 2 of this chapter, or similar laws of other states, whether having or not having capital stock, may merge or consolidate into one cooperative association which may be a new cooperative association or one of the constituent cooperatives by complying with the following requirements:

* * *

(3) If the articles of merger or consolidation are adopted by the affirmative vote of not less than two-thirds of the members attending and voting of each consolidating cooperative voting thereon at the meeting called to consider the same, or by not less than by a two-thirds vote of its delegates if qualified as provided in subdivision (4) of this section, articles of merger or consolidation in the form adopted shall be executed under its seal and acknowledged on behalf of each consolidating cooperative by its president or vice-president. Such articles of merger or consolidation shall recite that they are executed pursuant to this subchapter and shall state:

(A) the name of each consolidating cooperative and the address of its principal office;

(B) the name of the new cooperative and the address of its principal office in this State, or if none, the name, email, and address of an agent for service of process pursuant to section 1655 of this title;

(C) a statement that each consolidating cooperative agrees to the merger or consolidation;

(D) the names and business addresses of the directors of the new cooperative, and of any other principal the association provides; and

(E) the terms and conditions of the merger or consolidation and the mode of carrying the same into effect, including the manner in which the members of the consolidating cooperative may or shall become members of the new cooperative; and may contain provisions, not inconsistent with law or this subchapter, which are deemed necessary or advisable for the conduct of the business of the new cooperative.

(4) The president or vice president and the clerk or secretary of each consolidating cooperative executing such articles of merger or consolidation shall make and annex thereto an affidavit stating that the provisions of this section in respect to such articles were duly complied with by such cooperative.

~~(4)~~(5) In the case of any consolidating cooperative having a district election of delegates and a delegate system of voting as permitted by subdivision 995(10) of this title, in which, under its articles of incorporation or bylaws, such delegates have complete voting power on behalf of the membership for every purpose, except that of their own election and the election of district directors, the vote adopting the merger or consolidation required by subdivision (3) of this section shall be that of not less than two-thirds of the delegates attending and voting at such meeting.

* * *

Sec. 4. 11 V.S.A. chapter 15 is amended to read:

CHAPTER 15. REGISTRATION OF BUSINESS ENTITIES ASSUMED BUSINESS NAMES, PARTNERSHIPS, AND UNINCORPORATED NONPROFIT ASSOCIATIONS; ADMINISTRATIVE AUTHORITY; ADMINISTRATIVE PROVISIONS

Subchapter 1. Assumed Business Names, Partnerships, and Unincorporated Nonprofit Associations

§ 1621. REGISTRATION OF ASSUMED BUSINESS NAME BY PERSONS NAMES, PARTNERSHIPS, AND UNINCORPORATED NONPROFIT ASSOCIATIONS

~~(a) A person doing business in this State under any name other than his or her own, and every copartnership~~ An individual doing business under an assumed business name, or a partnership or unincorporated nonprofit or association of individuals, except corporations and limited liability companies, doing business in this State, resident or nonresident, shall cause to be recorded with submit to the Secretary of State for filing a return setting forth a registration that provides:

~~(1) the name under which such business is carried on,~~ the name of the business;

~~(2) the name of the town wherein such place of business is located,~~ the address of its principal office;

~~(3) a brief description of the kind of business to be transacted under such name, and its business purpose;~~

~~(4) the individual names and residences of all persons, general partners, or members so doing business thereunder~~ the name and business address of the individual doing business under the assumed name, as a partner of the

partnership, or as a member of the association, and of any other principal the registrant provides; and

(5) for each individual, partner, or member who is not a resident of this State, or for whom the registrant does not provide an address in this State for service of process, the name, email, and address information of an agent for service of process pursuant to section 1655 of this title.

~~(b) Such returns~~ A registration shall be subscribed and sworn to by ~~one or more of the persons so doing business, and shall be~~ a person with authority to act on behalf of the registrant and filed with the Secretary of State ~~within~~ not later than 10 days after commencement of business.

(c) The Secretary of State shall decline to register any business name unless the name is distinguishable in the records of the Secretary of State from any other business name of any name registered or reserved under this chapter, or the name of any other entity, whether domestic or foreign, that is reserved, registered, or granted by or with the Secretary of State, or any name that would lead a reasonable person to conclude that the business is a type of entity that it is not.

(d) The Secretary of State shall establish rules ~~and regulations~~ for the administration of this section.

(e) Prior to registering its business name under this section, a person intending to operate a postsecondary school, as defined in 16 V.S.A. §§ 176 and 176a, shall apply to the State Board of Education for a certificate of approval pursuant to those sections.

§ 1621a. ~~RESERVED NAME~~

~~(a) The exclusive right to the use of a business name may be reserved by any person, copartnership, or association intending to register its name under this section.~~

~~(b) The reservation shall be made by filing with the Secretary of State an application to reserve a specified business name, executed by the applicant, its agent, or attorney. If the Secretary of State finds that the name is available for use, he or she shall reserve the same for the exclusive use of the applicant for a period of 120 days.~~

~~(c) The right to the exclusive use of a specified business name so reserved may be transferred to any other person, copartnership, or association by filing in the office of the Secretary of State a notice of such transfer, executed by the applicant for whom the name was reserved, and specifying the name and address of the transferee. [Repealed.]~~

* * *

§ 1623. REGISTRATION BY BUSINESS ORGANIZATIONS

~~(a) A business organization doing business in this State under any name other than that of the business organization shall be subject to all the provisions of this chapter; and shall file returns sworn to by some officer or director of the corporation or mutual benefit enterprise, or by some director or manager of the limited liability company, or by some partner of the partnership or limited partnership, setting forth:~~

~~(1) the name and location of the principal office of the business organization;~~

~~(2) the name under which the organization will conduct business;~~

~~(3) the town or towns where the organization conducts business under the name; and~~

~~(4) a brief description of the kind of business the organization conducts under the name.~~

~~(b) The Secretary of State shall decline to register any business name unless the name is distinguishable in the records of the Secretary of State from any other business name of any name registered or reserved under this chapter or the name of any other entity, whether domestic or foreign, that is reserved, registered, or granted by or with the Secretary of State, or any name that would lead a reasonable person to conclude that the business is a type of entity that it is not. [Repealed.]~~

§ 1624. FORMS

~~The Secretary of State shall formulate forms for the returns and shall, on request, furnish such forms by mail or otherwise to persons, copartnerships, associations, or corporations subject to the provisions of this chapter. [Repealed.]~~

§ 1625. FEES

~~(a) A person, copartnership, association, limited liability company, or corporation required by the provisions of this chapter subchapter to file a return shall, at the time of filing as provided, pay a registration fee of \$70.00 to the Secretary of State.~~

~~(b) A person, copartnership, association, limited liability company, or corporation required by the provisions of this chapter subchapter to file an amendment, a certificate of cessation of business, or change of business status~~

or an application to reserve a business name shall, at the time of filing, pay a fee of \$35.00 to the Secretary of State.

(c) Statement of change of designated agent or designated office, or both, for a person registered under this subchapter: \$25.00, not to exceed \$1,000.00 per filer per calendar year.

(d) The Secretary shall collect \$25.00 each time process is served on the Secretary on behalf of a person registered under this ~~chapter~~ subchapter. The party to a proceeding causing service of process is entitled to recover this fee as costs if he or she prevails in the proceeding.

§ 1626. FAILURE TO REGISTER; ENFORCING COMPLIANCE

(a) A person transacting business in this State who is not registered with the Secretary of State as required under this ~~chapter~~ subchapter and any successor to the person or assignee of a cause of action arising out of the business of the person, may not maintain an action or proceeding or raise a counterclaim, crossclaim, or affirmative defense in this State until the person, successor, or assignee registers with the Secretary.

(b) The failure of a person to register as required under this ~~chapter~~ subchapter does not impair the validity of a contract or act of the person or preclude it from defending an action or proceeding in this State.

(c) An individual does not waive a limitation on his or her personal liability afforded by other law solely by transacting business in this State without registering with the Secretary of State as required under this ~~chapter~~ subchapter.

(d) If a person transacts business in this State without registering with the Secretary of State as required under this ~~chapter~~ subchapter, the Secretary is its agent for service of process with respect to a right of action arising out of the transaction of business in this State.

(e) A person that transacts business in this State without registering with the Secretary of State as required under this ~~chapter~~ subchapter shall be liable to the State for:

(1) a civil penalty of \$50.00 for each day, not to exceed a total of \$10,000.00 for each year, it transacts business in this State without a registration;

(2) an amount equal to the fees due under this ~~chapter~~ subchapter during the period it transacted business in this State without a registration; and

(3) other penalties imposed by law.

(f) The Attorney General may maintain an action in the Civil Division of the Superior Court to collect the penalties imposed in subsection (e) of this section and to restrain a person from transacting business in this State in violation of this ~~chapter subchapter~~.

§ 1627. SERVICE OF PROCESS

~~Service of such complaint and process thereunder may be made by delivering within this State a true and attested copy thereof to any person so doing business or any servant or agent of such person, copartnership, association, limited liability company, or corporation, or in any manner otherwise provided by law. A name so registered shall not thereafter be used by a person, copartnership, association, limited liability company, or corporation, unless it is lawfully entitled thereto at the date of such registration. [Repealed.]~~

§ 1628. CERTIFICATE OF CESSATION OF BUSINESS OR CHANGE OF BUSINESS STATUS; AMENDMENT

(a) ~~When a person, copartnership, association, limited liability company, or corporation subject to the provisions of this chapter shall cease to do business in this State, a certificate setting forth such fact and the date whereon it so ceased shall be filed with the Secretary of State within 10 days after the date such business ceases. Such certificate may be sworn to and filed by a surviving partner, member of such association, officer of such corporation, member or manager of such limited liability company, or person so doing business, or his or her executor or administrator~~ A registrant that ceases to do business in this State shall submit to the Secretary of State for filing a certificate of cessation of business not later than 10 days after the date of cessation.

(b) ~~Whenever any general partner of such partnership, or member of such association withdraws from the business, a remaining general partner or member shall within 30 days file a certificate with the Secretary of State signed and sworn by a remaining general partner or member, setting forth the fact of such withdrawal, together with the date of that withdrawal. Filing of this certificate shall avoid any interruption in the period of registration remaining before the need for renewal, as if no partner or member of the association had withdrawn~~ A registrant that adds or removes an individual, partner, or member named in its registration shall submit to the Secretary of State for filing an amendment to reflect the change not later than 30 days after the date of the change.

(c) A registrant may amend its agent information by filing a statement of change pursuant to section 1655 of this title and may amend any other

information in its registration by submitting an amendment to the Secretary of State for filing.

§ 1629. PENALTIES

~~Failure to file such certificate at the time so required by section 1628 of this title shall work a forfeiture of \$10.00 to be recovered by the Secretary of State in a civil action on this statute, in his or her name, against any surviving partner, any member of such association, any officer of such corporation, or any person so doing business, or his executor or administrator, and the same shall be paid into the Treasury of the State. [Repealed.]~~

§ 1630. PROCESS AGENT

~~Each nonresident doing business in this State in his or her individual capacity, or as copartner or member of a copartnership or association required by sections 1621 and 1623 of this title to file the returns therein specified, or under any name other than his or her own, except as otherwise provided, shall appoint in writing a person having an office or place of business and residing in the town wherein the principal office of such nonresident, copartnership, or association is located, upon whom process against such nonresident may be served in an action founded upon a liability incurred in this State. Such appointment shall continue in force until revoked by a like instrument appointing another person therein residing, and having therein an office or place of business. Such instrument shall be recorded with the Secretary of State. In the event a nonresident has not appointed a process agent, and has not filed such appointment, as set forth in this section, the Secretary of State shall be such process agent. [Repealed.]~~

§ 1631. VACANCY

~~When an appointee dies or removes from the State, another person residing in such town and having therein an office or place of business, within 10 days from the date of such death or removal, shall be appointed in the manner hereinbefore specified, upon whom service of process may be made as provided in section 1630 of this title. In case of such death or removal, or if a person is not appointed as aforesaid, process against such nonresident person may be served by delivering to the Secretary of State duplicate copies thereof, one of which shall be filed with the Secretary of State and the other shall be forwarded by mail prepaid by the clerk to the last known residence of such person. [Repealed.]~~

§ 1632. EXCEPTIONS

~~The provisions of sections 1630 and 1631 of this title shall not apply to foreign investment companies, foreign building and loan associations, or foreign creamery companies. [Repealed.]~~

~~§ 1633. SECRETARY OF STATE AS PROCESS AGENT~~

~~A foreign insurance, express, shipping car, telegraph, or telephone company, or a foreign company under any other name engaged in like business, shall not do business in this State as an unincorporated association or partnership, until it has filed with the Secretary of State a written stipulation containing the association or firm name, and the names and residences of the associates or partners, and appointing the Secretary of State as its process agent. Such stipulation shall be in form and substance like that specified in subdivision 692(3) of this title, and shall have the same legal effect. The provisions of 12 V.S.A. §§ 851-853, shall apply to service of process on such company and to acts done by persons or agents in its behalf. [Repealed.]~~

~~§ 1634. EFFECT OF FAILURE AND NEGLECT~~

~~A person, copartnership, limited liability company, or corporation subject to this chapter shall not institute any proceedings in this State for the enforcement of any right or obligation unless it shall, prior to the issuance of the original return or complaint therein, have filed the returns and paid the registration fee required by this chapter; nor shall a license or certificate be granted to a nonresident individual, copartnership, or unincorporated association to transact a business specified in Titles 5 and 23 or in 6 V.S.A. chapter 29 until such individual, copartnership, or association has complied with the provisions of section 1630 of this title. [Repealed.]~~

~~§ 1635. REREGISTRATION~~

~~(a) One or more persons doing business under a registered business name A registrant shall reregister the name every five years by filing a reregistration return with the Secretary of State with a fee of \$65.00 ~~within~~ not sooner than 60 days ~~following the date five years after the date~~ prior to the expiration of the original registration or of the last reregistration. The Secretary of State shall prepare and supply the necessary forms.~~

~~(b) When reregistration is not accomplished as provided in subsection (a) of this section, a business name may be registered by the first applicant making application to the Secretary of State for an original registration as provided by this ~~chapter~~ subchapter.~~

Subchapter 2. Administrative Authority

~~§ 1636. TERMINATION OF BUSINESS NAME; HEARING~~

(a) If the Secretary of State declines to register a business ~~in accordance with the provisions of subsection 1621(e) of this title~~ because it is not distinguishable in the records of the Secretary from another business name, the applicant may request that the Secretary determine whether the person to whom the business name is registered is doing business or taking steps to do business in this State.

* * *

§ 1637. AUTHORITY TO TERMINATE AND AMEND REGISTRATION

(a) The Secretary of State shall have the authority to:

(1) terminate the registration of a person who, pursuant to an administrative order, a final court order, or an assurance of discontinuance, is not authorized to conduct business in this State; and

(2) amend ~~his or her~~ the person's records to reflect the termination of a registration pursuant to subdivision (1) of this subsection.

(b)(1) If the Secretary of State terminates the registration of a person pursuant to this section, the person appoints the Secretary as ~~his or her~~ the person's agent for service of process in any proceeding based on a cause of action that arose during the time the person was authorized to transact, or was transacting without authorization, business in this State.

(2) Upon receipt of process, the Secretary of State shall deliver by registered mail a copy of the process to ~~the secretary~~ of the terminated person at its principal office shown in its most recent annual report or in any subsequent communication received from the person stating the current mailing address of its principal office, or, if none is on file, in its application for registration.

(c)(1) If a court or other person with sufficient legal authority reinstates the ability of a terminated person to conduct business in this State, the terminated person may file with the Secretary of State evidence of the reinstated authority and pay to the Secretary a fee of \$25.00 for each year the person is delinquent.

(2) Upon receipt of a filing and payment pursuant to subdivision (1) of this subsection, the Secretary shall cancel the termination and prepare a certificate of reinstatement, file the original of the certificate, and serve a copy on the person.

§ 1638. AUTHORITY TO REJECT, AMEND, OR TERMINATE

(a) The Secretary of State shall have the authority to:

(1) reject a record submitted for filing that the Secretary reasonably determines contains false, fraudulent, or clearly erroneous information; and

(2) amend a record or terminate the registration of a person who the Secretary determines, after notice and opportunity for hearing pursuant to 3 V.S.A. chapter 25, has submitted false or fraudulent information in a record, or has attempted or submitted a record for filing in bad faith, without lawful authority, or to commit fraud or cause injury.

(b)(1) If the Secretary terminates the registration of a person pursuant to this section, or the Secretary's rejection or amendment of a record results in the person's failure to designate or maintain an agent for service of process, then the person appoints the Secretary as the person's agent for service of process.

(2) Upon receipt of process, the Secretary of State shall deliver by registered mail a copy of the process to the person's last known address.

(c) A person aggrieved by a final decision of the Secretary under this section may appeal to the Superior Court of Washington County, which shall consider the matter de novo.

§ 1639. FORMS; PROCEDURES; RULES

The Secretary of State may adopt forms, procedures, and rules to implement the processes and provisions of governing business registration in this State.

Subchapter 3. Administrative Provisions for Business Organizations

§ 1652. RESERVED NAME

(a) A person may reserve the exclusive use of a business name by delivering an application to the Secretary of State for filing. The application shall state the name and address of the applicant and the name to be reserved. If the Secretary finds that the entity name is available, the Secretary shall reserve the name for the applicant's exclusive use for 120 days.

(b) The owner of a reserved name may transfer the reservation to another person by submitting to the Secretary of State for filing a notice of the transfer, which states the name and address of the transferee.

§ 1653. ASSUMED BUSINESS NAME OF BUSINESS ORGANIZATION

A business organization that is authorized to do business in this State may conduct business under an assumed name by submitting to the Secretary of State for filing a registration that identifies the authorized business and the assumed name.

§ 1654. [Reserved]

§ 1655. DESIGNATION OF AGENT FOR SERVICE OF PROCESS;

CHANGE; RESIGNATION

(a) Duty to designate agent for service of process. A person doing business in this State that is required to designate and maintain an agent for service of process shall provide the name, email, and address information of an individual resident of this State or of a business organization that has a place of business in, and is authorized to conduct business in, this State.

(b) Attestation. A person who designates an agent for service of process attests that the agent consents to the appointment.

(c) Duty to maintain current agent information; statement of change. Except as provided in subsection (d) of this section, a person registered with the Secretary of State may change its agent for service of process, or the agent's email or address information, solely by submitting to the Secretary of State for filing a statement of change that provides its current agent information and specifies any changes to the agent information.

(d) Bulk statement of change by agent.

(1) If an agent for service of process changes its name, email, or address information in the records of the Secretary of State, the agent may submit to the Secretary for filing a bulk statement of change that:

(A) identifies the businesses for which the agent serves as the agent for service of process and whose records the Secretary shall update to reflect the change to the agent's information; and

(B) attests that the agent has or will promptly provide notice to each business whose record is updated pursuant to the bulk statement of change.

(2) For a bulk statement of change, the Secretary of State shall collect from the agent a separate filing fee for each business whose record is amended, subject to subsection 1625(c) of this title.

(e) Agent resignation; termination.

(1) An agent for service of process may resign as agent by submitting to the Secretary of State for filing a statement of resignation and delivering a copy of the statement to the affected business.

(2) An agency for service of process terminates on the earlier of:

(A) 30 days after the Secretary files a statement of resignation; or

(B) the date on which a statement of change designating a new agent takes effect.

(3) The Secretary shall waive the filing fee for a statement of resignation if the agent on record attests that it did not consent to serve as agent for service of process.

§ 1655. SECRETARY OF STATE AS AGENT FOR SERVICE OF
PROCESS

(a) An agent for service of process appointed by a person registered with the Secretary of State is an agent for service of any process, notice, or demand required or permitted by law to be served upon the person.

(b) If a person registered with the Secretary of State fails to appoint or maintain an agent for service of process in this State as required by law, or the agent for service of process cannot with reasonable diligence be found at the agent's address, the Secretary of State is an agent of the person upon whom process, notice, or demand may be served.

(c)(1) Service of any process, notice, or demand on the Secretary of State may be made by delivering to and leaving with the Secretary of State duplicate copies of the process, notice, or demand.

(2) If the process, notice, or demand is served on the Secretary of State, the Secretary of State shall forward one of the copies by registered or certified mail, return receipt requested, to the company at its principal office or last known address.

(d) The Secretary of State shall keep a record of all processes, notices, and demands served pursuant to this section and record the time of and the action taken regarding the service.

(e) This section shall not affect the right to serve process, notice, or demand upon a person in any manner otherwise provided by law.

§ 1656. SECRETARY OF STATE AS AGENT FOR SERVICE OF
PROCESS

(a) An agent for service of process appointed by a person registered with the Secretary of State is an agent for service of any process, notice, or demand required or permitted by law to be served upon the person.

(b) If a person registered with the Secretary of State fails to appoint or maintain an agent for service of process in this State as required by law, or the agent for service of process cannot with reasonable diligence be found at the

agent's address, the Secretary of State is an agent of the person upon whom process, notice, or demand may be served.

(c)(1) Service of any process, notice, or demand on the Secretary of State may be made by delivering to and leaving with the Secretary of State duplicate copies of the process, notice, or demand.

(2) If the process, notice, or demand is served on the Secretary of State, the Secretary of State shall forward one of the copies by registered or certified mail, return receipt requested, to the company at its principal office or last known address.

(d) Service is effective on the earliest of:

(1) the date the person receives the process, notice, or demand;

(2) the date shown on the return receipt, if signed on behalf of the person; or

(3) five days after the process, notice, or demand is deposited by the Secretary of State for delivery by the U.S. Postal Service, if postage is prepaid to the address of the principal office or last known address reflected in the records of the Secretary of State.

(e) The Secretary of State shall keep a record of all processes, notices, and demands served pursuant to this section and record the time of and the action taken regarding the service.

(f) This section shall not affect the right to serve process, notice, or demand upon a person in any manner otherwise provided by law.

Sec. 5. 11 V.S.A. chapter 22 is amended to read:

CHAPTER 22. PARTNERSHIPS

* * *

§ 3205. EXECUTION, FILING, AND RECORDING OF STATEMENTS

* * *

(f) The Secretary of State shall collect a fee for filing or providing a certified copy of a statement as set forth in section 3310 of this title.

* * *

§ 3291. STATEMENT OF QUALIFICATION

* * *

(c) After the approval required by subsection (b) of this section, a partnership may only become a limited liability partnership by filing a statement of qualification. The statement must contain:

(1) the name of the partnership;

(2) the location of the principal place of business in this State;

(3) if the partnership does not have a principal place of business in this State, the name, email, and street address information of the partnership's agent for service of process pursuant to section 1655 of this title;

(4) a statement that the partnership elects to be a limited liability partnership; and

(5) a deferred effective date, if any.

~~(d) The agent of a limited liability partnership for service of process must be an individual who is a resident of this State or other person authorized to do business in this State. [Repealed.]~~

(e) The status of a partnership as a limited liability partnership is effective on the later of the filing of the statement or a date specified in the statement. The status remains effective, regardless of changes in the partnership, until it is canceled pursuant to subsection 3205(d) of this title or revoked pursuant to section 3293 of this title.

* * *

§ 3293. ANNUAL REPORT

(a) A limited liability partnership, and a foreign limited liability partnership authorized to transact business in this State, shall file an annual report in the Office of the Secretary of State ~~which~~ that contains:

(1) the name of the limited liability partnership and the state or other jurisdiction under whose laws the foreign limited liability partnership is formed;

(2) the ~~street~~ address of the partnership's principal office and, if different, the ~~street~~ address of an office in this State, if any; and

(3) if the partnership does not have an office in this State, the name, email, and ~~street~~ address of the partnership's designated agent for service of process.

* * *

(f) A reinstatement under subsection (e) of this section relates back to and takes effect as of the effective date of the revocation, and the partnership's

status as a limited liability partnership continues as if the revocation had never occurred.

(g) The Secretary of State shall amend its records to reflect a change, if specified in the report, to the business's purpose, email, address, or principal information.

* * *

§ 3302. STATEMENT OF FOREIGN QUALIFICATION

(a) Before transacting business in this State, a foreign limited liability partnership must file a statement of foreign qualification. The statement must contain:

* * *

(3) If there is no office of the partnership in this State, the name, email, and street address information of the partnership's agent for service of process pursuant to section 1655 of this title.

(4) A deferred effective date, if any.

~~(b) The agent of a foreign limited liability partnership for service of process must be an individual who is a resident of this State or other person authorized to do business in this State. [Repealed.]~~

(c) The status of a partnership as a foreign limited liability partnership is effective on the later of the filing of the statement of foreign qualification or a date specified in the statement. The status remains effective, regardless of changes in the partnership, until it is canceled pursuant to subsection 3205(d) or revoked pursuant to section 3293 of this title.

(d) An amendment or cancellation of a statement of foreign qualification is effective when it is filed or on a deferred effective date specified in the amendment or cancellation.

§ 3303. EFFECT OF FAILURE TO QUALIFY

(a)(1) A foreign limited liability partnership transacting business in this State may not maintain an action or proceeding or raise a counterclaim, crossclaim, or affirmative defense in this State unless it has in effect a statement of foreign qualification.

(2) The successor to a foreign limited liability partnership that transacted business in this State without a ~~certificate of authority~~ statement of foreign qualification in effect and the assignee of a cause of action arising out of that business may not maintain a proceeding or raise a counterclaim, crossclaim, or affirmative defense based on that cause of action in any court in

this State until the foreign limited liability partnership or its successor or assignee obtains files a certificate of authority statement of foreign qualification.

* * *

Sec. 6. 11 V.S.A. chapter 23 is amended to read:

CHAPTER 23. LIMITED PARTNERSHIPS

* * *

§ 3403. RESERVATION OF NAME

(a) ~~The exclusive right to the use of a name may be reserved by:~~

~~(1) any person intending to organize a limited partnership under this chapter and to adopt that name;~~

~~(2) any domestic limited partnership or any foreign limited partnership registered in this State which, in either case, intends to adopt that name;~~

~~(3) any foreign limited partnership intending to register in this State and adopt that name; and~~

~~(4) any person intending to organize a foreign limited partnership and intending to have it registered in this State and to adopt that name.~~

~~(b) The reservation shall be made by filing with the Secretary of State an application, executed by the applicant, to reserve a specified name. If the Secretary of State finds that the name is available for use by a domestic or foreign limited partnership, he or she shall reserve the name for the exclusive use of the applicant for a period of 120 days. The owner of a name reserved under this section may renew the reservation for two successive periods of 120 days each. The right to the exclusive use of a reserved name may be transferred to any other person by filing in the Office of the Secretary of State a notice of the transfer, executed by the applicant for whom the name was reserved and specifying the name and address of the transferee A person may reserve the exclusive use of a business name by delivering an application to the Secretary of State for filing pursuant to section 1652 of this title.~~

§ 3404. SPECIFIED OFFICE AND AGENT

Each limited partnership shall continuously maintain in this State:

(1) an office, which may but need not be a place of its business in this State, at which shall be kept the records required by section 3405 of this title to be maintained; and

(2) an agent for service of process on the limited partnership, ~~which agent must be an individual resident of this State, a domestic corporation, partnership, limited liability company, or a foreign corporation, partnership, or limited liability company authorized to do business in this State pursuant to section 1655 of this title.~~

* * *

§ 3411. CERTIFICATE OF LIMITED PARTNERSHIP

(a) In order to form a limited partnership, a certificate of limited partnership must be executed and filed in the Office of the Secretary of State. The certificate shall set forth:

(1) the name of the limited partnership;

(2) the address of the office and the name, email, and address information of the agent for service of process required to be maintained by section 3404 of this title;

(3) the name and the business address of each general partner, and of any other principal the limited partnership provides;

(4) the name and ~~place of residence~~ the business address of each limited partner and the amount of cash and a description of and the agreed value of other property contributed by each limited partner;

* * *

§ 3482. REGISTRATION

Before transacting business in this State, a foreign limited partnership shall register with the Secretary of State. In order to register, a foreign limited partnership shall submit to the Secretary of State, ~~in duplicate,~~ an application for registration as a foreign limited partnership, signed and sworn to by a general partner and setting forth:

(1) the name of the foreign limited partnership and, if different, the name under which it proposes to register and transact business in this State;

(2) the state and date of its formation;

(3) the name, email, and address information of any agent for service of process on the foreign limited partnership ~~whom the foreign limited partnership elects to appoint; the agent must be an individual resident of this State, a domestic corporation, or a foreign corporation having a place of business in, and authorized to do business in, this State pursuant to section 1655 of this title;~~

(4) a statement that the Secretary of State is appointed the agent of the foreign limited partnership for service of process if no agent has been appointed under subdivision (3) of this section or, if appointed, the agent's authority has been revoked or if the agent cannot be found or served with the exercise of reasonable diligence;

(5) the address of the office required to be maintained in the state of its organization by the laws of that state or, if not so required, of the principal office of the foreign limited partnership;

(6) the name and business address of each general partner, and of any other principal the foreign limited partnership provides; and

(7) the address of the office at which is kept a list of the names and addresses of the limited partners and their capital contributions, together with an undertaking by the foreign limited partnership to keep those records until the foreign limited partnership's registration in this State is canceled or withdrawn.

* * *

§ 3487. TRANSACTION OF BUSINESS WITHOUT REGISTRATION

(a)(1) A foreign limited partnership transacting business in this State may not maintain an action or proceeding or raise a counterclaim, crossclaim, or affirmative defense in this State until it has registered in this State.

(2) The successor to a foreign limited partnership that transacted business in this State without a ~~certificate of authority~~ registration and the assignee of a cause of action arising out of that business may not maintain a proceeding or raise a counterclaim, crossclaim, or affirmative defense based on that cause of action in any court in this State until the foreign limited partnership or its successor or assignee ~~obtains a certificate of authority~~ has registered.

* * *

Sec. 7. 11 V.S.A. chapter 25 is amended to read:

CHAPTER 25. LIMITED LIABILITY COMPANIES

* * *

§ 4006. RESERVED NAME

~~(a)(1) A person may reserve the exclusive use of the name of a limited liability company, including a fictitious or assumed name for a foreign limited liability company whose name is not available, by delivering an application to the Secretary of State for filing.~~

~~(2) The application shall state the name and address of the applicant and the name proposed to be reserved.~~

~~(3) If the Secretary of State finds that the name applied for is available, the Secretary shall reserve that name for the applicant's exclusive use for a 120-day period.~~

~~(b) The owner of a reserved limited liability company name may renew the reservation for successive periods of 120 days each by delivering a renewal application to the Secretary of State during the 45-day period preceding the date of expiration of the reservation.~~

~~(c) The owner of a name reserved for a limited liability company may assign the reservation to another person by delivering to the Secretary of State for filing a signed notice of the assignment that states the name and address of the assignee.~~

~~(d) The owner of a reserved limited liability company name may terminate the name reservation by delivering to the Secretary of State for filing a signed notice of withdrawal of name reservation A person may reserve the exclusive use of a business name by delivering an application to the Secretary of State for filing pursuant to section 1652 of this title.~~

§ 4007. DESIGNATED OFFICE AND AGENT

~~(a) A limited liability company and a foreign limited liability company authorized to do business in this State shall designate and continuously maintain:~~

~~(1) a designated office for notification purposes, which may but need not be a place of its business, and may but need not be located in this State; and~~

~~(2) an agent and street address of the agent for service of process on the limited liability company in this State pursuant to section 1655 of this title.~~

~~(b) An agent for service of process shall be an individual resident of this State, a domestic corporation, another limited liability company, or a foreign corporation or foreign limited liability company authorized to do business in this State.~~

§ 4008. CHANGE OF DESIGNATED OFFICE OR AGENT FOR SERVICE OF PROCESS

~~(a) A limited liability company or foreign limited liability company may change its designated office or agent for service of process by delivering to the~~

Secretary of State for filing a statement of change that sets forth: its current designated office information and any change to the information.

(1) ~~the name of the company;~~

(2) ~~the street address, and the mailing address if different from the street address, of its current designated office;~~

(3) ~~if the current designated office is to be changed, the street address, and the mailing address if different from the street address, of the new designated office;~~

(4) ~~the name and address of its current agent for service of process; and~~

(5) ~~if the current agent for service of process is to be changed, the name of the new agent for service of process and the new agent's written consent, either on the statement or attached to it, to the appointment.~~

(b) ~~If an agent for service of process changes the street address of the agent's business office, the agent may change the street address of the designated office of any limited liability company or foreign limited liability company for which the agent is the agent for service of process by notifying the company in writing of the change and signing, either manually or in facsimile, and filing with the Secretary of State a statement that complies with the requirements of subsection (a) of this section and recites that the company has been notified of the change A limited liability company or foreign limited liability company shall change its agent for service of process, or the agent's email or address information, by delivering to the Secretary for filing a statement of change pursuant to section 1655 of this title.~~

§ 4009. RESIGNATION OF AGENT FOR SERVICE OF PROCESS

(a) ~~To resign as an agent for service of process of a limited liability company or foreign limited liability company, the agent shall deliver to the Secretary of State for filing a statement of resignation containing the company name and stating that the agent is resigning pursuant to section 1655 of this title.~~

(b) ~~The Secretary of State shall file a statement of resignation delivered under subsection (a) of this section and mail or otherwise deliver a copy to the designated office of the limited liability company.~~

(c) ~~An agency for service of process terminates on the earlier of:~~

(1) ~~the 41st day after the Secretary of State files the statement of resignation; or~~

~~(2) when a record designating a new agent for service of process is delivered to the Secretary of State for filing on behalf of the limited liability company and becomes effective.~~

§ 4010. SERVICE OF PROCESS

~~(a) An agent for service of process appointed by a limited liability company or a foreign limited liability company is an agent of the company for service of any process, notice, or demand required or permitted by law to be served upon the company.~~

~~(b) If a limited liability company or foreign limited liability company fails to appoint or maintain an agent for service of process in this State or the agent for service of process cannot with reasonable diligence be found at the agent's address, the Secretary of State is an agent of the company upon whom process, notice, or demand may be served.~~

~~(c) Service of any process, notice, or demand on the Secretary of State may be made by delivering to and leaving with the Secretary of State duplicate copies of the process, notice, or demand. If the process, notice, or demand is served on the Secretary of State, the Secretary of State shall forward one of the copies by registered or certified mail, return receipt requested, to the company at its registered office. Service on the Secretary of State shall be returnable in not less than 30 days.~~

~~(d) The Secretary of State shall keep a record of all processes, notices, and demands served pursuant to this section and record the time of and the action taken regarding the service.~~

~~(e) This section shall not affect the right to serve process, notice, or demand upon a limited liability company or foreign limited liability company in any manner otherwise provided by law. A limited liability company or foreign limited liability company is subject to the service of process provisions in section 1656 of this title.~~

* * *

§ 4023. ARTICLES OF ORGANIZATION

* * *

(b) Articles of organization of a limited liability company may set forth:

- (1) provisions permitted to be set forth in an operating agreement; ~~and~~
- (2) name, email, and address information for one or more owners, officers, or other principals of the company; and
- (3) other matters not inconsistent with law.

* * *

§ 4033. ANNUAL REPORT FOR SECRETARY OF STATE

(a) Each domestic limited liability company and each foreign limited liability company authorized to transact business in this State shall file an annual report with the Secretary of State. The annual report shall set forth the following information:

(1) the name of the company and the state or country under whose law it is organized; ~~and~~

(2) the address of its designated office; ~~and~~

(3) the name, email, and address of its designated agent for service of process at that office in this State.

(b) Information in the annual report shall be current as of the date the annual report is signed on behalf of the company.

(c) The annual report shall be delivered to the Secretary of State within three months after the expiration of the company's fiscal year.

(d) The Secretary of State shall amend its records to reflect a change, if specified in the report, to the business's purpose, email, address, or principal information.

* * *

§ 4112. APPLICATION FOR CERTIFICATE OF AUTHORITY

(a) A foreign limited liability company may apply for a certificate of authority to transact business in this State by delivering an application to the Secretary of State for filing. The application shall set forth:

(1) the name of the foreign company and, if its name is unavailable for use in this State, an alternate name that satisfies the requirements of section 4116 of this title;

(2) the name of the state or country under whose law it is organized;

(3) the address of its initial designated office; ~~and~~

(4) the name, email, and address information ~~and street address, and the mailing address if different from the street address,~~ of its designated agent for service of process in this State pursuant to section 1655 of this title.

(b) An application may set forth:

(1) provisions permitted to be included in an operating agreement;

(2) the name, email, and address information for one or more owners, officers, or other principals of the company; and

(3) other matters not inconsistent with law.

(c) A foreign limited liability company shall deliver with the completed application a certificate of existence or a document of similar import, authenticated by the Secretary of State or other official having custody of company records in the state or country under whose law it is organized, dated ~~no~~ not earlier than 90 days prior to filing of the application.

* * *

* * * Updates to Title 11A language * * *

Sec. 8. 11A V.S.A. chapter 1 is amended to read:

CHAPTER 1. GENERAL PROVISIONS

* * *

§ 1.20. FILING REQUIREMENTS

* * *

(j)(1) Any of the terms of a plan or filed documents may be made dependent on facts ascertainable outside the plan or filed documents as follows:

(A) The manner in which the facts operate on the terms of the plan or filed document must be clearly and expressly set forth in the plan or filed document.

(B) The facts may include without limitation actions or events within the control of, or determinations made by, a ~~part~~ party to the plan or filing the filed document or a representative of a party to the plan or filing the filed document.

(2) As used in this section:

(A) “Filed document” means a document filed with the ~~secretary of state~~ Secretary of State under any provision of this title, except chapter 15 or section 16.22 of this title.

(B) “Plan” means a plan of merger or share exchange.

* * *

§ 1.40. DEFINITIONS

As used in this title:

* * *

(8) "Entity" includes corporation and foreign corporation; ~~not-for-profit~~ nonprofit corporation; profit and not-for-profit nonprofit unincorporated association; business trust, estate, partnership, trust, and two or more persons having a joint or common economic interest; and state, United States, and foreign government.

* * *

Sec. 9. 11A V.S.A. § 2.02 is amended to read:

§ 2.02. ARTICLES OF INCORPORATION

(a) The articles of incorporation shall set forth:

(1) a corporate name for the corporation that satisfies the requirements of section 4.01 of this title;

(2) the classes of shares, if any, and the number of shares in each class that the corporation is authorized to issue;

(3) the number of shares the corporation is authorized to issue;

(4) the street address of the corporation's initial registered office and the name and email of its initial registered agent for service of process at that office pursuant to 11 V.S.A. § 1655;

(5) the name and address of each incorporator;

(6) one or more classes of shares that together have unlimited voting rights; and

(7) one or more classes of shares, (which may be the same class or classes as those with voting rights), that together are entitled to receive the net assets of the corporation upon dissolution.

(b) The articles of incorporation may set forth:

(1) the names and addresses of the individuals who are to serve as the initial board of directors, and of any other principals the corporation provides;

(2) provisions not inconsistent with law regarding:

* * *

Sec. 10. 11A V.S.A. chapter 4 is amended to read:

CHAPTER 4. NAME

§ 4.01. CORPORATE ~~HEAD~~ NAME

(a) A corporate name:

(1) shall contain the word “corporation,” “incorporated,” “company,” or “limited,” or the abbreviation “corp.,” “inc.,” “co.,” or “ltd.,” or words or abbreviations of like import in another language;

(2) may not contain language stating or implying that the corporation is organized for a purpose other than that permitted by section 3.01 of this title and its articles of incorporation;

(3) shall not have the word “cooperative” or any abbreviation thereof as part of its name unless the corporation is a worker cooperative corporation organized under 11 V.S.A. chapter 8, a housing cooperative corporation organized under 11 V.S.A. chapter 14, or the articles of incorporation contain all of the provisions required of a ~~corporation organized as a cooperative association~~ general cooperative corporation in 11 V.S.A. § 981; and

(4) shall not include any word not otherwise authorized by law.

* * *

§ 4.02. RESERVED NAME

~~(a) A person may reserve the exclusive use of a corporate name, including a fictitious name for a foreign corporation whose corporate name is not available, by delivering an application to the Secretary of State for filing. The application must set forth the name and address of the applicant and the name proposed to be reserved. If the Secretary of State finds that the corporate name applied for is available, he or she shall reserve the name for the applicant’s exclusive use for a 120-day period. Such 120-day period may be renewed no more than twice.~~

~~(b) The owner of a reserved corporate name may transfer the reservation to another person by delivering to the Secretary of State a signed notice of the transfer that states the name and address of the transferee~~ A person may reserve the exclusive use of a business name by delivering an application to the Secretary of State for filing pursuant to 11 V.S.A. § 1652.

§ 4.03. REGISTERED NAME

(a) A foreign corporation may register its corporate name, or its alternate name or corporate name with any addition required by section 15.06 of this title, if the name is distinguishable in the records of the Secretary of State from the corporate or business names that are not available under section 4.01(b)(3) of this title.

(b) A foreign corporation registers its corporate name, or its alternate name or corporate name with any addition required by section 15.06 of this title, by delivering to the Secretary of State for filing an application:

(1) setting forth its corporate name, or its alternate name or corporate name with any addition required by section 15.06 of this title, the state or country and date of its incorporation, and a brief description of the nature of the business in which it is engaged; and

(2) accompanied by a certificate of good standing or a document of similar import from the state or country of incorporation.

* * *

Sec. 11. 11A V.S.A. chapter 5 is amended to read:

CHAPTER 5. OFFICE AND AGENT

§ 5.01. REGISTERED OFFICE AND REGISTERED AGENT FOR SERVICE OF PROCESS

Each corporation must continuously maintain in this State:

(1) a registered office that may be the same as any of its places of business; and

(2) a registered agent for service of process pursuant to 11 V.S.A. § 1655, who may be:

~~(A) an individual who resides in this State and whose business office is identical with the registered office;~~

~~(B) a domestic corporation or nonprofit domestic corporation whose business office is identical with the registered office; or~~

~~(C) a foreign corporation or nonprofit foreign corporation authorized to transact business in this State whose business office is identical with the registered office.~~

§ 5.02. CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT FOR SERVICE OF PROCESS

~~(a) A corporation may change its registered office or registered agent for service of process information by delivering to the Secretary of State for filing a statement of change pursuant to 11 V.S.A. § 1655, that sets forth:~~

~~(1) the name of the corporation;~~

~~(2) the street address of its current registered office;~~

~~(3) if the current registered office is to be changed, the street address of the new registered office;~~

~~(4) the name of its current registered agent;~~

~~(5) if the current registered agent is to be changed, the name of the new registered agent and the new agent's written consent (either on the statement or attached to it) to the appointment; and~~

~~(6) that after the change or changes are made, the street addresses of its registered office and the business office of its registered agent will be identical~~

~~(b) If a registered agent changes the street address of the agent's business office, the agent may change the street address of the registered office of any corporation for which he or she is the registered agent by notifying the corporation in writing of the change and signing (either manually or in facsimile) and delivering to the Secretary of State for filing a statement that complies with the requirements of subsection (a) of this section and recites that the corporation has been notified of the change.~~

§ 5.03. RESIGNATION OF REGISTERED AGENT

~~(a) A registered agent may resign his or her agency appointment by signing and delivering to the Secretary of State for filing, and the corporation at its registered office, the signed original and two exact copies of a statement of resignation. The statement may include a statement that the registered office is also discontinued.~~

~~(b) After filing the statement, the Secretary of State shall mail one copy to the registered office (if not discontinued) and the other copy to the corporation at its principal office.~~

~~(c) The agency appointment is terminated, and the registered office discontinued if so provided, on the 31st day after the date on which the statement is filed A registered agent for service of process may resign as agent by filing a statement of resignation pursuant to 11 V.S.A. § 1655.~~

§ 5.04. SERVICE ON CORPORATION

~~(a) The corporation's registered agent shall be an agent of such corporation upon whom any process, notice, or demand required or permitted by law to be served upon the corporation may be served.~~

~~(b) Whenever a corporation shall fail to appoint or maintain a registered agent in this State, or whenever its registered agent cannot with reasonable diligence be found at the registered office, then the Secretary of State shall be an agent of such corporation upon whom any such process, notice or demand may be served. Service on the Secretary of State of any such process, notice, or demand shall be made by delivering to and leaving with him or her, or with any clerk having charge of the corporation department of his or her office, duplicate copies of such process, notice, or demand. In the event any such process, notice, or demand is served on the Secretary of State, he or she shall~~

~~immediately cause one of the copies thereof to be forwarded by registered or certified mail, return receipt requested, addressed to the corporation at its registered office.~~

~~(e) The Secretary of State shall keep a record of all processes, notices, and demands served upon the Secretary under this section, and shall record therein the time of such service and the Secretary's action with reference thereto.~~

~~(d) Nothing herein contained shall limit or affect the right to serve any process, notice, or demand required or permitted by law to be served upon a corporation in any other manner now or hereafter permitted by law, or by rule~~
A corporation is subject to the service of process provisions in 11 V.S.A. 1656.

Sec. 12. 11A V.S.A. chapter 14 is amended to read:

CHAPTER 14. DISSOLUTION

* * *

§ 14.05. EFFECT OF DISSOLUTION

* * *

(b) Dissolution of a corporation does not:

- (1) transfer title to the corporation's property;
- (2) prevent transfer of its shares or securities, although the authorization to dissolve may provide for closing the corporation's share transfer records;
- (3) subject its directors or officers to standards of conduct different from those prescribed in chapter 8 of this title;
- (4) change quorum or voting requirements for its board of directors or shareholders; change provisions for selection, resignation, or removal of its directors or officers or both; or change provisions for amending its bylaws;
- (5) prevent commencement of a proceeding by or against the corporation in its corporate name;
- (6) abate or suspend a proceeding pending by or against the corporation on the effective date of dissolution; or
- (7) terminate the authority of the registered agent for service of process of the corporation.

* * *

§ 14.20. INVOLUNTARY TERMINATION

* * *

(d) Involuntary termination of a corporation does not:

(1) prevent commencement of a proceeding against the corporation in its corporate name;

(2) abate or suspend a proceeding pending by or against the corporation on the effective date of involuntary termination; or

(3) terminate the authority of the registered agent for service of process of the corporation.

* * *

Sec. 13. 11A V.S.A. chapter 15 is amended to read:

CHAPTER 15. FOREIGN CORPORATIONS

* * *

§ 15.03. APPLICATION FOR CERTIFICATE OF AUTHORITY

(a) A foreign corporation may apply for a certificate of authority to transact business in this State by delivering an application and the applicable filing fee to the Secretary of State for filing. The application must set forth:

(1) the name of the foreign corporation or, if its name is unavailable for use in this State, a corporate name that satisfies the requirements of section 15.06 of this title;

(2) the name of the state or country under whose law it is incorporated;

(3) its date of incorporation and period of duration;

(4) the street address of its principal office;

(5) the address of its registered office in this State and the name of its registered agent for service of process at that office, pursuant to 11 V.S.A. § 1655; and

(6) the names and usual business addresses of its current directors and officers, and of any other principals the corporation provides.

(b) The foreign corporation shall deliver with the completed application a certificate of good standing (or a document of similar import) duly authenticated by the Secretary of State or other official having custody of corporate records in the state or country under whose law it is incorporated.

* * *

§ 15.06. CORPORATE NAME OF FOREIGN CORPORATION

(a) If the corporate name of a foreign corporation does not satisfy the

requirements of section 4.01 of this title, the foreign corporation to obtain or maintain a certificate of authority to transact business in this State:

(1) may add the word “corporation,” “incorporated,” “company,” or “limited,” or the abbreviation “corp.,” “inc.,” “co.,” or “ltd.,” to its corporate name for use in this State; or

(2) may ~~use an available trade~~ adopt an alternate name to transact business in this State if its corporate name is unavailable and it delivers to the Secretary of State for filing a copy of the resolution of its board of directors, certified by its secretary, adopting the ~~trade~~ alternate name.

(b) Except as authorized by subsections (c) and (d) of this section, the corporate name, including a ~~trade~~ an alternate name, of a foreign corporation shall be distinguishable in the records of the Secretary of State from any name granted, registered, or reserved under this chapter, or the name of any other entity, whether domestic or foreign, that is reserved, registered, or granted by or with the Secretary of State.

(c) A foreign corporation may apply to the Secretary of State for authorization to use in this State the name of another corporation incorporated or authorized to transact business in this State that is not distinguishable in the records from one or more of the names described in subsection (b) of this section, by submitting to the Secretary of State a satisfactory written form indicating the other corporation’s consent and change of name.

(d) A foreign corporation may use in this State the name, including the ~~trade~~ alternate name, of another domestic or foreign corporation that is used in this State if the other corporation is incorporated or authorized to transact business in this State and the foreign corporation:

(1) has merged with the other corporation;

(2) has been formed by reorganization of the other corporation; or

(3) has acquired all or substantially all of the assets, including the corporate name, of the other corporation.

* * *

§ 15.07. REGISTERED OFFICE AND REGISTERED AGENT FOR SERVICE OF PROCESS OF FOREIGN CORPORATION

Each foreign corporation authorized to transact business in this State must continuously maintain in this State:

(1) a registered office that may be the same as any of its places of business; and

(2) a registered agent for service of process, pursuant to 11 V.S.A. § 1655, who may be:

(A) an individual who resides in this State and whose business office is identical with the registered office;

(B) a domestic corporation or domestic not-for-profit corporation whose business office is identical with the registered office; or

(C) a foreign corporation or foreign not-for-profit corporation authorized to transact business in this State whose business office is identical with the registered office.

§ 15.08. CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT
FOR SERVICE OF PROCESS OF FOREIGN CORPORATION

(a) A foreign corporation authorized to transact business in this State may change its registered office or registered agent for service of process by delivering to the Secretary of State for filing a statement of change that sets forth:

(1) its name;

(2) the street address of its current registered office;

(3) if the current registered office is to be changed, the street address of its new registered office;

(4) the name of its current registered agent;

(5) if the current registered agent is to be changed, the name of its new registered agent and the new agent's written consent (either on the statement or attached to it) to the appointment; and

(6) that after the change or changes are made, the street addresses of its registered office and the business office of its registered agent will be identical.

(b) If a registered agent changes the street address of his or her business office, he or she may change the street address of the registered office of any foreign corporation for which he or she is the registered agent by notifying the corporation in writing of the change and signing (either manually or in facsimile) and delivering to the Secretary of State for filing a statement of change that complies with the requirements of subsection (a) of this section and recites that the corporation has been notified of the change pursuant to 11 V.S.A. § 1655.

§ 15.09. RESIGNATION OF REGISTERED AGENT FOR SERVICE OF
PROCESS OF FOREIGN CORPORATION

~~(a) The registered agent of a foreign corporation may resign his or her agency as agent by filing a statement of resignation pursuant to 11 V.S.A. § 1655 appointment by signing and delivering to the Secretary of State for filing the original and two exact or conformed copies of a statement of resignation. The statement of resignation may include a statement that the registered office is also discontinued.~~

~~(b) After filing the statement, the Secretary of State shall attach the filing receipt to one copy and mail the copy and receipt to the registered office if not discontinued. The Secretary of State shall mail the other copy to the foreign corporation at its principal office address shown in its most recent annual report.~~

~~(c) The agency appointment is terminated, and the registered office discontinued if so provided, on the 31st day after the date on which the statement was filed.~~

§ 15.10. SERVICE OF PROCESS ON FOREIGN CORPORATION

~~Service of process on a foreign corporation is governed by 12 V.S.A. subchapter 6, chapter 25 and by the Vermont Rules of Civil Procedure A foreign corporation is subject to the service of process provisions in 11 V.S.A. § 1656.~~

* * *

§ 15.30. INVOLUNTARY TERMINATION

(a) The Secretary of State shall terminate the certificate of authority of a foreign corporation if:

(1) the foreign corporation fails to deliver its annual report to the Secretary of State as required by section 16.22 of this title;

(2) the foreign corporation does not pay any franchise taxes or penalties imposed by this title or other law;

(3) the foreign corporation is without a registered agent for service of process or registered office in this State;

(4) the foreign corporation fails to inform the Secretary of State under section 15.08 or 15.09 of this title that its registered agent for service of process or registered office has changed;

(5) a material misrepresentation is knowingly made in a signed document delivered to the Secretary of State for filing;

(6) the Secretary of State receives a duly authenticated certificate from the Secretary of State or other official having custody of corporation records in

the state or country under whose law the foreign corporation is incorporated stating that it has been dissolved or terminated or disappeared as the result of a merger;

(7) the foreign corporation has failed to comply with subdivision 11.07(a)(3) of this title requiring it to file articles of merger where it is the survivor of a merger with a domestic corporation; or

(8) the Commissioner of Taxes notifies the Secretary of State that a foreign corporation has failed to make a return, to pay a tax, to file a bond, or to do any other act required to be done under the provisions of 32 V.S.A. chapter 211.

(b) The Secretary of State shall serve the foreign corporation with written notice of termination of its certificate of authority under section 15.10 of this title, setting out each deficiency.

(c) The authority of a foreign corporation to transact business in this State ceases on the date shown on the notice terminating its certificate of authority. Termination of a foreign corporation's certificate of authority does not terminate the authority of the registered agent for service of process of the corporation.

(d) The Secretary of State's termination of a foreign corporation's certificate of authority appoints the Secretary of State the foreign corporation's agent for service of process in any proceeding based on a cause of action that arose during the time the foreign corporation was authorized to transact or was transacting without authorization business in this State. Service of process on the Secretary of State under this subsection is service on the foreign corporation. Upon receipt of process, the Secretary of State shall mail a copy of the process to the secretary of the foreign corporation at its principal office shown in its most recent annual report or in any subsequent communication received from the corporation stating the current mailing address of its principal office, or, if none is on file, in its application for a certificate of authority, or otherwise perfect service under section 15.10 of this title.

(e) If the foreign corporation corrects each ground for termination and demonstrates to the reasonable satisfaction of the Secretary of State that each ground cited in the notice of termination does not exist, and pays to the Secretary of State a reinstatement fee of \$25.00 for each year it is delinquent, the secretary may cancel the termination and prepare a certificate of reinstatement, file the original of the certificate, and serve a copy on the corporation under section 15.10 of this title.

* * *

Sec. 14. 11A V.S.A. chapter 16 is amended to read:

CHAPTER 16. RECORDS AND REPORTS

* * *

§ 16.22. ANNUAL REPORT FOR SECRETARY OF STATE

(a) Each domestic corporation, and each foreign corporation authorized to transact business in this State, shall deliver to the Secretary of State for filing an annual report that sets forth:

(1) the name of the corporation and the state or country under whose law it is incorporated;

(2) the address of its registered office and the name and email of its registered agent for service of process at that office in this State;

* * *

~~(e) Listing the name of the registered agent and the address of the registered office does not effectuate a change in such agent or office unless the report also contains the requirements of section 5.02 of this title The Secretary of State shall amend its records to reflect a change, if specified in the report, to the business's purpose, email, address, or principal information.~~

* * * Updates to Title 11B language * * *

Sec. 15. 11B V.S.A. chapter 1 is amended to read:

CHAPTER 1. GENERAL PROVISIONS

* * *

§ 1.21. FORMS

(a) The Secretary of State may prescribe the form or electronic format of and furnish on request, forms or specifications for formats for:

(1) an application for a certificate of ~~existence~~ good standing;

(2) a foreign corporation's application for a certificate of authority to transact business in this State;

(3) a foreign corporation's application for a certificate of withdrawal;
and

(4) the biennial report.

(b) The Secretary of State may prescribe and furnish on request forms for other documents required or permitted to be filed by this title but their use is not mandatory.

* * *

Sec. 16. 11B V.S.A. chapter 2 is amended to read:

CHAPTER 2. INCORPORATION

* * *

§ 2.02. ARTICLES OF INCORPORATION

(a) The articles of incorporation must set forth:

(1) a A corporate name for the corporation that satisfies the requirements of section 4.01 of this title;

(2) ~~one~~ One of the following statements:

(A) This corporation is a public benefit corporation.

(B) This corporation is a mutual benefit corporation.

(3) ~~the~~ The street address of the corporation's initial registered office and the name and email of its initial registered agent for service of process at that office, pursuant to 11 V.S.A. § 1655;

(4) ~~the~~ The name and address of each incorporator;

(5) ~~whether~~ Whether or not the corporation will have members; and.

(6) ~~provisions~~ Provisions not inconsistent with law regarding the distribution of assets on dissolution.

(b) The articles of incorporation may set forth:

(1) the purpose or purposes for which the corporation is organized, which may be, either alone or in combination with other purposes, the transaction of any lawful activity;

(2) the names and addresses of the individuals who are to serve as the initial directors, and of any other principals the corporation provides;

(3) provisions not inconsistent with law regarding:

(A) managing and regulating the affairs of the corporation;

(B) defining, limiting, and regulating the powers of the corporation, its board of directors, and members (or any class of members);

(C) the characteristics, qualifications, rights, limitations, and obligations attaching to each or any class of members; and

(4) any provision that under this title is required or permitted to be set forth in the bylaws.

* * *

Sec. 17. 11B V.S.A. chapter 4 is amended to read:

CHAPTER 4. NAME

* * *

§ 4.02. RESERVED NAME

~~(a) A person may reserve the exclusive use of a corporate name, including a fictitious name for a foreign corporation whose corporate name is not available, by delivering an application to the Secretary of State for filing. Upon finding that the corporate name applied for is available, the Secretary of State shall reserve the name for the applicant's exclusive use for a 120-day period. Such 120-day period may be renewed no more than twice.~~

~~(b) The owner of a reserved corporate name may transfer the reservation to another person by delivering to the Secretary of State a signed notice of the transfer that states the name and address of the transferee A person may reserve the exclusive use of a business name by delivering an application to the Secretary of State for filing pursuant to 11 V.S.A. § 1652.~~

§ 4.03. REGISTERED NAME

(a) A foreign corporation may register its corporate name, or its alternate name or corporate name with any addition required by section 15.06 of this title, if the name is distinguishable upon the records of the Secretary of State from:

- (1) the corporate name of a nonprofit or business corporation incorporated or authorized to do business in this State; and
- (2) a corporate name reserved under section 4.02 of this title or 11A V.S.A. § 4.02 or registered under this section.

(b) A foreign corporation registers its corporate name, or its alternate name corporate name with any addition required by section 15.06 of this title, by delivering to the Secretary of State an application:

- (1) setting forth its corporate name, or its alternate name or corporate name with any addition required by section 15.06 of this title, the state or country and date of its incorporation, and a brief description of the nature of the activities in which it is engaged; and
- (2) accompanied by a certificate of existence (or a document of similar import) from the state or country of incorporation.

* * *

Sec. 18. 11B V.S.A. chapter 5 is amended to read:

CHAPTER 5. OFFICE AND AGENT

§ 5.01. REGISTERED OFFICE AND REGISTERED AGENT FOR
SERVICE OF PROCESS

Each corporation must continuously maintain in this State:

(1) a registered office that may be the same as any of its places of
business; and

(2) a registered agent for service of process, pursuant to 11 V.S.A.
§ 1655, whose business office is identical with the registered office.

§ 5.02. CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT
FOR SERVICE OF PROCESS

(a) A corporation may change its registered office or registered agent for
service of process by delivering to the Secretary of State for filing a statement
of change pursuant to 11 V.S.A. § 1655 that sets forth:

(1) the name of the corporation;

(2) the street address of its current registered office;

(3) if the current registered office is to be changed, the street address of
the new registered office;

(4) the name of its current registered agent;

(5) if the current registered agent is to be changed, the name of the new
registered agent and the new agent's written consent (either on the statement or
attached to it) to the appointment; and

(6) that after the change or changes are made, the street addresses of its
registered office and the office of its registered agent will be identical

(b) If the street address of a registered agent's office is changed, the
registered agent may change the street address of the registered office of any
corporation for which the registered agent is the registered agent by notifying
the corporation in writing of the change and by signing (either manually or in
facsimile) and delivering to the Secretary of State for filing a statement that
complies with the requirements of subsection (a) of this section and recites that
the corporation has been notified of the change.

§ 5.03. RESIGNATION OF REGISTERED AGENT FOR SERVICE OF
PROCESS

~~(a) A registered agent may resign as registered agent by signing and delivering to the Secretary of State a statement of resignation pursuant to 11 V.S.A. § 1655 the original and two exact or conformed copies of a statement of resignation. The statement may include a statement that the registered office is also discontinued.~~

~~(b) After filing the statement, the Secretary of State shall mail one copy to the registered office (if not discontinued) and the other copy to the corporation at its principal office as shown in the most recent biennial report filed pursuant to section 16.22 of this title.~~

~~(c) The agency appointment is terminated, and the registered office discontinued if so provided, on the 31st day after the date on which the statement is filed.~~

§ 5.04. SERVICE ON CORPORATION

~~(a) The corporation's registered agent shall be an agent of such corporation upon whom any process, notice, or demand required or permitted by law to be served upon the corporation may be served~~

~~(b) Whenever a corporation shall fail to appoint or maintain a registered agent in this State, or whenever its registered agent cannot with reasonable diligence be found at the registered office, then the Secretary of State shall be an agent of such corporation upon whom any such process, notice, or demand may be served. Service on the Secretary of State of any such process, notice, or demand shall be made by delivering to and leaving with him or her, or with any clerk having charge of the corporation department of his or her office, duplicate copies of such process, notice, or demand. In the event any such process, notice, or demand is served on the Secretary of State, he or she shall immediately cause one of the copies thereof to be forwarded by registered or certified mail, return receipt requested, addressed to the corporation at its registered office.~~

~~(c) The Secretary of State shall keep a record of all processes, notices, and demands served upon the Secretary under this section, and shall record therein the time of such service and the Secretary's action with reference thereto.~~

~~(d) Nothing herein contained shall limit or affect the right to serve any process, notice, or demand required or permitted by law to be served upon a corporation in any other manner now or hereafter permitted by law, or by rule A corporation is subject to the service of process provisions in 11 V.S.A. § 1656.~~

Sec. 19. 11B V.S.A. chapter 14 is amended to read:

CHAPTER 14. DISSOLUTION

* * *

§ 14.05. EFFECT OF DISSOLUTION

* * *

(b) Dissolution of a corporation does not:

- (1) transfer title to the corporation's property;
- (2) subject its directors or officers to standards of conduct different from those prescribed in chapter 8 of this title;
- (3) change quorum or voting requirements for its board or members; change provisions for selection, resignation, or removal of its directors or officers or both; or change provisions for amending its bylaws;
- (4) prevent commencement of a proceeding by or against the corporation in its corporate name;
- (5) abate or suspend a proceeding pending by or against the corporation on the effective date of dissolution; or
- (6) terminate the authority of the registered agent for service of process.

* * *

§ 14.20. INVOLUNTARY TERMINATION

The Secretary of State may commence a proceeding under section 14.21 of this title to administratively dissolve a corporation if:

- (1) the corporation does not pay within 60 days after they are due fees imposed by this title;
- (2) the corporation does not deliver its biennial report to the Secretary of State within 60 days after it is due;
- (3) the corporation is without a registered agent for service of process or registered office in this State for 60 days or more; or
- (4) the corporation does not notify the Secretary of State within 120 days that its registered agent for service of process or registered office has been changed, that its registered agent for service of process has resigned, or that its registered office has been discontinued.

§ 14.21. PROCEDURE FOR AND EFFECT OF INVOLUNTARY TERMINATION

* * *

(d) The ~~involuntarily~~ involuntary dissolution of a corporation does not terminate the authority of its registered agent for service of process.

§ 14.22. REINSTATEMENT FOLLOWING INVOLUNTARY
DISSOLUTION

(a) A corporation involuntarily dissolved that has not distributed its assets under section 14.21 of this title may apply to the Secretary of State for reinstatement upon payment of \$25.00 for each year the corporation is delinquent. The application must:

(1) recite the name of the corporation and the effective date of its involuntary dissolution;

(2) state that the ground or grounds for dissolution either did not exist or have been eliminated; and

(3) state that the corporation's name satisfies the requirements of section 4.01 of this title.

* * *

Sec. 20. 11B V.S.A. chapter 15 is amended to read:

CHAPTER 15. FOREIGN CORPORATIONS

* * *

§ 15.03. APPLICATION FOR CERTIFICATE OF AUTHORITY

(a) A foreign corporation may apply for a certificate of authority to transact business in this State by delivering an application to the Secretary of State. The application must set forth:

(1) the name of the foreign corporation or, if its name is unavailable for use in this State, a corporate name that satisfies the requirements of section 15.06 of this title;

(2) the name of the state or country under whose law it is incorporated;

(3) the date of incorporation and period of duration;

(4) the street address of its principal office;

(5) the address of its registered office in this State and the name and email of its registered agent for service of process at that office;

(6) the names and usual business or home addresses of its current directors and officers and of any other principals the corporation provides;

(7) whether the foreign corporation has members; and

(8) whether the corporation, if it had been incorporated in this State, would be a public benefit or mutual benefit corporation.

(b) The foreign corporation shall deliver with the completed application a certificate of existence, (or a document of similar import), duly authenticated by the Secretary of State or other official having custody of corporate records in the state or country under whose law it is incorporated.

* * *

§ 15.06. CORPORATE NAME OF FOREIGN CORPORATION

(a) If the corporate name of a foreign corporation does not satisfy the requirements of section 4.01 of this title, the foreign corporation to obtain or maintain a certificate of authority to transact business in this State:

(1) may add the word “corporation,” “incorporated,” “company,” or “limited,” or the abbreviation “corp.,” “inc.,” “co.,” or “Ltd.,” to its corporate name for use in this State; or

(2) may ~~use an available trade~~ adopt an alternate name to transact business in this State if its corporate name is unavailable and it delivers to the Secretary of State for filing a copy of the resolution of its board of directors, certified by its secretary, adopting the ~~trade~~ alternate name.

(b) Except as authorized by subsections (c) and (d) of this section, the corporate name, ~~(including a trade an alternate name,)~~ of a foreign corporation must be distinguishable upon the records of the Secretary of State from reserved or registered trade names or corporate names.

(c) A foreign corporation may apply to the Secretary of State for authorization to use in this State the name of another corporation incorporated or authorized to transact business in this State that is not distinguishable upon the records from the name applied for by submitting to the Secretary of State a satisfactory written form indicating the other corporation’s consent and change of name.

(d) A foreign corporation may use in this State the name, ~~(including the trade alternate name,)~~ of another domestic or foreign corporation that is used in this State if the other corporation is incorporated or authorized to transact business in this State and the foreign corporation:

* * *

§ 15.07. REGISTERED OFFICE AND REGISTERED AGENT FOR SERVICE OF PROCESS OF FOREIGN CORPORATION

Each foreign corporation authorized to transact business in this State must continuously maintain in this State:

(1) a registered office with the same address as that of its registered agent for service of process; and

(2) a registered agent for service of process, ~~who may be:~~

~~(A) an individual who resides in this State and whose office is identical with the registered office;~~

~~(B) a domestic business or nonprofit corporation whose office is identical with the registered office; or~~

~~(C) a foreign business or nonprofit corporation authorized to transact business in this State whose office is identical with the registered office pursuant to 11 V.S.A. § 1655.~~

§ 15.08. CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT FOR SERVICE OF PROCESS OF FOREIGN CORPORATION

(a) A foreign corporation authorized to transact business in this State may change its registered office or registered agent for service of process by delivering to the Secretary of State for filing a statement of change ~~that sets forth:~~

~~(1) its name;~~

~~(2) the street address of its current registered office;~~

~~(3) if the current registered office is to be changed, the street address of its new registered office;~~

~~(4) the name of its current registered agent;~~

~~(5) if the current registered agent is to be changed, the name of its new registered agent and the new agent's written consent (either on the statement or attached to it) to the appointment; and~~

~~(6) that after the change or changes are made, the street addresses of its registered office and the office of its registered agent will be identical.~~

~~(b) If a registered agent changes the street address of its business office, the agent may change the address of the registered office of any foreign corporation for which the agent is the registered agent by notifying the corporation in writing of the change and signing (either manually or in facsimile) and delivering to the Secretary of State for filing a statement of change that complies with the requirements of subsection (a) of this section~~

~~and recites that the corporation has been notified of the change pursuant to 11 V.S.A. § 1655.~~

~~§ 15.09. RESIGNATION OF REGISTERED AGENT OF FOREIGN CORPORATION~~

~~(a) The registered agent of a foreign corporation may resign as agent by signing and delivering to the Secretary of State for filing a statement of resignation pursuant to 11 V.S.A. § 1655 the original and two exact or conformed copies of a statement of resignation. The statement of resignation may include a statement that the registered office is also discontinued.~~

~~(b) After filing the statement, the Secretary of State shall attach the filing receipt to one copy and mail the copy and receipt to the registered office if not discontinued. The Secretary of State shall mail the other copy to the foreign corporation at its principal office address shown in its most recent biennial report.~~

~~(c) The agency is terminated, and the registered office discontinued if so provided, on the 31st day after the date on which the statement was filed.~~

~~§ 15.10. SERVICE ON FOREIGN CORPORATION~~

~~(a) The registered agent of a foreign corporation authorized to transact business in this State is the corporation's agent for service of process, notice, or demand required or permitted by law to be served on the foreign corporation.~~

~~(b) A foreign corporation may be served by registered or certified mail, return receipt requested, addressed to the secretary of the foreign corporation at its principal office shown in its application for a certificate of authority or in its most recent biennial report filed under section 16.22 of this title if the foreign corporation:~~

~~(1) has no registered agent or its registered agent cannot with reasonable diligence be served;~~

~~(2) has withdrawn from transacting business in this State under section 15.20 of this title; or~~

~~(3) has had its certificate of authority revoked under section 15.31 of this title.~~

~~(c) Service is perfected under subsection (b) of this section at the earliest of:~~

~~(1) the date the foreign corporation receives the mail;~~

~~(2) the date shown on the return receipt, if signed on behalf of the foreign corporation; or~~

~~(3) five days after its deposit in the U.S. mail, as evidenced by the postmark if mailed postpaid and correctly addressed.~~

~~(d) This section does not prescribe the only means, or necessarily the required means, of serving a foreign corporation. A foreign corporation is subject to the service of process provisions in 11 V.S.A. § 1656.~~

§ 15.20. WITHDRAWAL OF FOREIGN CORPORATION

* * *

(b) A foreign corporation authorized to transact business in this State may apply for a certificate of withdrawal by delivering an application to the Secretary of State for filing. The application must set forth:

(1) the name of the foreign corporation and the name of the state or country under whose law it is incorporated;

(2) that it is not transacting business in this State and that it surrenders its authority to transact business in this State;

(3) that it revokes the authority of its registered agent for service of process to accept service on its behalf and appoints the Secretary of State as its agent for service of process in any proceeding based on a cause of action arising during the time it was authorized to do business in this State;

(4) a mailing address to which the Secretary of State may mail a copy of any process served on him or her under subdivision (3) of this subsection; and

(5) a commitment to notify the Secretary of State in the future of any change in the mailing address.

* * *

§ 15.30. INVOLUNTARY TERMINATION

(a) The Secretary of State shall terminate the certificate of authority of a foreign corporation if:

(1) the foreign corporation fails to deliver its biennial report to the Secretary of State as required by section 16.22 of this title;

(2) the foreign corporation does not pay any penalties imposed by this title or other law;

(3) the foreign corporation is without a registered agent for service of process or registered office in this State;

(4) the foreign corporation fails to inform the Secretary of State under section 15.08 or 15.09 of this title that its registered agent for service of process or registered office has changed;

(5) a material misrepresentation is knowingly made in a signed document delivered to the Secretary of State for filing;

(6) the Secretary of State receives a duly authenticated certificate from the secretary of state or other official having custody of corporation records in the state or country under whose law the foreign corporation is incorporated stating that it has been dissolved or terminated or disappeared as the result of a merger; or

(7) the foreign corporation has failed to comply with subdivision 11.07(a) of this title requiring it to file articles of merger where it is the survivor of a merger with a domestic corporation.

(b) The Secretary of State shall serve the foreign corporation with written notice of termination of its certificate of authority under section 15.10 of this title, setting out each deficiency.

(c) The authority of a foreign corporation to transact business in this State ceases on the date shown on the notice terminating its certificate of authority. Termination of a foreign corporation's certificate of authority does not terminate the authority of the registered agent for service of process of the corporation.

(d) The Secretary of State's termination of a foreign corporation's certificate of authority appoints the Secretary of State the foreign corporation's agent for service of process in any proceeding based on a cause of action that arose during the time the foreign corporation was authorized to transact or was transacting without authorization business in this State. Service of process on the Secretary of State under this subsection is service on the foreign corporation. Upon receipt of process, the Secretary of State shall mail a copy of the process to the secretary of the foreign corporation at its principal office shown in its most recent biennial report or in any subsequent communication received from the corporation stating the current mailing address of its principal office, or, if none is on file, in its application for a certificate of authority, or otherwise perfect service under section 15.10 of this title.

(e) If the foreign corporation corrects each ground for termination and demonstrates to the reasonable satisfaction of the Secretary of State that each ground cited in the notice of termination does not exist, and pays to the Secretary of State a fee of \$25.00 for each year it is delinquent, the Secretary may cancel the termination and prepare a certificate of reinstatement, file the

original of the certificate, and serve a copy on the corporation under section 15.10 of this title.

* * *

Sec. 21. 11B V.S.A. chapter 16 is amended to read:

CHAPTER 16. RECORDS AND REPORTS

* * *

§ 16.22. BIENNIAL REPORT FOR SECRETARY OF STATE

(a) Each domestic corporation, and each foreign corporation authorized to transact business in this State, shall deliver to the Secretary of State a biennial report on a form prescribed and furnished by the Secretary of State that sets forth:

(1) the name of the corporation and the state or country under whose law it is incorporated;

(2) the address of its registered office and the name and email of its registered agent for service of process at the office in this State;

(3) the address of its principal office;

(4) the names and business or residence addresses of its directors and principal officers; and

(5) a brief description of the nature of its activities.

(b) The information in the biennial report must be current on the date the biennial report is executed on behalf of the corporation.

(c) The first biennial report must be delivered to the Secretary of State between January 1 and April 1 of the year following the calendar year in which a domestic corporation was incorporated or a foreign corporation was authorized to transact business. Subsequent biennial reports must be delivered to the Secretary of State between January 1 and April 1 following each succeeding two calendar years.

(d) If a biennial report does not contain the information required by this section, the Secretary of State shall promptly notify the reporting domestic or foreign corporation in writing and return the report to it for correction. If the report is corrected to contain the information required by this section and delivered to the Secretary of State within 30 days after the effective date of notice, it is deemed to be timely filed.

(e) The Secretary of State shall amend its records to reflect a change, if specified in the report, to the business's purpose, email, address, or principal information.

* * * Updates to Title 11C language * * *

Sec. 22. 11C V.S.A. chapter 1 is amended to read:

CHAPTER 1. GENERAL PROVISIONS

* * *

§ 112. RESERVATION OF NAME

~~(a) A person may reserve the exclusive use of the name of a mutual benefit enterprise, including a fictitious name for a foreign enterprise whose name is not available under section 111 of this title, by delivering an application to the Secretary of State for filing. The application shall set forth the name and address of the applicant and the name proposed to be reserved. If the Secretary of State finds that the name applied for is available under section 111 of this title, the Secretary of State shall reserve the name for the applicant's exclusive use for a nonrenewable period of 120 days.~~

~~(b) A person who has reserved a name for a mutual benefit enterprise may transfer the reservation to another person by delivering to the Secretary of State a signed notice of the transfer which states the name, street address, and, if different, the mailing address of the transferee. If the person is an organizer of the enterprise and the name of the enterprise is the same as the reserved name, the delivery of articles of organization for filing by the Secretary of State is a transfer by the person to the enterprise~~ A person may reserve the exclusive use of a business name by delivering an application to the Secretary of State for filing pursuant to 11 V.S.A. § 1652.

* * *

§ 117. DESIGNATED OFFICE AND AGENT FOR SERVICE OF PROCESS

~~(a) A mutual benefit enterprise or a foreign enterprise that has a certificate of authority under section 1404 of this title shall designate and continuously maintain in this State:~~

~~(1) an office, as its designated office, which need not be a place of the enterprise's or foreign enterprise's activity in this State; and~~

~~(2) an agent for service of process, pursuant to section 1655, at the designated office.~~

~~(b) An agent for service of process of a mutual benefit enterprise or foreign enterprise shall be an individual who is a resident of this State or an entity that is authorized to do business in this State.~~

§ 118. CHANGE OF DESIGNATED OFFICE OR AGENT FOR SERVICE
OF PROCESS

~~(a) Except as otherwise provided in subsection 207(e) of this title, to change its designated office, its agent for service of process, or the street address or, if different, mailing address of its principal office, a mutual benefit enterprise shall deliver to the Secretary of State for filing a statement of change containing:~~

~~(1) the name of the mutual benefit enterprise;~~

~~(2) the street address and, if different, mailing address of its designated office;~~

~~(3) if the designated office is to be changed, the street address and, if different, mailing address of the new designated office;~~

~~(4) the name of its agent for service of process; and~~

~~(5) if the agent for service of process is to be changed, the name of the new agent.~~

~~(b) Except as otherwise provided in subsection 207(e) of this title, to change its agent for service of process, the address of its designated office, or the street address or, if different, mailing address of its principal office, a foreign enterprise shall deliver to the Secretary of State for filing a statement of change containing:~~

~~(1) the name of the foreign enterprise;~~

~~(2) the name, street address, and, if different, mailing address of its designated office;~~

~~(3) if the current agent for service of process or an address of the designated office is to be changed, the new information;~~

~~(4) the street address and, if different, the mailing address of its principal office; and~~

~~(5) if the street address or, if different, the mailing address of its principal office is to be changed, the street address and, if different, the mailing address of the new principal office.~~

~~(c) Except as otherwise provided in section 204 of this title, a statement of change is effective when filed by the Secretary of State A mutual benefit~~

enterprise or foreign enterprise shall change its designated office or agent for service of process information by submitting to the Secretary of State for filing a statement of change pursuant to 11 V.S.A. § 1655.

§ 119. RESIGNATION OF AGENT FOR SERVICE OF PROCESS

~~(a) To resign as an agent for service of process of a mutual benefit enterprise or foreign enterprise, the agent shall deliver to the Secretary of State for filing a statement of resignation containing the name of the agent and the name of the enterprise or foreign enterprise.~~

~~(b) After receiving a statement of resignation under subsection (a) of this section, the Secretary of State shall file it and mail or otherwise provide or deliver a copy to the mutual benefit enterprise or foreign enterprise at its principal office.~~

~~(c) An agency for service of process of a mutual benefit enterprise or foreign enterprise terminates on the earlier of:~~

~~(1) the 31st day after the Secretary of State files a statement of resignation under subsection (b) of this section; or~~

~~(2) when a record designating a new agent for service of process is delivered to the Secretary of State for filing on behalf of the enterprise or foreign enterprise and becomes effective. An agent for service of process may resign as agent by submitting to the Secretary of State for filing a statement of resignation pursuant to 11 V.S.A. § 1655.~~

§ 120. SERVICE OF PROCESS

~~(a) An agent for service of process appointed by a mutual benefit enterprise or foreign enterprise is an agent of the enterprise or foreign enterprise for service of process, notice, or a demand required or permitted by law to be served upon the enterprise or foreign enterprise.~~

~~(b) If a mutual benefit enterprise or foreign enterprise does not appoint or maintain an agent for service of process in this State or the agent for service of process cannot with reasonable diligence be found at the address of the designated office on file with the Secretary of State, the Secretary of State is an agent of the enterprise or foreign enterprise upon which process, notice, or a demand may be served.~~

~~(c) Service of process, notice, or a demand on the Secretary of State as agent of a mutual benefit enterprise or foreign enterprise may be made by delivering to the Secretary of State two copies of the process, notice, or demand. The Secretary of State shall forward one copy by registered or~~

~~certified mail, return receipt requested, to the enterprise or foreign enterprise at its principal office.~~

~~(d) Service is effected under subsection (c) of this section on the earliest of:~~

~~(1) the date the mutual benefit enterprise or foreign enterprise receives the process, notice, or demand;~~

~~(2) the date shown on the return receipt, if signed on behalf of the enterprise or foreign enterprise; or~~

~~(3) five days after the process, notice, or demand is deposited by the Secretary of State for delivery by the U.S. Postal Service, if postage is prepaid to the address of the principal office on file with the Secretary of State.~~

~~(e) The Secretary of State shall keep a record of each process, notice, and demand served pursuant to this section and record the time of and the action taken regarding the service.~~

~~(f) This section does not affect the right to serve process, notice, or a demand in any other manner provided by law. A mutual benefit enterprise or foreign enterprise is subject to the service of process provisions in 11 V.S.A. § 1656.~~

Sec. 23. 11C V.S.A. chapter 2 is amended to read:

CHAPTER 2. FILING AND ANNUAL REPORTS

* * *

§ 202. SIGNING AND FILING OF RECORDS PURSUANT TO JUDICIAL ORDER

(a) If a person required by this title to sign or deliver a record to the Secretary of State for filing does not do so, the Superior Court of the county of the mutual benefit enterprise's principal office or the foreign enterprise's ~~registered~~ designated office, upon petition of an aggrieved person, may order:

(1) the person to sign the record and deliver it to the Secretary of State for filing; or

(2) delivery of the unsigned record to the Secretary of State for filing.

* * *

§ 206. CERTIFICATE OF GOOD STANDING OR AUTHORIZATION

(a) The Secretary of State, upon request and payment of the required fee, shall furnish any person that requests it a certificate of good standing for a mutual benefit enterprise if the records filed in the Office of the Secretary of

State show that the Secretary of State has filed the enterprise's articles of organization, that the enterprise is in good standing, and that the Secretary of State has not filed a statement of termination.

(b) The Secretary of State, upon request and payment of the required fee, shall furnish to any person that requests it a certificate of authority authorization for a foreign enterprise if the records filed in the Office of the Secretary of State show that the Secretary of State has filed the foreign enterprise's certificate of authority, has not revoked nor has reason to revoke the certificate of authority, and has not filed a notice of cancellation.

(c) Subject to any exceptions stated in the certificate, a certificate of good standing or authority authorization issued by the Secretary of State establishes conclusively that the mutual benefit enterprise or foreign enterprise is in good standing or is authorized to transact business in this State.

§ 207. ANNUAL REPORT FOR SECRETARY OF STATE

(a) A mutual benefit enterprise or foreign enterprise authorized to transact business in this State shall deliver to the Secretary of State for filing an annual report that states:

(1) the name of the enterprise or foreign enterprise;

(2) ~~the street address and, if different, mailing~~ address of the enterprise's or foreign enterprise's designated office and the name of its agent for service of process at the designated office;

(3) ~~the street address and, if different, mailing~~ address of the enterprise's or foreign enterprise's principal office;

(4) the name and business address of any director or officer; and

(5) in the case of a foreign enterprise, the state or other jurisdiction under whose law the foreign enterprise is formed and any alternative name adopted under section 1405 of this title.

(b) Information in an annual report shall be current as of the date the report is delivered to the Secretary of State.

(c) A mutual benefit enterprise or foreign enterprise authorized to transact business in this State shall deliver its annual report to the Secretary for filing between January 1 and April 1 of each year, beginning in the year following the calendar year in which the mutual benefit enterprise is formed or the foreign enterprise is authorized to transact business in this State.

(d) If an annual report does not contain the information required by subsection (a) of this section, the Secretary of State shall promptly notify the

reporting mutual benefit enterprise or foreign enterprise and return the report for correction. If the report is corrected to contain the information required by subsection (a) of this section and delivered to the Secretary of State not later than 30 days after the date of the notice from the Secretary of State, it is timely delivered.

~~(e) If a filed annual report contains an address of the designated office, the name or business address of a director or officer, or address of the principal office which differs from the information shown in the records of the Secretary of State immediately before the filing, the differing information in the annual report is considered a statement of change~~ The Secretary of State shall amend its records to reflect a change, if specified in the report, to the business's purpose, email, address, or principal information.

* * *

Sec. 24. 11C V.S.A. chapter 14 is amended to read:

CHAPTER 14. FOREIGN ENTERPRISES

* * *

§ 1402. APPLICATION FOR CERTIFICATE OF AUTHORITY

(a) A foreign enterprise may apply for a certificate of authority by delivering an application to the Secretary of State for filing. The application shall state:

(1) the name of the foreign enterprise and, if the name does not comply with section 111 of this title, an alternative name adopted pursuant to section 1405 of this title;

(2) the name of the state or other jurisdiction under whose law the foreign enterprise is organized;

(3) the street address and, if different, mailing address of the principal office and, if the law of the jurisdiction under which the foreign enterprise is organized requires the foreign enterprise to maintain another office in that jurisdiction, the street address and, if different, mailing address of the required office;

(4) the street address and, if different, mailing address of the foreign enterprise's designated office in this State, and the name of the foreign enterprise's agent for service of process at the designated office; and

(5) the name, street address and, if different, mailing address of each of the foreign enterprise's current directors and officers, and of any other principal the enterprise provides.

* * *

* * * Updates to Title 12 language * * *

Sec. 25. 12 V.S.A. chapter 25, subchapter 6 is amended to read:

Subchapter 6. ~~Foreign Corporations~~ Business Organizations

§ 851. SERVICE ON SECRETARY OF STATE

~~When a foreign corporation has appointed the Secretary of State as its process agent pursuant to the statutes relating to such corporations, service of process made upon the Secretary by delivering to him or her duplicate copies thereof, shall be sufficient. A copy of the stipulation, filed under the provisions of 11 V.S.A. § 3011, 11A V.S.A. § 15.10, and 11B V.S.A. § 15.10, certified by the Secretary, with his or her certificate that process has been served on him or her, shall be sufficient evidence thereof. A business organization is subject to the service of process provisions in 11 V.S.A. § 1656.~~

§ 852. FEES; MAILING OF COPY TO CORPORATION BUSINESS ORGANIZATION

~~When process is served on the Secretary of State under the provisions of section 851 of this title 11 V.S.A. § 1656, there shall be paid to the Secretary by the officer at the time of such service the sum of \$35.00. The Secretary shall forthwith forward by mail prepaid one of the duplicate copies to the corporation at its home office or to a person whom it designates.~~

§ 853. DOING BUSINESS BY PARTICULAR COMPANIES WITHOUT DESIGNATING PROCESS AGENT; PENALTY

A person or agent for a foreign insurance, express, shipping car, telephone or telegraph company, or other foreign company doing like business, which has not designated the Secretary of State as its process agent, ~~as required by 11 V.S.A. § 692~~ who solicits or receives a risk or application for insurance, or receives money or value for such insurance by such company, or receives money or value for the transportation of a package or property by such express or shipping car company, or for the transmission of a message or dispatch by such telegraph company, or receives money, rent, royalty, or income for such telephone company for the use of its instruments or lines or for the sending of any message, shall be fined not more than \$500.00 nor less than \$100.00.

* * *

§ 855. DOING BUSINESS AS APPOINTMENT OF PROCESS AGENT

If the contact with the State or the activity in the state of a foreign corporation business organization, or the contact or activity imputable to it, is sufficient to support a Vermont personal judgment against it, the contact or activity shall be deemed to be doing business in Vermont by that foreign corporation organization and shall be equivalent to the appointment by it of the Secretary of the State of Vermont and ~~his or her~~ the Secretary's successors to be its true and lawful attorney upon whom may be served all lawful process in any action or proceedings against it arising or growing out of that contact or activity, and also shall be deemed to be its agreement that any process against it ~~which~~ that is so served upon the Secretary of State shall be of the same legal force and effect as if served on the foreign corporation at its principal place of business in the state or country where it is incorporated according to the law of that state or country.

§ 856. SERVICE OF PROCESS

Service of process by virtue of section 855 of this title shall be made pursuant to 11 V.S.A. § 1656 by delivering to the Secretary of State duplicate copies of the process, ~~with the officer's return of service thereon~~, and a fee of \$25.00, to be taxed in the plaintiff's costs if he or she prevails. ~~The Secretary shall forthwith forward one of the duplicate copies by registered mail prepaid to the corporation at its principal place of business in the state or country where it is incorporated, which principal place of business shall be stated in the process. The service shall be sufficient if a copy of the process, with the officer's return thereon showing the service upon the Secretary of State, is sent by the plaintiff to the foreign corporation by registered mail, and if the plaintiff's affidavit of compliance herewith is filed with the process in court. The Secretary shall file one of the copies and endorse upon each copy the day and hour of service.~~

§ 857. CONTINUANCE; COSTS

~~The court in which the action is pending may order such continuances as may be necessary to afford the defendant reasonable opportunity to appear and defend. The fee provided in section 856 of this title shall be taxed in the plaintiff's costs if he or she prevails. [Repealed.]~~

§ 858. ALTERNATIVE MEANS OF SERVICE

~~As an alternative to service of process under this subchapter or when a stipulation appointing the Secretary of State as process agent is not filed with the Commissioner of Foreign Corporations, process may be served upon a foreign corporation in accordance with sections 912 and 913 of this title or by any method that the Supreme Court shall by rule provide for service upon a domestic corporation. [Repealed.]~~

* * * Updates to Title 30 language * * *

Sec. 26. 30 V.S.A. chapter 81 is amended to read:

CHAPTER 81. ELECTRIC UTILITY COOPERATIVES

* * *

§ 3001a. PURPOSE

~~Cooperatives~~ A cooperative may be organized under this chapter for the purpose of creating or supplying energy, cable television, telecommunications, interactive media, and internet access and facilitating and extending the use thereof, and in addition, any other lawful business not inconsistent with this chapter that utilizes the electric distribution facilities of the cooperative.

§ 3002. POWERS

A cooperative shall have power:

- (1) To sue and be sued in its corporate name.
- (2) To have perpetual existence.
- (3) To adopt a corporate seal and alter the same.

(4) To generate, manufacture, purchase, acquire, accumulate, and transmit electric energy; and to distribute, sell, supply, and dispose of energy, cable television, telecommunications, interactive media, and internet access to its members, to governmental agencies, and to political subdivisions; provided, however, that in the generation of electric energy by water power, a cooperative shall comply with the provisions of 10 V.S.A. §§ 1081–1099, relating to the construction and maintenance of dams and, provided further, that a cooperative doing any activity governed by this title shall be regulated for that activity.

* * *

§ 3003. NAME

The name of a cooperative governed by this chapter shall include the words “utility” or “energy” or a word designating any specific form of energy such as “electric,” “propane,” or “natural gas” and “cooperative” and the abbreviation “inc.” unless, in an affidavit made by its president or vice president and filed with the Secretary of State, or in an affidavit made by a person signing articles of incorporation, consolidation, merger, or conversion, which relate to the cooperative and filed, together with the articles, with the Secretary of State, it shall appear that the cooperative desires to do business in another state and is or would be precluded by reason of the inclusion of the words in its name.

The name of a cooperative shall be distinct from the name of any other cooperative or corporation organized under the laws of, or authorized to do business in, this State.

* * *

§ 3037. FOREIGN COMPANIES; SERVICE OF PROCESS

A foreign nonprofit or cooperative corporation supplying or authorized to supply electric energy and owning or operating electric transmission or distribution lines in an adjacent state, prior to March 26, 1943, may construct or acquire extensions of lines in this State within an area no point of which is more than 25 miles from the boundary line of this State and may operate those extensions without qualifying as a foreign corporation to do business in this State. Before constructing or operating such extensions, by an instrument executed and acknowledged on its behalf by its president or vice president, under its seal attested by its clerk or secretary, and filed with the Secretary of State, a corporation shall designate the Secretary of State its agent to accept service of process on its behalf. Thereafter, the corporation shall have all the rights, powers, privileges, and immunities of a cooperative. Service of process shall be made upon the Secretary of State in accordance with the provisions of ~~12 V.S.A. §§ 851 and 852 and shall forward one copy of the same by registered mail to such corporation at the address of its principal office~~ 11 V.S.A. § 1656.

* * *

* * * Business Organizations Study * * *

Sec. 27. BUSINESS SERVICES AND BUSINESS ORGANIZATIONS;
STUDY

(a) Task. The Secretary of State shall conduct a public engagement process with interested partners to study, consider, and address the following issues:

(1) technical, procedural, and substantive issues concerning the online business filing system;

(2) statutory revisions to:

(A) adopt provisions of the Uniform Business Organizations Code or other provisions to further harmonize the laws governing business organizations in this State, including provisions governing commercial registered agents and updates to the Titles of the Vermont Statutes Annotated related to business organizations;

(B) the laws governing trademarks and possible expansion to include service marks;

(C) the dual framework governing partnerships in 11 V.S.A. chapters 15 and 22 and the mandatory registration of assumed business names and unincorporated nonprofit associations; and

(D) the fees collected for various business organization filings;

(3) assessment of the need for any updates to current model laws or the addition of new model legislation; and

(4) assessment of the administrative oversight authority and substantive provisions governing data brokers, telemarketers, utility cooperatives, and amusement ride operators.

(b) Reporting. The Secretary of State shall, based on the task set forth in subsection (a) of this section, submit to the House Committee on Commerce and Economic Development and to the Senate Committee on Economic Development, Housing and General Affairs, an interim report on or before November 15, 2025 and a final report on or before December 1, 2026 including its findings and any proposed legislation for the General Assembly's consideration. The interim report shall provide the General Assembly with any recommended actions to pursue in the 2026 legislative session.

* * * Effective Date * * *

Sec. 28. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee Vote: 11-0-0)

H. 244

An act relating to State contracting standards for advertising

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

Sec. 1. 29 V.S.A. § 902(a) is amended to read:

(a) The Commissioner of Buildings and General Services shall contract for and make all purchases, including all fuel, supplies, materials, and equipment, for all departments, offices, institutions, and other agencies of the State and counties. However, ~~he or she~~ the Commissioner may delegate authority to those governmental agencies to purchase directly individually approved types

and classes of items when the interests of the State are best served thereby, provided that any such delegated authority shall be subject to the same limitations set forth in subsections 910(a)–(c) of this subchapter as apply to the Commissioner. ~~He or she~~ The Commissioner shall also contract for and purchase materials for the repair and for the construction and equipment of new buildings to be erected by the State, unless otherwise provided. ~~He or she~~ The Commissioner may purchase such supplies, materials, and equipment as are requisitioned by the supervisors of the natural resources conservation districts. ~~He or she~~ The Commissioner may also cooperate with and advise officials of any political subdivision of the State or any institution of higher education chartered in Vermont and accredited or holding a certificate of approval from the State Board of Education in their purchase of any of the supplies, materials, and equipment needed by the political subdivision or institution of higher education, and may act as the agent of the political subdivision at the request of the authorized officials or agent thereof in the purchase of supplies, materials, and equipment.

Sec. 2. 29 V.S.A. § 910 is added to read:

§ 910. STATE CONTRACTS FOR ADVERTISING

(a) When contracting for print or digital advertising services for the State or its agencies, departments, instrumentalities, or institutions, the Commissioner of Buildings and General Services shall contract with local news organizations for not less than 70 percent of the total annual value of the print or digital advertising services.

(b) When contracting for radio or television advertising services for the State or its agencies, departments, instrumentalities, or institutions, the Commissioner of Buildings and General Services shall contract with local broadcast organizations for not less than 70 percent of the total annual value of the radio or television advertising services.

(c) Notwithstanding subsections (a) and (b) of this section, the Commissioner of Buildings and General Services may exclude from the total annual value of advertising services any advertisement focused on tourism and any employment search or job posting.

(d) The Commissioner of Buildings and General Services shall maintain a list of local news organizations and local broadcast organizations.

(e) As used in this section:

(1) “Local broadcast organization” means an organization licensed to broadcast in the State by the Federal Communications Commission.

(2) “Local news organization” means an organization that:

(A) engages professionals to create, edit, produce, and distribute original content concerning matters of public interest through reporting activities;

(B) employs a full-time employee who dedicates at least 30 hours a week to providing coverage of an area of the State for dissemination to the local or State community and lives within 50 miles of the coverage area;

(C)(i) has published at least one print publication per month over the previous 12 months and either holds a valid U. S. Postal Service periodical permit or dedicates at least 25 percent of its content to local news; or

(ii) on average over the previous 12 months, has published online at least one piece per week about the local or State community and has at least 33 percent of its online audience in Vermont;

(D) has disclosed in its print publication or on its website its beneficial ownership or, in the case of a nonprofit entity, its board of directors;

(E) in the case of an organization that is exempt from taxation under 26 U.S.C. § 501(c)(3), declares as its stated mission in its filings with the Internal Revenue Service the coverage of local or State news; and

(F) over the previous calendar year did not receive more than 50 percent of its gross receipts from political action committees, other entities described in 26 U.S.C. § 527, or from organizations exempt from taxation under 26 U.S.C. § 501(c)(4), (c)(5), or (c)(6).

Sec. 3. 29 V.S.A. § 911 is added to read:

§ 911. CONTRACTS FOR ADVERTISING; REPORTING

Annually, on or before June 30, the Commissioner of Buildings and General Services shall submit to the General Assembly a report summarizing any advertising services purchased by the State and its agencies, departments, instrumentalities, or institutions during the preceding fiscal year, including a summary of the amounts spent by entity on advertising services and where those funds were spent.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee Vote: 7-4-0)

H. 319

An act relating to miscellaneous environmental subjects

Rep. Satcowitz of Randolph, for the Committee on Environment, recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Battery Extended Producer Responsibility * * *

Sec. 1. 2024 Acts and Resolves No. 152, Sec. 3 is amended to read:

Sec. 3. ANR BATTERY ASSESSMENT

(a) On or before July 1, 2026, ~~the Secretary of Natural Resources 2027, the~~ stewardship organization formed pursuant to 10 V.S.A. chapter 168 shall complete an assessment of the opportunities, challenges, and feasibility of establishing mandatory end-of-life management programs for the following battery types:

- (1) batteries used in hybrid and electric vehicles;
- (2) battery energy storage systems; and
- (3) batteries that are not easily removable from the products they power.

(b) The assessment required by this section shall include:

(1) a summary of the work and progress other states have made in establishing end-of-life management programs for the three battery types listed under subsection (a) of this section; and

(2) policy recommendations on whether mandatory end-of-life management programs are necessary for the battery types listed under subsection (a) of this section.

(c) The assessment required by this section shall be provided to the Secretary of Natural Resources, the House Committee on Environment ~~and Energy~~, and the Senate Committee on Natural Resources and Energy.

* * * Fuel Storage Tanks * * *

Sec. 2. 10 V.S.A. § 1927(d) is amended to read:

(d) No person shall deliver a regulated substance to a category one tank that is visibly designated by the Agency as not having a valid permit or not meeting standards adopted by the Secretary related to corrosion protection, spill prevention, leak detection, financial responsibility, or overfill protection that may result in the tank releasing a regulated substance to the environment.

* * * Household Hazardous Waste Extended Producer Responsibility * * *

Sec. 3. 10 V.S.A. § 7181 is amended to read:

§ 7181. DEFINITIONS

As used in this chapter:

* * *

(4)(A) “Covered household hazardous product” means a consumer product offered for retail sale that is contained in the receptacle in which the product is offered for retail sale, if the product has any of the following characteristics:

(i) the product or a component of the product is a hazardous waste under subchapter 2 of the Vermont Hazardous Waste Management Regulations, regardless of the status of the generator of the hazardous waste; or

(ii) the product is a gas cylinder.

(B) “Covered household hazardous product” does not mean any of the following:

* * *

(iv) architectural paint as that term is defined in section 6672 of this title;

* * *

Sec. 4. 10 V.S.A. § 7182 is amended to read:

§ 7182. SALE OF COVERED HOUSEHOLD HAZARDOUS PRODUCTS;
STEWARDSHIP ORGANIZATION REGISTRATION;
MANUFACTURER REGISTRATION

(a) Sale prohibited.

(1) A manufacturer of a covered household hazardous product shall not sell, offer for sale, or deliver to a retailer for subsequent sale a covered household hazardous product without registering with the stewardship organization pursuant to subsection (c) of this section.

(2) Beginning six months after a final decision on the adequacy of a collection plan by the Secretary, a manufacturer of a covered household hazardous product shall not sell, offer for sale, or deliver to a retailer for subsequent sale a covered household hazardous product unless all the following have been met:

~~(1)(A)~~ The manufacturer is participating in a stewardship organization implementing an approved collection plan.

~~(2)(B)~~ The name of the manufacturer, the manufacturer's brand, and the name of the covered household hazardous product are submitted to the Agency of Natural Resources by a stewardship organization and listed on the stewardship organization's website as covered by an approved collection plan.

~~(3)(C)~~ The stewardship organization in which the manufacturer participates has submitted an annual report consistent with the requirements of section 7185 of this title.

~~(4)(D)~~ The stewardship organization in which the manufacturer participates has conducted a plan audit consistent with the requirements of subsection 7185(b) of this title.

(b) Stewardship organization registration requirements.

(1) On or before July 1, 2025 ~~and annually thereafter~~, a stewardship organization shall file a registration form with the Secretary. The Secretary shall provide the registration form to the stewardship organization. The registration form shall include:

~~(A) a list of the manufacturers participating in the stewardship organization;~~

~~(B) a list of the brands of each manufacturer participating in the stewardship organization;~~

~~(C) a list of the covered household hazardous products of each manufacturer participating in the stewardship organization;~~

~~(D) the name, address, and contact information of a person responsible for ensuring compliance with this chapter;~~

~~(E) a description of how the stewardship organization meets the requirements of subsection 7184(b) of this title, including any reasonable requirements for participation in the stewardship organization; and~~

~~(F)(B) the name, address, and contact information of a person for a nonmember manufacturer to contact regarding how to participate in the stewardship organization to satisfy the requirements of this chapter.~~

(2) A renewal of a registration without changes may be accomplished through notifying the Agency of Natural Resources on a form provided by the Agency Beginning July 1, 2026 and annually thereafter, a stewardship organization shall renew its registration with the Secretary. A renewal registration shall include the following:

(A) a list of the manufacturers participating in the stewardship organization;

(B) a list of the brands of each manufacturer participating in the stewardship organization;

(C) a list of the covered household hazardous products of each manufacturer participating in the stewardship organization;

(D) the name, address, and contact information of a person responsible for ensuring compliance with this chapter;

(E) a description of how the stewardship organization meets the requirements of subsection 7184(b) of this title, including any reasonable requirements for participation in the stewardship organization; and

(F) the name, address, and contact information of a person for a nonmember manufacturer to contact regarding how to participate in the stewardship organization to satisfy the requirements of this chapter.

(c) Manufacturer registration. On or before November 1, 2025, a manufacturer of a covered household hazardous product shall register with the stewardship organization in a manner proscribed by the stewardship organization.

Sec. 5. 10 V.S.A. § 7183 is amended to read:

§ 7183. COLLECTION PLANS

(a) Collection plan required. ~~Prior to July 1, 2025~~ On or before July 1, 2026, any stewardship organization registered with the Secretary as representing manufacturers of covered household hazardous products shall coordinate and submit to the Secretary for review one collection plan for all manufacturers.

(b) Collection plan; minimum requirements. ~~Each collection plan shall include, at a minimum, all of the following requirements:~~

(1) Initial plan. The initial plan shall last for a period not to exceed three years and contain, at a minimum, the following requirements:

(A) List of participants. A list of the manufacturers, brands, and products participating in the collection plan and a methodology for adding and removing manufacturers and notifying the Agency of new participants.

~~(2)~~(B) Free statewide collection of covered household hazardous products. The collection program shall provide for reimburse municipalities when a municipality provides for free, convenient, and accessible statewide opportunities for the collection from covered entities of covered household

hazardous products, including orphan covered products. A stewardship organization shall accept all covered household hazardous products collected from a covered entity and shall not refuse the collection of a covered household hazardous product, including orphan covered household products, based on the brand or manufacturer of the covered household hazardous product unless specifically exempt from this requirement. The collection program shall also provide for the payment of collection, processing, and end-of-life management of the covered household hazardous products. Collection costs include facility costs, equipment costs, labor, supplies, maintenance, events costs, and event contractor costs, including collection event set-up fees, environmental service fees, insurance fees, and shipping containers and materials.

(3) Convenient collection location. The stewardship organization shall develop a collection program that allows all municipal household hazardous waste collection programs to opt to be a part of the collection plan, including collection events and facilities offered by solid waste planning entities. The plan shall make efforts to site points of collection equitably across all regions of the State to allow for convenient and reasonable access of all Vermonters to collection facilities or collection events.

(4) Public education and outreach. The collection plan shall include an education and outreach program that shall include a website and may include media advertising, retail displays, articles and publications, and other public educational efforts. Outreach and education shall be suitable for the State's diverse ethnic populations, through translated and culturally appropriate materials, including in-language and targeted outreach. Public education and outreach should include content to increase meaningful participation by environmental justice focus populations as required by 3 V.S.A. chapter 72. During the first year of program implementation and two years after adoption of the collection plan, each stewardship organization shall carry out a survey of public awareness regarding the requirements of the program established under this chapter that can identify communities that have disparities in awareness and need more outreach. Each stewardship organization shall share the results of the public awareness surveys with the Secretary. If multiple stewardship organizations are implementing plans approved by the Secretary, the stewardship organizations shall coordinate in carrying out their education and outreach responsibilities under this subdivision and shall include in their annual reports to the Secretary a summary of their coordinated education and outreach efforts. The education and outreach program and website shall notify the public of the following:

~~(A) that there is a free collection program for covered household hazardous products;~~

~~(B) the location and hours of operation of collection points and how a covered entity can access this collection program;~~

~~(C) the special handling considerations associated with covered household hazardous products; and~~

~~(D) source reduction information for consumers to reduce leftover covered household products.~~

~~(5) Compliance with appropriate environmental standards. In implementing a collection plan, a stewardship organization shall comply with all applicable laws related to the collection, transportation, and disposal of hazardous waste. A stewardship organization shall comply with any special handling or disposal standards established by the Secretary for covered household hazardous products or for the collection plan of the manufacturer.~~

~~(6) Method of disposition. The collection plan shall describe how covered household hazardous products will be managed in the most environmentally and economically sound manner, including following the waste-management hierarchy. The management of covered household hazardous products under the collection plan shall use management activities in the following priority order: source reduction, reuse, recycling, energy recovery, and disposal. Collected covered household hazardous products shall be recycled when technically and economically feasible.~~

~~(7) Performance goals. A collection plan shall include:~~

~~(A) A performance goal for covered household hazardous products determined by the number of total participants at collection events and facilities listed in the collection plan during a program year divided by the total number of households. The number of households shall include seasonal households. The calculation methodology for the number of households shall be included in the plan.~~

~~(B) At a minimum, the collection performance goal for the first approved plan shall be an annual participation rate of five percent of the households for every collection program based on the number of households the collection program serves. After the initial approved program plan, the stewardship organization shall propose performance goals for subsequent program plans. The Secretary shall approve the performance goals for the plan at least every five years. The stewardship organization shall use the results of the most recent waste composition study required under 6604 of this title and other relevant factors to propose the performance goals of the~~

~~collection plan. If a stewardship organization does not meet its performance goals, the Secretary may require the stewardship organization to revise the collection plan to provide for one or more of the following: additional public education and outreach, additional collection events, or additional hours of operation for collection sites. A stewardship organization is not authorized to reduce or cease collection, education and outreach, or other activities implemented under an approved plan on the basis of achievement of program performance goals.~~

~~(8)(C) Collection plan funding. The collection plan shall describe how the stewardship organization will fund the implementation of the collection plan and collection activities under the plan, including the costs for education and outreach, collection, processing, and end-of-life management of the covered household hazardous product all municipal collection offered to the public in a base program year. A base program year shall be based on the services provided in calendar year 2024 and any other collection facilities or events approved by the Secretary. Collection costs include facility costs, equipment costs, labor, supplies, maintenance, events costs, and event contractor costs, including collection event set-up fees, environmental service fees, insurance fees, and shipping containers and materials. The collection plan shall include how municipalities will be compensated for all costs attributed to collection of covered household hazardous products. The Secretary shall resolve disputes relating to compensation.~~

~~(2) Subsequent plans. After the expiration of the initial plan approved by the Secretary, the collection plan shall include, at a minimum, the following:~~

~~(A) List of participants. A list of the manufacturers, brands, and products participating in the collection plan and a methodology for adding and removing manufacturers and notifying the Agency of new participants.~~

~~(B) Free statewide collection of covered household hazardous products. The collection program shall provide for free, convenient, and accessible statewide opportunities for the collection from covered entities of covered household hazardous products, including orphan covered products. A stewardship organization shall accept all covered household hazardous products collected from a covered entity and shall not refuse the collection of a covered household hazardous product, including orphan covered household products, based on the brand or manufacturer of the covered household hazardous product unless specifically exempt from this requirement. The collection program shall also provide for the payment of collection, processing, and end-of-life management of the covered household hazardous products. Collection costs include facility costs, equipment costs, labor,~~

supplies, maintenance, events costs, and event contractor costs, including collection event set-up fees, environmental service fees, insurance fees, and shipping containers and materials.

(C) Convenient collection location. The stewardship organization shall develop a collection program that allows all municipal household hazardous waste collection programs to opt to be a part of the collection plan, including collection events and facilities offered by solid waste planning entities. The plan shall make efforts to site points of collection equitably across all regions of the State to allow for convenient and reasonable access of all Vermonters to collection facilities or collection events.

(D) Public education and outreach. The collection plan shall include an education and outreach program that shall include a website and may include media advertising, retail displays, articles and publications, and other public educational efforts. Outreach and education shall be suitable for the State's diverse ethnic populations, through translated and culturally appropriate materials, including in-language and targeted outreach. Public education and outreach should include content to increase meaningful participation by environmental justice focus populations as required by 3 V.S.A. chapter 72. During the second approved plan, each stewardship organization shall carry out a survey of public awareness regarding the requirements of the program established under this chapter that can identify communities that have disparities in awareness and need more outreach. Each stewardship organization shall share the results of the public awareness surveys with the Secretary. If multiple stewardship organizations are implementing plans approved by the Secretary, the stewardship organizations shall coordinate in carrying out their education and outreach responsibilities under this subdivision (D) and shall include in their annual reports to the Secretary a summary of their coordinated education and outreach efforts. The education and outreach program and website shall notify the public of the following:

(i) that there is a free collection program for covered household hazardous products;

(ii) the location and hours of operation of collection points and how a covered entity can access this collection program;

(iii) the special handling considerations associated with covered household hazardous products; and

(iv) source reduction information for consumers to reduce leftover covered household products.

(E) Compliance with appropriate environmental standards. In implementing a collection plan, a stewardship organization shall comply with all applicable laws related to the collection, transportation, and disposal of hazardous waste. A stewardship organization shall comply with any special handling or disposal standards established by the Secretary for covered household hazardous products or for the collection plan of the manufacturer.

(F) Method of disposition. The collection plan shall describe how covered household hazardous products will be managed in the most environmentally and economically sound manner, including following the waste-management hierarchy. The management of covered household hazardous products under the collection plan shall use management activities in the following priority order: source reduction, reuse, recycling, energy recovery, and disposal. Collected covered household hazardous products shall be recycled when technically and economically feasible.

(G) Performance goals. A collection plan shall include:

(i) A performance goal for covered household hazardous products determined by the number of total participants at collection events and facilities listed in the collection plan during a program year divided by the total number of households. The number of households shall include seasonal households. The calculation methodology for the number of households shall be included in the plan.

(ii) At a minimum, the collection performance goal for the initial plan approved pursuant to subdivision (b)(2) of this section shall be an annual participation rate of five percent of the households for every collection program based on the number of households the collection program serves. After the initial approved program plan, the stewardship organization shall propose performance goals for subsequent program plans. The Secretary shall approve the performance goals for the plan at least every five years. The stewardship organization shall use the results of the most recent waste composition study required under 6604 of this title and other relevant factors to propose the performance goals of the collection plan. If a stewardship organization does not meet its performance goals, the Secretary may require the stewardship organization to revise the collection plan to provide for one or more of the following: additional public education and outreach, additional collection events, or additional hours of operation for collection sites. A stewardship organization is not authorized to reduce or cease collection, education and outreach, or other activities implemented under an approved plan on the basis of achievement of program performance goals.

(H) Collection plan funding. The collection plan shall describe how the stewardship organization will fund the implementation of the collection plan and collection activities under the plan, including the costs for education and outreach, collection, processing, and end-of-life management of the covered household hazardous product. Collection costs include facility costs, equipment costs, labor, supplies, maintenance, events costs, and event contractor costs, including collection event set-up fees, environmental service fees, insurance fees, and shipping containers and materials. The collection plan shall include how municipalities will be compensated for all costs attributed to collection of covered household hazardous products. The Secretary shall resolve disputes relating to compensation.

(c) Term of collection plan. A collection plan approved by the Secretary under section 7187 of this title shall have a term not to exceed five years, provided that the stewardship organization remains in compliance with the requirements of this chapter and the terms of the approved collection plan.

(d) Collection plan implementation. Stewardship organizations shall implement the collection plan on or before six months after the date of a final decision by the Secretary on the adequacy of the collection plan.

Sec. 6. 10 V.S.A. § 7184 is amended to read:

§ 7184. STEWARDSHIP ORGANIZATIONS

(a) Participation in a stewardship organization. A manufacturer shall meet the requirements of this chapter by participating in a stewardship organization that undertakes the responsibilities under sections 7182, 7183, and 7185 of this title.

(b) Qualifications for a stewardship organization. To qualify as a stewardship organization under this chapter, an organization shall:

(1) commit to assume the responsibilities, obligations, and liabilities of all manufacturers participating in the stewardship organization;

(2) not create unreasonable barriers for participation in the stewardship organization; and

(3) maintain a public website that lists all manufacturers and manufacturers' brands and products covered by the stewardship organization's approved collection plan.

(c) A stewardship organization is authorized to charge its members reasonable fees for the organization, administration, and implementation of the programs required by this chapter.

Sec. 7. 10 V.S.A. § 7187 is amended to read:

§ 7187. AGENCY RESPONSIBILITIES

(a) Review and approve collection plans. The Secretary shall review and approve or deny collection plans submitted under section 7183 of this title according to the public notice and comment requirements of section 7714 of this title.

* * *

(g) Agency collection plan. If no stewardship organization is formed on or before July 1, 2025 or the stewardship organization fails to submit a plan or submits a plan that does not meet the requirements of this chapter, the Secretary shall adopt and administer a plan that meets the requirements of section 7183 of this title. If the Secretary administers the plan adopted under section 7183, the Secretary shall charge each manufacturer the prorated costs of plan administration, the Agency's oversight costs, and a hazardous waste reduction assessment of 10 percent of the plan's total cost to be deposited in the Solid Waste Management Assistance Account of the Waste Management Assistance Fund, for the purpose of providing grants to municipalities and small businesses to prevent pollution and reduce the generation of hazardous waste in the State. When determining a manufacturer's assessment under this section, the Agency may allocate costs to a manufacturer of covered household hazardous products based on the sales of covered household hazardous products nationally prorated to the population of Vermont.

Sec. 8. 10 V.S.A. § 6621a is amended to read:

§ 6621a. LANDFILL DISPOSAL REQUIREMENTS

(a) In accordance with the following schedule, no person shall knowingly dispose of the following materials in solid waste or in landfills:

* * *

(12) Covered household hazardous products after July 1, ~~2025~~ 2026.

* * *

Sec. 9. SOLID WASTE PLAN; FLEXIBILITY

(a) Notwithstanding the municipal household hazardous waste (HHW) collection requirements under the State Solid Waste Plan adopted pursuant to 10 V.S.A. § 6604, the Secretary of Natural Resources may grant a variance from the requirement to conduct at least two household hazardous waste collection events in that municipality. The variance shall allow a municipality to meet its obligations, as follows:

(1) the municipality has partnered with another municipality to allow its residents the ability to access a permanent HHW facility in the same manner as the municipality that operates the permanent HHW facility;

(2) the municipality has partnered with a nearby municipality to offer collection events to members in both municipalities;

(3) the municipality has demonstrated that it has made reasonable efforts to provide alternate collection opportunities identified under subdivisions (1) and (2) of this subsection and was unable and that the cost of a collection event is unreasonable. In such circumstances the Secretary of Natural Resources may reduce the required collection events to one per year.

(b) This section shall be repealed on July 1, 2027.

* * * Healthy Homes Initiative * * *

Sec. 10. 2024 Acts and Resolves No. 78, Sec. B.1103 is amended to read:

Sec. B.1103 CLIMATE AND ENVIRONMENT – FISCAL YEAR 2024

ONE-TIME APPROPRIATIONS

* * *

(j)(1) In fiscal year 2024, the amount of \$6,100,000 American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds is appropriated to the Department of Environmental Conservation for the Healthy Homes Initiative. Funds shall be used to make repairs or improvements to drinking water, wastewater, or stormwater systems for Vermonters who have low to moderate income or who live in manufactured housing communities, or both.

(2) All information submitted to or compiled by the Department of Environmental Conservation related to the issuance of individual funding awards under the Healthy Homes Initiative shall be considered confidential unless the person providing the information designates that it is not confidential. This shall include all personal information of applicants that request or receive funding. Notwithstanding 1 V.S.A. § 214, this subdivision shall take effect on passage and shall apply retroactively to July 1, 2023.

* * *

* * * Flood Safety * * *

Sec. 11. 2024 Act and Resolves No. 121, Sec. 3 is amended to read:

Sec. 3. DEPARTMENT OF ENVIRONMENTAL CONSERVATION;
RIVER CORRIDOR BASE MAP; INFILL MAPPING;
EDUCATION AND OUTREACH

(a) On or before January 1, ~~2026~~ 2027, the Department of Environmental Conservation, in consultation with the Agency of Commerce and Community Development and the regional planning commissions, shall amend by procedure the statewide River Corridor Base Map to identify areas suitable for development that are located within existing settlements and that will not cause or contribute to increases in fluvial erosion hazards.

(b) Beginning on January 1, 2025 and ending on January 1, ~~2027~~ 2028, the Department of Environmental Conservation shall conduct an education and outreach program to consult with and collect input from municipalities, environmental justice focus populations, the Environmental Justice Advisory Council, businesses, property owners, farmers, and other members of the public regarding how State permitting of development in mapped river corridors will be implemented, including potential restrictions on the use of land within mapped river corridors. The Department shall develop educational materials for the public as part of its charge under this section. The Department shall collect input from the public regarding the permitting of development in mapped river corridors as proposed by this act. On or before January 15, ~~2027~~ 2028 and until permitting of development in mapped river corridors begins under 10 V.S.A. § 754, the Department shall submit to the Senate Committee on Natural Resources and Energy, the House Committee on Environment and Energy, and the Environmental Justice Advisory Council a report that shall include:

(1) a summary of the public input it received regarding State permitting of development in mapped river corridors during the public education and outreach required under this section;

(2) recommendations, based on the public input collected, for changes to the requirements for State permitting of development in mapped river corridors;

(3) an analysis and summary of State permitting of development in mapped river corridors on environmental justice populations; and

(4) a summary of the Department's progress in adopting the rules required under 10 V.S.A. § 754 for the regulation of development in mapped river corridors.

Sec. 12. 10 V.S.A. § 754 is amended to read:

§ 754. MAPPED RIVER CORRIDOR RULES

(a) Rulemaking authority.

(1) On or before ~~July 1, 2027~~ July 15, 2028, the Secretary shall adopt rules pursuant to 3 V.S.A. chapter 25 that establish requirements for issuing and enforcing permits for:

(A) all development within a mapped river corridor in the State; and

(B) for development exempt from municipal regulation in flood hazard areas.

(2) The Secretary shall not adopt rules under this subsection that regulate agricultural activities without the consent of the Secretary of Agriculture, Food and Markets, provided that the Secretary of Agriculture, Food and Markets shall not withhold consent under this subdivision when lack of such consent would result in the State's noncompliance with the National Flood Insurance Program.

(3) The Secretary shall seek the guidance of the Federal Emergency Management Agency in developing and drafting the rules required by this section in order to ensure that the rules are sufficient to meet eligibility requirements for the National Flood Insurance Program.

* * *

(e) Permit requirement. Beginning on ~~January 1, 2028~~ July 1, 2029, a person shall not commence or conduct development exempt from municipal regulation in a flood hazard area or commence or conduct any development in a mapped river corridor without a permit issued under the rules required under subsection (a) of this section by the Secretary or by a State agency delegated permitting authority under subsection (f) of this section. When an application is filed under this section, the Secretary or delegated State agency shall proceed in accordance with chapter 170 of this title.

* * *

Sec. 13. 2024 Acts and Resolves 121, Sec. 10 is amended to read:

Sec. 10. STUDY COMMITTEE ON STATE ADMINISTRATION OF
THE NATIONAL FLOOD INSURANCE PROGRAM

* * *

(e) Report. On or before August 15, ~~2025~~ 2026, the Study Committee shall submit a written report to the General Assembly with its findings and any recommendations for legislative action. Any recommendation for legislative

action shall be as draft legislation.

* * *

Sec. 14. 2024 Acts and Resolves 121, Sec. 11(a) is amended to read:

(a) The Secretary of Natural Resources shall initiate rulemaking, including pre-rulemaking, for the rules required in Sec. 5 of this act, 10 V.S.A. § 754 (river corridor development), not later than July 1, 2025. The rules shall be adopted on or before July 1, ~~2027~~ 2028.

Sec. 15. 2024 Acts and Resolves No. 121, Sec. 29(b) is amended to read:

(b) All other sections shall take effect July 1, 2024, except that:

(1) Secs. 6a, 7, 8, 8a, and 9 (conforming amendments to municipal river corridor planning) shall take effect on January 1, 2028, except that in Sec. 9, 24 V.S.A. § 4424(a)(2)(B)(i) (municipal compliance with the State Flood Hazard Area Standards) shall take effect on January 1, ~~2026~~ 2028;

* * *

* * * Wetlands * * *

Sec. 16. 10 V.S.A. § 918 is amended to read:

§ 918. NET GAIN OF WETLANDS; STATE GOAL; RULEMAKING

(a) On or before ~~July 1~~ December 1, 2025, the Secretary of Natural Resources shall amend the Vermont Wetlands Rules pursuant to 3 V.S.A. chapter 25 to clarify that the goal of wetlands regulation and management in the State is the net gain of wetlands to be achieved through protection of existing wetlands and restoration of wetlands that were previously adversely affected. This condition shall not apply to wetland, river, and flood plain restoration projects, including dam removals.

* * *

(c) At a minimum, the Wetlands Rules shall be revised to:

(1) Require an applicant for a wetland permit that authorizes adverse impacts to more than 5,000 square feet of wetlands to compensate for those impacts through restoration, enhancement, or creation of wetland resources.

(2) Incorporate the net gain rule into requirements for permits issued after ~~September 1~~ December 1, 2025.

* * *

* * * Dams * * *

Sec. 17. 2024 Acts and Resolves No. 121, Sec. 22 is amended to read:

Sec. 22. STUDY COMMITTEE ON DAM EMERGENCY OPERATIONS
PLANNING

(a) Creation. There is created the Study Committee on Dam Emergency Operations Planning to review and recommend how to improve regional emergency action planning for hazards caused by dam failure, including how to shift responsibility for emergency planning from individual municipalities to regional authorities, how to improve regional implementation of dam emergency response plans, and how to fund dam emergency action planning at the regional level.

* * *

(e) Report. On or before December 15, ~~2024~~ 2025, the Study Committee shall submit a written report to the General Assembly with its findings and any recommendations for legislative action. Any recommendation for legislative action shall be submitted as draft legislation.

(f) Meetings.

(1) The Secretary of Natural Resources or designee shall call the first meeting of the Study Committee.

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

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

(4) The Study Committee shall cease to exist on March 1, ~~2025~~ 2026.

* * *

Sec. 18. 2024 Acts and Resolves No. 121, Sec. 24(f) is amended to read:

(f) On or before ~~January 15~~ September 1, 2025, the Agency of Natural Resources shall complete its analysis of the capital and ongoing operations and maintenance costs of the Green River Dam, as authorized in 2022 Acts and Resolves No. 83, Sec. 46, and shall submit the results of the analysis to the House Committees on Environment and Energy and on Appropriations and the Senate Committees on Natural Resources and Energy and on Appropriations.

* * * Resilience Implementation Strategy * * *

Sec. 19. 10 V.S.A. § 599a is amended to read:

§ 599a. REPORTS; RULEMAKING

(a) On or before January 15, 2025, the Agency, in consultation with the State Treasurer, shall submit a report to the General Assembly detailing the

feasibility and progress of carrying out the requirements of this chapter, including any recommendations for improving the administration of the Program.

(b) The Agency shall adopt rules necessary to implement the requirements of this chapter, including:

(1) adopting methodologies using available science and publicly available data to identify responsible parties and determine their applicable share of covered greenhouse gas emissions; and

(2) requirements for registering entities that are responsible parties and issuing notices of cost recovery demands under the Program; and

~~(3) the Resilience Implementation Strategy, which shall include:~~

~~(A) practices utilizing nature-based solutions intended to stabilize floodplains, riparian zones, lake shoreland, wetlands, and similar lands;~~

~~(B) practices to adapt infrastructure to the impacts of climate change;~~

~~(C) practices needed to build out early warning mechanisms and support fast, effective response to climate-related threats;~~

~~(D) practices that support economic and environmental sustainability in the face of changing climate conditions; and~~

~~(E) criteria and procedures for prioritizing climate change adaptation projects eligible to receive monies from the Climate Superfund Cost Recovery Program.~~

(c) On or before September 15, 2025, the Secretary shall submit to the House Committee on Environment and the Senate Committee on Natural Resources and Energy a report summarizing the Agency of Natural Resources' adoption of the Resilience Implementation Strategy. The Strategy shall include:

(1) practices utilizing nature-based solutions intended to stabilize floodplains, riparian zones, lake shoreland, wetlands, and similar lands;

(2) practices to adapt infrastructure to the impacts of climate change;

(3) practices needed to build out early warning mechanisms and support fast, effective response to climate-related threats;

(4) practices that support economic and environmental sustainability in the face of changing climate conditions; and

(5) criteria and procedures for prioritizing climate change adaptation projects eligible to receive monies from the Climate Superfund Cost Recovery Program.

~~(e)~~(d) In adopting the Strategy, the Agency shall:

(1) consult with the Environmental Justice Advisory Council;

(2) in consultation with other State agencies and departments, including the Department of Public Safety's Division of Vermont Emergency Management, assess the adaptation needs and vulnerabilities of various areas vital to the State's economy, normal functioning, and the health and well-being of Vermonters;

(3) identify major potential, proposed, and ongoing climate change adaptation projects throughout the State;

(4) identify opportunities for alignment with existing federal, State, and local funding streams;

(5) consult with stakeholders, including local governments, businesses, environmental advocates, relevant subject area experts, and representatives of environmental justice focus populations;

(6) consider components of the Vermont Climate Action Plan required under section 592 of this title that are related to adaptation or resilience, as defined in section 590 of this title; and

(7) conduct public engagement in areas and communities that have the most significant exposure to the impacts of climate change, including disadvantaged, low-income, and rural communities and areas.

~~(d)~~(e) Nothing in this section shall be construed to limit the existing authority of a State agency, department, or entity to regulate greenhouse gas emissions or establish strategies or adopt rules to mitigate climate risk and build resilience to climate change.

Sec. 20. 2024 Acts and Resolves No. 122, Sec. 3(a) is amended to read:

~~(a) On or before July 1, 2025, the Agency of Natural Resources pursuant to 3 V.S.A. § 837 shall file with the Interagency Committee on Administrative Rules the proposed rule for the adoption of the Resilience Implementation Strategy required pursuant to 10 V.S.A. § 599a(b)(3). On or before January 1, 2026, the Agency of Natural Resources shall adopt the final rule establishing the Resilience Implementation Strategy required pursuant to 10 V.S.A. § 599a(b)(3). [Repealed.]~~

* * * Effective Date * * *

Sec. 21. EFFECTIVE DATE

This act shall take effect on passage.

(Committee Vote: 11-0-0)

H. 321

An act relating to miscellaneous cannabis amendments

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

Sec. 1. 7 V.S.A. § 832 is amended to read:

§ 832. CANNABIS POSSESSED UNLAWFULLY SUBJECT TO SEIZURE
AND FORFEITURE

Cannabis possessed unlawfully in violation of this title or administrative rules adopted pursuant to this title may be seized by law enforcement and is subject to forfeiture.

Sec. 2. 7 V.S.A. § 844 is amended to read:

§ 844. AUTHORITY FOR CRIMINAL BACKGROUND CHECKS

(a) The Board shall establish a user agreement with the Vermont Crime Information Center in accordance with 20 V.S.A. chapter 117 for the purpose of obtaining Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation as required by chapters 33 (cannabis establishments) and 37 (medical cannabis dispensaries) of this title.

(b) A fingerprint-based state and national criminal history record check shall be conducted for each natural person prior to being issued a cannabis establishment identification card pursuant to chapter 33 (cannabis establishments) of this title or a medical cannabis dispensary identification card pursuant to chapter 37 (medical cannabis dispensaries) of this title. The Board may require that such record checks be completed as a condition precedent to license renewal.

Sec. 3. 7 V.S.A. § 861(23) is amended to read:

(23)(A) “Hemp products” or “hemp-infused products” means all products with the federally defined tetrahydrocannabinol concentration level for hemp derived from, or made by, processing hemp plants or plant parts that are prepared in a form available for commercial sale, including cosmetics,

personal care products, food intended for animal or human consumption, cloth, cordage, fiber, fuel, paint, paper, construction materials, plastics, and any product containing one or more hemp-derived cannabinoids, such as cannabidiol.

(B) Notwithstanding subdivision (A) of this subdivision (23), “hemp products” and “hemp-infused products” do not include any substance, manufacturing intermediary, or product that:

(i) is prohibited or deemed a regulated cannabis product by administrative rule of the Cannabis Control Board; or

(ii) contains more than 0.3 percent total tetrahydrocannabinol on a dry-weight basis.

(C) A hemp-derived product or substance that is excluded from the definition of “hemp products” or “hemp-infused products” pursuant to subdivision (B) of this subdivision (23) shall be considered a cannabis product as defined by subdivision 831(3) of this title; provided, however, that a person duly licensed or registered by the Cannabis Control Board lawfully may possess such products in conformity with the person’s license or hemp processor registration.

Sec. 4. 7 V.S.A. § 881 is amended to read:

§ 881. RULEMAKING; CANNABIS ESTABLISHMENTS

(a) The Board shall adopt rules to implement and administer this chapter in accordance with subdivisions (1)–~~(8)~~(9) of this subsection.

(1) Rules concerning any cannabis establishment shall include:

(A) the form and content of license and renewal applications;

(B) qualifications for licensure that are directly and demonstrably related to the operation of a cannabis establishment, including:

(i) a requirement to submit an operating plan, which shall include information concerning:

(I) the type of business organization, the identity of its controlling owners and principals, and the identity of the controlling owners and principals of its affiliates; and

(II) the sources, amount, and nature of its capital, assets, and financing; the identity of its financiers; and the identity of the controlling owners and principals of its financiers;

(ii) a requirement to file an amendment to its operating plan in the event of a significant change in organization, operation, or financing; and

(iii) the requirement for a fingerprint-based criminal history record check and regulatory record check pursuant to section 883 of this title;

(C) oversight requirements, including provisions to ensure that a licensed establishment complies with State and federal regulatory requirements governing insurance, securities, workers' compensation, unemployment insurance, and occupational health and safety;

(D) inspection requirements;

(E) records to be kept by licensees and the required availability of the records;

(F) employment and training requirements;

(G) security requirements, including any appropriate lighting, physical security, video, and alarm requirements;

(H) health and safety requirements;

(I) regulation of additives to cannabis and cannabis products, including cannabidiol derived from hemp and substances that are toxic or designed to make the product more addictive, more appealing to persons under 21 years of age, or to mislead consumers;

(J) procedures for seed-to-sale traceability of cannabis, including any requirements for tracking software;

(K) regulation of the storage and transportation of cannabis;

(L) sanitary requirements;

(M) procedures for the renewal of a license, which shall allow renewal applications to be submitted up to 90 days prior to the expiration of the cannabis establishment's license;

(N) procedures for suspension and revocation of a license;

(O) requirements for banking and financial transactions, including provisions to ensure that the Board, the Department of Financial Regulation, and financial institutions have access to relevant information concerning licensed establishments to comply with State and federal regulatory requirements;

(P) disclosure or eligibility requirements for a financier, its owners and principals, and its affiliates, which may include:

(i) requirements to disclose information to a licensed establishment, the Board, or the Department of Financial Regulation;

(ii) a minimum age requirement and a requirement to conduct a background check for natural persons;

(iii) requirements to ensure that a financier complies with applicable State and federal laws governing financial institutions, licensed lenders, and other financial service providers; and

(iv) any other requirements, conditions, or limitations on the type or amount of loans or capital investments made by a financier or its affiliates, which the Board, in consultation with the Department of Financial Regulation, determines are necessary to protect the public health, safety, and general welfare;

(Q) policies and procedures for conducting outreach and promoting participation in the regulated cannabis market by diverse groups of individuals, including those who have been disproportionately harmed by cannabis prohibition;

(R) advertising and marketing; ~~and~~

(S) requirements for cannabis control testing of hemp, hemp-infused products, cannabis, and cannabis products; and

(T) requirements and criteria governing licensee applications to change ownership, control, or location.

* * *

(5) Rules concerning retailers shall include:

* * *

(F) location or siting requirements that increase the geographic distribution of ~~new~~ cannabis retail establishments based on regional population, ~~and~~ market needs, and community input; and

* * *

(9) Rules concerning trim and harvest services shall include:

(A) requirements for verification of the licenses of clients;

(B) essential content and permissible terms of written service contracts, including provisions for security and diversion prevention;

(C) provisions to ensure safe and lawful transportation and lodging of travelling personnel;

(D) essential content of employee health, safety, and skills training, including first aid and recognition of common pests and pathogens;

(E) requirements appropriate to minimize the risk of pest and pathogen transmission; and

(F) procedures for documenting lawful compensation.

* * *

Sec. 5. 7 V.S.A. § 883 is amended to read:

§ 883. CRIMINAL BACKGROUND RECORD CHECKS; APPLICANTS

(a) The Board shall obtain from the Vermont Crime Information Center a copy of a fingerprint-based Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation for each license applicant, principal of an applicant, and person who controls an applicant who is a natural person. Checks may be repeated for good cause or with prudent frequency as determined by the Board.

(b) The Board shall adopt rules that set forth standards for determining whether an applicant should be denied a cannabis establishment license because of ~~his or her~~ the applicant's criminal history record based on factors that demonstrate whether the applicant presently poses a threat to public safety or the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify an applicant.

(c) Notwithstanding subsection (a) of this section or subsection 844(b) of this title, if required records are not reasonably available to the Board due to circumstances beyond its control, with the consent of the applicant, the Board may accept third-party criminal background checks submitted by an applicant for a cannabis establishment license or renewal in lieu of obtaining the records from the Vermont Crime Information Center a copy of the person's Vermont fingerprint-based criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation from a reputable commercial provider. Any such third-party background check shall:

~~(1) be conducted by a third-party consumer reporting agency or background screening company that is in compliance with the federal Fair Credit Reporting Act; and~~

(2) include a multistate and ~~multi-jurisdiction~~ multijurisdiction criminal record locator. Consumer credit scores shall not be a basis for license denial.

Sec. 6. 7 V.S.A. § 884 is amended to read:

§ 884. CANNABIS ESTABLISHMENT IDENTIFICATION CARD

(a) Every owner, principal, and employee of a cannabis establishment shall obtain an identification card issued by the Board. A person may apply for an identification card prior to obtaining employment with a licensee. An employee identification card shall authorize the person to work for any licensee.

(b)(1)(A) Prior to issuing the identification card to an owner or principal of a cannabis establishment, the Board shall obtain from the Vermont Crime Information Center a copy of the person's Vermont fingerprint-based criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation.

(B) Prior to issuing the identification card to an employee of a cannabis establishment, the Board shall obtain a copy of a fingerprint-based identity history summary record from the Federal Bureau of Investigation.

(2) The Board shall adopt rules that set forth standards for determining whether a person should be denied a cannabis establishment identification card because of ~~his or her~~ the person's criminal history record based on factors that demonstrate whether the applicant presently poses a threat to public safety or the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify an applicant.

(c) Once an identification card application has been submitted, ~~a person~~ the Board, for good cause, may serve issue a temporary permit authorizing the applicant to serve as an employee of a cannabis establishment pending the background check, provided the person is supervised in his or her duties by someone who is a cardholder. The Board shall issue a temporary permit to the person for this purpose, which shall expire upon the issuance of the identification card or disqualification of the person in accordance with this section Good cause exists if, among other reasons, the application is reasonably expected to take more than 12 days to process.

(d) An identification card shall expire one year after its issuance or, in the case of owners and principals, upon the expiration of the cannabis establishment's license, whichever occurs first.

Sec. 7. 7 V.S.A. § 886 is added to read:

§ 886. INCAPACITY OR DISTRESS; SPECIAL PERMITTING;
IMMUNITY

(a) It is the purpose of this section to authorize the Board to effectively oversee cannabis establishments and the persons authorized to operate such establishments in case of incapacity of a principal, dysfunction, operating distress, interruption in licensure, abrupt closure, or judicial intervention including receivership.

(b) The Board may issue a special permit temporarily authorizing a licensed or unlicensed designee of suitable ability and judgment to temporarily operate a cannabis establishment, or to possess, transport, or dispose of cannabis and cannabis products, as specified by the terms of the permit. The permit shall be printed on official Board letterhead, bear the signature of the Chair of the Board, state clearly a means of prompt authentication by law enforcement and licensees, and specify start and end dates and times. A person's eligibility for a permit under this subsection (b) shall not be limited by subdivision 901(d)(3) of this title.

(c) A person acting in conformity with the terms and scope of a special permit issued pursuant to subsection (b) of this section shall be immune from civil and criminal liability in relation to possession, transportation, or transfer of cannabis within the borders of this State. The Board shall not be liable for economic losses resulting from forfeiture, seizure, sequestration, sale stoppage, transportation, storage, or destruction of cannabis or cannabis products.

(d) If appropriate to facilitate judicial proceedings involving a cannabis establishment or its principals, including an action for receivership, a State court of competent jurisdiction may request that the Board determine whether a person is suited by background and qualifications to hold a special permit issued pursuant to subsection (b) of this section for a purpose specified by the court. In the alternative, the court may ask that the Board recommend such person.

Sec. 8. 7 V.S.A. § 901 is amended to read:

§ 901. GENERAL PROVISIONS

(a) Except as otherwise permitted by law, a person shall not engage in the cultivation, preparation, processing, packaging, transportation, testing, or sale of cannabis or cannabis products without obtaining a license from the Board.

(b) All licenses shall be valid for one year and expire at midnight on the eve of the anniversary of the date the license was issued. A licensee may apply to renew the license annually.

(c) Applications for licenses and renewals shall be submitted on forms provided by the Board and shall be accompanied by the fees provided for in section 910 of this title.

(d)(1) There shall be ~~seven~~ eight types of licenses available:

- (A) a cultivator license;
- (B) a propagator license;
- (C) a wholesaler license;
- (D) a product manufacturer license;
- (E) a retailer license;
- (F) a testing laboratory license; ~~and~~
- (G) a trim and harvest service license; and
- ~~(H)~~ an integrated license.

(2)(A) The Board shall develop tiers for:

- (i) cultivator licenses based on the plant canopy size of the cultivation operation or plant count for breeding stock; and
- (ii) retailer licenses.

(B) The Board may develop tiers for other types of licenses.

(3)(A) Except as provided in subdivisions (B) and (C) of this subdivision (3), an applicant and its affiliates may obtain a maximum of one type of each type of license as provided in subdivisions (1)(A)–~~(F)~~(G) of this subsection (d). Each license shall permit only one location of the establishment, however a trim and harvest service licensee may provide services at multiple other licensed cannabis establishments.

(B) An applicant and its affiliates that control a dispensary registered on April 1, 2022 may obtain one integrated license provided in subdivision (1)~~(G)~~(H) of this subsection (d) or a maximum of one of each type of license provided in subdivisions (1)(A)–(F) of this subsection (d). An integrated licensee may not hold a separate cultivator, propagator, wholesaler, product manufacturer, retailer, or testing laboratory license, and no applicant or its affiliates that control a dispensary shall hold more than one integrated license. An integrated license shall permit only one location for each of the types of activities permitted by the license: cultivation, propagator, wholesale operations, product manufacturing, retail sales, and testing.

(C) An applicant and its affiliates may obtain multiple testing laboratory licenses.

(e) A dispensary that obtains a retailer license or an integrated license pursuant to this chapter shall maintain the dispensary and retail operations in a

manner that protects patient and caregiver privacy in accordance with rules adopted by the Board.

(f) Each licensee shall obtain and maintain commercial general liability insurance in accordance with rules adopted by the Board. Failure to provide proof of insurance to the Board, as required, may result in revocation of the license.

(g) All licenses may be renewed according to procedures adopted through rulemaking by the Board.

(h) [Repealed.]

Sec. 9. 7 V.S.A. § 904 is amended to read:

§ 904. CULTIVATOR LICENSE

* * *

(d) Each cultivator shall create packaging for its cannabis.

(1) Packaging shall include:

(A) The name and registration number of the cultivator.

(B) The strain and variety of cannabis contained.

(C) The potency of the cannabis represented by the amount of tetrahydrocannabinol and cannabidiol in milligrams total and per serving.

(D) A ~~“produced on” date reflecting the date that the cultivator finished producing the cannabis~~ “harvested on” date reflecting the date the cultivator harvested the cannabis and a “packed on” date reflecting the date the product was packaged for sale.

(E) Appropriate warnings as prescribed by the Board in rule.

(F) Any additional requirements contained in rules adopted by the Board in accordance with this chapter. Rules shall take into consideration that different labeling requirements may be appropriate depending on whether the cannabis is sold to a wholesaler, product manufacturer, or retailer.

(2) Packaging shall not be designed to appeal to persons under 21 years of age.

* * *

Sec. 10. 7 V.S.A. § 904b is amended to read:

§ 904b. PROPAGATION CULTIVATOR LICENSE

(a) A propagation cultivator licensed under this section may:

(1) cultivate not more than 3,500 square feet of cannabis clones, immature cannabis plants, or mature cannabis plants;

(2) test, transport, and sell cannabis clones and immature cannabis plants to licensed cultivators and retailers; and

(3) test, transport, and sell cannabis seeds that meet the federal definition of hemp to a licensed cultivator or retailer or to the public.

(b) A licensed propagation cultivator shall not cultivate mature cannabis plants for the purpose of producing, harvesting, transferring, or selling cannabis flower for or to any person.

Sec. 11. 7 V.S.A. § 904c is added to read:

§ 904c. TRIM AND HARVEST SERVICE LICENSE

A trim and harvest service licensed under this section may contract with cultivators licensed under section 904 or 904a of this chapter, on a seasonal or temporary basis, to supply specified cannabis maintenance services within the scope of each client-cultivator's license.

Sec. 12. 7 V.S.A. § 910 is amended to read:

§ 910. CANNABIS ESTABLISHMENT FEE SCHEDULE

The following fees shall apply to each person or product licensed by the Board:

* * *

(8) Trim and harvest services. Trim and harvest services shall be assessed an annual licensing fee of \$500.00.

(9) Employees. Cannabis establishments licensed by the Board shall be assessed an annual licensing fee of \$50.00 for each employee. The Board shall offer one-year and two-year employee licenses.

~~(9)~~(10) Products. Cannabis establishments licensed by the Board shall be assessed an annual product licensing fee of \$50.00 for every type of cannabis and cannabis product that is sold in accordance with this chapter. The Board may issue longer product registrations, prorated at the same cost per year, for products it deems low risk and shelf stable. Such products may be defined and distinguished in readily accessible published guidance.

~~(10)~~(11) Local licensing fees. Cannabis establishments licensed by the Board shall be assessed an annual local licensing fee of \$100.00 in addition to each fee assessed under subdivisions (1)–(7) of this section. Local licensing

fees shall be distributed to the municipality in which the cannabis establishment is located pursuant to section 846(c) of this title.

~~(11)~~(12) ~~One-time fees~~ Application fee.

(A) All applicants for a cannabis establishment license shall be assessed an initial one-time application fee of \$1,000.00.

~~(B) An applicant may choose to be assessed an initial one-time intent to apply fee of \$500.00. If the applicant subsequently seeks a license within one year after paying the intent to apply fee, the initial one-time application fee of \$1,000.00 shall be reduced by \$500.00.~~

Sec. 13. 32 V.S.A. § 3260 is amended to read:

§ 3260. BULK SALES

(a) Whenever a person (transferor) required to collect or withhold a trust tax pursuant to chapter 151, 207, 225, or 233 of this title shall make any sale, transfer, long-term lease, or assignment (transfer) in bulk of any part or the whole of the assets of a business, otherwise than in the ordinary course of the business, the purchaser, transferee or assignee (transferee) shall, at least 10 days before taking possession of the subject of the transfer or before payment therefore if earlier, notify the Commissioner in writing of the proposed sale and of the price, terms, and conditions thereof whether or not the transferor has represented to or informed the transferee that the transferor owes any trust tax pursuant to chapter 151, 207, 225, or 233 and whether or not the transferee has knowledge that such taxes are owed, and whether any taxes are in fact owed.

(b) Whenever the transferee shall fail to give notice to the Commissioner as required by subsection (a) of this section, or whenever the Commissioner shall inform the transferee that a possible claim for tax exists, any sums of money, property, or choses in action, or other consideration, which the transferee is required to transfer over to or for the transferor, shall be subject to a first priority right and lien for any taxes theretofore or thereafter determined to be due from the transferor to the State, and the transferee is forbidden to transfer the consideration to or for the transferor to the extent of the amount of the State's claim.

(c) For failure to comply with this section, the transferee shall be personally liable for the payment to the State of any taxes theretofore or thereafter determined to be due to the State from the transferor and the liability may be assessed and enforced in the same manner as the liability for tax under chapter 151, 207, 225, or 233.

* * *

Sec. 14. 2020 Acts and Resolves No. 164, Sec. 6d, as amended by 2023 Acts and Resolves No. 3, Sec. 90, is further amended to read:

Sec. 6d. [Deleted.]

Sec. 15. CANNABIS CONTROL BOARD; ENFORCEMENT ATTORNEY;
POSITION

One full-time, permanent, exempt position of Enforcement Attorney is authorized in the Cannabis Control Board in fiscal year 2026.

Sec. 16. EFFECTIVE DATE

This act shall take effect July 1, 2025.

(Committee Vote: 10-0-1)

Rep. Higley of Lowell, for the Committee on Ways and Means, recommends that the bill be amended by adding a new section to be Sec. 13a to read as follows:

Sec. 13a. 32 V.S.A. § 7702 is amended to read:

§ 7702. DEFINITIONS

As used in this chapter unless the context otherwise requires:

* * *

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

* * *

(20) “New smokeless tobacco” means any tobacco product manufactured from, derived from, or containing tobacco or nicotine, whether natural or synthetic, including nicotine alkaloids and nicotine analogs, that is not intended to be smoked, has a moisture content of less than 45 percent, or is offered in individual single-dose tablets or other discrete single-use units.

* * *

(Committee Vote: 11-0-0)

H. 342

An act relating to protecting the personal information of certain public servants

Rep. Priestley of Bradford, for the Committee on Commerce and Economic Development, recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS AND PURPOSE

(a) The General Assembly finds that Vermont's judges, prosecutors, law enforcement officers, and other public servants play an essential role in the functioning of the government of the State of Vermont and that the nature of their official duties regularly places them in danger of death, serious physical injury, and other reprisals from members of the public.

(b) Violence to and intimidation of such public servants and their families is on the rise and public access to the personal information of these individuals can be and has been used to facilitate violence and intimidation. The personal information of these individuals is of negligible value to the public interest or public discourse.

(c) Accordingly, the provisions of this act are both necessary and appropriate to protect the privacy, safety, and security of public servants and to prevent interference in the administration of justice and the operation of government in the State of Vermont.

Sec. 2. 9 V.S.A. chapter 62 is amended to read:

CHAPTER 62. PROTECTION OF PERSONAL INFORMATION

* * *

Subchapter 5. Data Brokers

* * *

§ 2448. NONDISCLOSURE OF CERTAIN PUBLIC SERVANT

PERSONAL INFORMATION

(a) Definitions. As used in this section:

(1) "Assignee" means a person or entity to whom a covered person's right to bring a civil action for a violation of this section has been assigned by the covered person or their authorized agent.

(2) "Authorized agent" means any of the following persons or entities authorized to submit or revoke a request for the redaction or nondisclosure of

protected information on behalf of a covered person and to engage in communications and enforcement related to the request:

(A) a designated trustee or other agent pursuant to a written power of attorney or other legal instrument on behalf of any covered person who is physically or mentally incapacitated;

(B) a parent or legal guardian on behalf of any child who is a minor and who is otherwise entitled to address redaction or nondisclosure pursuant to this section; and

(C) a person or entity who has been appointed pursuant to a notarized document by a covered person to act for the covered person for the submission or revocation of requests for redaction or nondisclosure of protected information.

(3) “Covered person” means any of the following individuals:

(A) active or former judges, law enforcement officers, federal law enforcement officers, prosecutors, public defenders, parole and probation officers, and members of the Vermont Parole Board;

(B) employees of:

(i) the Family Services Division of the Department for Children and Families;

(ii) the Vermont Human Rights Commission;

(iii) the Department of Corrections;

(iv) the Department of Public Safety, including the Vermont State Police;

(v) the Department of State’s Attorneys and Sheriffs; and

(vi) all courts in the State;

(C) investigators, victim advocates, mental health crisis workers, and embedded crisis specialists that are employed or work on a contract basis for any of the entities listed in subdivision (3)(B) of this subsection; and

(D) the immediate family of individuals identified in subdivisions (A)–(C) of this subdivision (3).

(4) “Data broker” has the same meaning as set forth in section 2430 of this title. As used in this section, “data broker” shall exclude governmental agencies and their representatives acting in their official capacities.

(5) “Disclose,” “disclosing,” or “disclosure” means to solicit, sell, manufacture, give, provide, lend, trade, mail, deliver, transfer, post, publish,

distribute, circulate, disseminate, present, exhibit, advertise, offer, or include within a searchable list or database, regardless of whether any person has actually searched the list or database. “Disclose” does not include an organization maintaining protected information completely inaccessible and unviewable to any person outside of the organization.

(6) “Federal law enforcement officer” has the same meaning as in 18 U.S.C. § 115(c)(1) but is limited to those individuals who work or reside in Vermont.

(7) “Home address” means a partial or complete street address or other information that reveals a home’s location, including tax parcel ID, legal property description, or geographic coordinates.

(8) “Home telephone number” means any telephone number used primarily for personal communications, including a landline or cellular telephone number.

(9) “Immediate family” has the same meaning as in 3 V.S.A. § 1201.

(10) “Judge” means any justice, judge, or magistrate of a State court or of a federal court located in Vermont, or any person who serves as a judge, justice, or magistrate in another state who maintains a home address in Vermont.

(11) “Law enforcement officer” has the same meaning as in 20 V.S.A. § 2351a.

(12) “Parole and probation officer” means:

(A) a corrections services specialist employed by the Department of Corrections; or

(B) a parole or probation officer employed by a Vermont county or municipality.

(13) “Prosecutor” means a Vermont State’s Attorney or Deputy State’s Attorney, the Attorney General or an Assistant Attorney General, or a U.S. Attorney or an Assistant U.S. Attorney who works in Vermont.

(14) “Protected information” means a covered person’s:

(A) home address, including primary residence and any secondary residences;

(B) home telephone number;

(C) personal email address;

(D) Social Security number or driver’s license number; and

(E) license plate number or other unique identifiers of a vehicle owned, leased, or regularly used by a covered person.

(15) “Public defender” means the Defender General, Deputy Defender General, public defenders, or deputy public defenders who provide legal services to persons in need as set forth in 13 V.S.A. chapter 163.

(b) Nondisclosure of protected information.

(1) A covered person or an authorized agent of the covered person has the right through this section to send a notice to a data broker requesting that the data broker cease disclosure or redisclosure of the covered person’s protected information.

(2) Upon a data broker receiving physical or electronic notice from a covered person, or an authorized agent of the covered person, requesting that the data broker cease disclosing or redisclosing protected information of the covered person, the data broker shall cease disclosing the protected information not later than 15 days after receipt of the notice and shall not disclose or redisclose the protected information after that time.

(3) The notice as set forth in subdivision (2) of this subsection shall be in a form provided by the Secretary of State, except that no prior verification of a covered person’s or authorized agent’s status shall be required for the notice. The Secretary of State shall publish the form of notice not later than 90 days after July 1, 2025, provided that until such form is published, covered persons and their authorized agents may use their own form of written notice that references this section, identifies the sender as a covered person or an authorized agent acting on behalf of a covered person, and requests that the data broker cease disclosure of the covered person’s protected information.

(c) Remedies.

(1) A data broker that receives a notice from a covered person or the authorized agent of the covered person pursuant to subdivision (b)(2) of this section that discloses or rediscloses the covered person’s protected information more than:

(A) 15 days after receiving the notice is in violation of this section and shall be subject to an injunction in a civil action brought in Superior Court by the covered person or the covered person’s assignee; or

(B) 30 days after receiving the notice is in violation of this section and shall be subject to the following remedies in a civil action brought in Superior Court by the covered person or the covered person’s assignee:

(i) damages, calculated as the greater of actual damages or liquidated damages computed at the rate of \$1,000.00 for each violation of this section;

(ii) punitive damages upon proof of willful or reckless disregard of the law;

(iii) reasonable attorney's fees and other litigation costs reasonably incurred; and

(iv) any other preliminary and equitable relief as the court determines to be appropriate.

(2) In any judicial proceeding pursuant to subdivision (1) of this subsection, the standard of fault shall be ordinary negligence. It shall not be a defense to liability in a judicial proceeding that the covered person's protected information is or was available to the public from other sources, on the internet or otherwise, or available by inspection of public records.

(d) Accessing information. A covered person or an authorized agent accessing a data broker's website or other public application for the purpose of determining whether the covered person's protected information is being disclosed shall not, as a result of such access, be deemed to have agreed on behalf of the covered person to any website terms and conditions with respect to the covered person's rights under this section.

(e) Limitations.

(1) A disclosure of protected information shall not constitute a violation of this section if the disclosure is:

(A) made with the express authorization of the covered person, provided that the authorization is provided subsequent to the relevant nondisclosure request; or

(B) for the sole purpose of facilitating a transaction initiated by the covered person.

(2) This section does not apply to a data broker in a disclosure pursuant to subdivision (1) of this subsection.

(3) Nothing in this section shall be construed as prohibiting an employer from providing employee information to the Vermont Labor Relations Board or to employee organizations that is required under Vermont law.

(4) Nothing in this section shall be construed to require a data broker to delete protected information.

Sec. 3. DELAYED START FOR CERTAIN REMEDIES

The remedies provided to a covered person pursuant to 9 V.S.A. § 2448(c)(1)(B) shall take effect on January 1, 2026.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee Vote: 7-4-0)

H. 397

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

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

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

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

§ 3a. EMERGENCY MANAGEMENT DIVISION; DUTIES; BUDGET

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

* * *

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

(4) Provide assistance to municipalities to develop and implement the components of the Statewide Emergency Management Plan described in subdivision 41(4) of this chapter.

* * *

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

§ 41. STATE EMERGENCY MANAGEMENT PLAN

The Department of Public Safety's Vermont Emergency Management Division, in collaboration with the Chief Recovery Officer and in consultation with regional planning commissions, the Vermont League of Cities and Towns, and Vermont's long-term recovery groups, shall create, and republish as needed, but not less than every five years, a comprehensive State Emergency Management Plan. The Plan shall:

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

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

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

(4) provide a framework for municipalities to develop and implement:

(A) emergency parking plans for areas within a municipality affected by an all-hazard event;

(B) municipal plans and systems to ensure that vulnerable populations, including aging populations and individuals with disabilities, within the municipality are contacted and visited to ensure their safety and wellness during an all-hazard event;

(C) emergency notification systems to provide real-time alerts to residents, which shall utilize multichannel communication systems; and

(D) training to support the officers and staff that municipalities are required to maintain following an all-hazard event, including individual assistance coordinators and disaster waste coordinators.

* * * Voluntary Buyout Program and Voluntary Buyout Reimbursement Program * * *

Sec. 3. 20 V.S.A. § 51 is added to read:

§ 51. FLOOD-PRONE PROPERTIES; VOLUNTARY BUYOUT PROGRAM

The Division of Emergency Management and the Agency of Commerce and Community Development shall establish and maintain the Voluntary Buyout Program for flood-prone properties. The Program shall allow a municipality, at the request of the owner of a flood-prone property, to apply for funding to cover the purchase price of the property. The purchase price shall be the full fair market value of the flood-prone property. The municipality shall maintain the acquired property as open space with a deed restriction or covenant prohibiting development of the property.

Sec. 4. 32 V.S.A. § 3710 is added to read:

§ 3710. VOLUNTARY BUYOUT REIMBURSEMENT PROGRAM

(a) There is established the Voluntary Buyout Reimbursement Program to reimburse municipalities for the value of municipal property taxes associated with the flood-prone properties acquired by a municipality pursuant to 20 V.S.A. § 51 and preserved as public open space with a deed restriction or covenant prohibiting development of the property.

(b) On or before September 1 of each year, the Commissioner of Public Safety shall certify the properties eligible for the Program to the Commissioner of Taxes along with any other information required by the Commissioner of Taxes. To be eligible for reimbursement under the Program, a municipality must have acquired an eligible property on or after July 1, 2023 and preserved the property as public open space with a deed restriction or covenant prohibiting development of the property. The Commissioner of Public Safety shall first certify properties to the Commissioner of Taxes pursuant to this subsection on or before September 1, 2025.

(c) The Commissioner of Taxes shall certify the Program payment amounts to the Secretary of Administration. The Secretary shall make an annual payment to each municipality for each eligible property to compensate for the loss of municipal property tax. The payment shall be calculated using the grand list value of the acquired property for the year during which the property was either damaged by flooding or identified as flood-prone by the Commissioner of Public Safety, multiplied by the municipal tax rate, including any submunicipal tax rates, in effect each year. This payment shall be made on or before January 1 of each year for five years.

(d) If a municipality has received payment for any acquired property under subsection (c) of this section for five consecutive years, it shall be eligible for payment for ensuing five year periods in an amount equal to one-half of the initial annual payment calculated under subsection (c).

(e) Payments made pursuant to this section shall be paid from the PILOT Special Fund established under section 3709 of this subchapter. Payments shall be disbursed only after all other requirements of subchapter 4 of this chapter are met. If the PILOT Special Fund balance is insufficient to pay the full amount of all payments authorized under this subchapter, then payments calculated under this section and due to each eligible municipality for each property shall be reduced proportionately.

Sec. 5. VOLUNTARY BUYOUT REIMBURSEMENT PROGRAM;

TRANSFERS FROM PILOT SPECIAL FUND

Notwithstanding any provision of 32 V.S.A. § 3709 to the contrary, in fiscal year 2026 the Commissioner of Finance and Management shall transfer from the PILOT Special Fund to the Voluntary Buyout Reimbursement Program \$1,000,000.00 for purposes of the administration of the Program.

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

Sec. 6. DIVISION OF EMERGENCY MANAGEMENT; POSITIONS;

APPROPRIATION

(a) The following positions are created in the Division of Emergency Management:

- (1) one full-time, exempt Municipal Grant Liaison; and
- (2) one full-time, exempt All-Hazard Mitigation Technician.

(b) The Municipal Grant Liaison shall be dedicated to grant research, grant applications support, coordination between municipal corporations and the Federal Emergency Management Agency, and direct assistance to municipal corporations for the acquisition of grants and other funding sources for all-hazard relief and recovery efforts. The Flood Mitigation Technician shall be dedicated to providing or supporting engineering analyses for all-hazard mitigation projects, oversight of municipal remediation and recovery projects, and managing technical assistance to municipal corporations for all-hazard recovery.

Sec. 7. DIVISION OF EMERGENCY MANAGEMENT; ALL-HAZARD

AND WEATHER ALERT SYSTEMS FOR MUNICIPAL

CORPORATIONS

Upon request of a municipal corporation, the Division of Emergency Management, in collaboration with regional planning commissions and the Vermont League of Cities and Towns, shall assist the municipal corporation with access to and development of the following:

- (1) surface water flood monitoring devices, which shall automatically trigger notification systems for emergency services providers and residents;
 - (2) alert systems that are integrated with a statewide weather alert system for real-time updates during severe weather events; and
 - (3) connection to a statewide enhanced weather alert system that:
 - (A) predicts local and regional conditions using advanced modeling;
- and

(B) issues real-time warnings for flooding, blizzards, and ice storms through multiple communication channels.

* * * Needs Assessment Report * * *

Sec. 8. DIVISION OF EMERGENCY MANAGEMENT; STATE
STAKEHOLDERS; NEEDS ASSESSMENT; REPORT

The Division of Emergency Management, Chief Recovery Officer, Agency of Commerce and Community Development, Agency of Natural Resources, and Agency of Transportation 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.

* * * Vermont Community Radio Program * * *

Sec. 9. VERMONT COMMUNITY RADIO GRANT PROGRAM

(a) Findings. The General Assembly finds that:

(1) Vermont's seven active community radio stations currently serve over 200,000 Vermonters, many in rural and underserved areas.

(2) Community radio stations have consistently provided critical information during emergencies, including Tropical Storm Irene, recent severe flooding, and other natural disasters.

(3) These stations operate with small budgets, primarily relying on volunteer staff and listener donations, and are ineligible for federal funding through the Corporation for Public Broadcasting due to their size.

(4) Upcoming FCC-approved stations in Bristol, Richmond-Underhill-Jericho, and Ludlow will expand coverage to nearly all Vermont counties, increasing statewide accessibility to vital community radio services.

(5) Investment in these stations strengthens Vermont's public safety network and promotes civic engagement by providing local, hyper-focused content that commercial and statewide media cannot replicate.

(b) Intent. The intent of this section is to ensure Vermont's community radio stations remain resilient and prepared to serve as lifelines during emergencies while fostering local engagement and preserving Vermont's unique community fabric.

(c) Grant program.

(1) The Vermont Community Radio Grant Program is established to provide one-time funding to community radio stations for the purpose of:

(A) upgrading equipment and infrastructure necessary for reliable emergency broadcasting;

(B) procuring and installing backup generators; and

(C) enhancing operational sustainability through software improvements and technical training.

(2) The Program shall be administered by the Commissioner of Public Safety or designee in collaboration with the Vermont Association of Broadcasters.

(3) Grants shall be allocated as follows:

(A) up to \$25,000.00 per station for seven active community radio stations; and

(B) up to \$10,000.00 per station for three upcoming stations currently under construction.

(4) To be eligible for a grant under the Program, an applicant shall:

(A) be a nonprofit, noncommercial community radio station licensed in Vermont;

(B) demonstrate a history of providing emergency broadcasting services or show the capacity to provide those services upon funding; and

(C) submit a detailed implementation plan for the proposed use of grant funding.

(d) Report. On or before June 30, 2026, a community radio station that receives a grant under the Program shall provide to the Commissioner of Public Safety a report detailing the:

(1) use of grant funds, including itemized expenses;

(2) improvements achieved in emergency readiness and operational capacity; and

(3) impact on community service and engagement.

* * * Municipal Finances and Indebtedness * * *

Sec. 10. 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.

Sec. 11. 24 V.S.A. § 1790 is added to read:

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

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

Sec. 12. 24 V.S.A. § 1759 is amended to read:

§ 1759. DENOMINATIONS; PAYMENTS; INTEREST

(a)(1) Any bond issued under this subchapter shall draw interest at a rate not to exceed the rate approved by the voters of the municipal corporation in accordance with section 1758 of this title, or if no rate is specified in the vote under that section, at a rate approved by the legislative ~~branch~~ body of the municipal corporation, ~~such~~ the interest to be payable semiannually as determined by the legislative body of the municipal corporation. ~~Such~~ The bonds or bond shall be payable serially, the first payment to be deferred not later than from one to five years after the issuance of the bonds and subsequent principal payments or debt service payments, which include both principal and interest payments, to be continued annually in ~~equal~~ substantially level or diminishing declining amounts, as determined by the legislative body of the municipality, so that the entire debt will be paid in not more than 20 years from the date of issue.

(2) In the case of bonds issued for the purchase or development of a municipal forest, the first payment may be deferred not more than 30 years from the date of issuance ~~thereof of the bond.~~ Thereafter such ~~After any deferral period,~~ the bonds or bond shall be payable annually in equal ~~substantially level or diminishing amounts declining annual debt service as the~~

legislative body of the municipal corporation may determine, so that the entire debt will be paid in not more than 60 years from the date of issue.

* * *

(b) General obligation bonds authorized under this subchapter for the purpose of financing the improvement, construction, acquisition, repair, renovation, and replacement of a municipal plant as defined in 30 V.S.A. § 2901 shall be paid serially, the first payment to be deferred not later than from one to five years after the issuance of the bonds, and subsequent principal payments or debt service payments, which include both principal and interest payments, to be continued annually in substantially level or declining amounts, as determined by the legislative body of the municipal corporation, so that the entire debt will be paid ~~over a term equal to the useful life of the financed improvements, but~~ not more than 40 years from the date of issue, ~~and may be so arranged that beginning with the first year in which principal is payable, the amount of principal and interest in any year shall be as nearly equal as is practicable according to the denomination in which such bonds are issued,~~ notwithstanding other permissible payment schedules authorized by this section.

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

Sec. 13. 20 V.S.A. § 9 is amended to read:

§ 9. EMERGENCY POWERS OF GOVERNOR

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

* * *

(12) In consultation with the Secretary of Natural Resources or designee, to authorize the Agency to waive applicable permits and restrictions under 10 V.S.A. chapter 47 or the Vermont Water Quality Standards to allow dams within the State to draw down water levels in anticipation of a flood event that is likely to cause substantial damage or injury to persons or property. Waivers may only be issued if the Governor, in consultation with the Secretary of Natural Resources or designee, has significant reason to believe doing so will decrease the risk of substantial damage to persons or property within the State. Dam operators operating under a waiver shall be required to

make every effort to minimize the environmental impact of a water level drawdown under the authorized waiver.

* * * Appropriations * * *

Sec. 14. APPROPRIATIONS

(a) In fiscal year 2026, the following sums are appropriated from the General Fund to the Department of Public Safety:

(1) \$275,000.00 to support the two positions created in Sec. 6 of this act;

(2) \$950,000.00 to support the Urban Search and Rescue Team created pursuant to 20 V.S.A. § 50; and

(3) \$205,000.00 for the purpose of funding the Vermont Community Radio Grant Program.

(b) In fiscal year 2026, the sum of \$275,000.00 is appropriated from the General Fund to the Agency of Natural Resources for purposes of procuring a fire apparatus.

(c) Any unexpended monies from the appropriation under subdivision (a)(3) of this section shall revert to the General Fund on or before July 1, 2026.

* * * Effective Date * * *

Sec. 15. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee Vote: 11-0-0)

H. 401

An act relating to exemptions for food manufacturing establishments

Rep. Burt of Cabot, for the Committee on Agriculture, Food Resiliency, and Forestry, recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly that:

(1) Vermont enhance its food resiliency through increased supply and distribution of locally produced food products;

(2) Vermonters have more access to the local food marketplace as both producers and consumers;

(3) local food producers are able to meet the demand for Vermont-made food products from visitors to the State;

(4) small-scale food producers, new business start-ups, and sole proprietors benefit from raising the limit of the existing licensing exemption for at-home bakery products to adjust for inflationary cost changes occurring since the initial statutory enactment; and

(5) supply-chain costs and inflationary considerations be addressed to bring risk management thresholds more in line with the economic conditions at the time of initial statutory enactment.

Sec. 2. 18 V.S.A. § 4353 is amended to read:

§ 4353. FEES

(a) The Commissioner may establish by rule any requirement the Department needs to determine the applicable categories or exemptions for licenses. The following license fees shall be paid annually to the Department at the time of making the application according to the following schedules:

* * *

(3) Food manufacturing establishment — a fee for any person or persons that process food for resale to restaurants, stores, or individuals according to the following schedule:

(A) Food manufacturing establishments; nonbakeries

I — ~~Gross receipts of \$10,001.00 to \$50,000.00; \$175.00~~

H I — Gross receipts of over \$50,000.00 \$30,000.00;
\$275.00

II — Nonhome-operated food service establishment
with gross receipts of \$30,000.00 or less;
\$175.00

III — Gross Home-operated food service establishment
with gross receipts of \$10,000.00 \$30,000.00 or less
are exempt pursuant to section 4358 of this title

(B) Food manufacturing establishment; bakeries

I — Home bakery with gross receipts over \$30,000.00;
\$100.00

- II — Small commercial; \$200.00
- III — Large commercial; \$350.00
- IV — Nonhome-operated bakery with gross receipts of \$30,000.00 or less; \$50.00
- V — Home-operated bakery with gross receipts of \$30,000.00 or less are exempt pursuant to section 4358 of this title

* * *

Sec. 3. 18 V.S.A. § 4358 is amended to read:

§ 4358. EXEMPTIONS

* * *

(b) ~~The provisions of licensure requirements and related licensure fees in this subchapter shall not apply to an individual manufacturing and selling bakery products from his or her own home kitchen~~ a food manufacturing establishment operating from a home kitchen whose average gross retail sales do not exceed \$125.00 per week are less than or equal to \$30,000.00 per year.

* * *

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee Vote: 8-0-0)

H. 461

An act relating to expanding employee access to unpaid leave

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

Sec. 1. INTENT

It is the intent of the General Assembly to align Vermont's family leave policies with inclusive and equitable standards, ensuring that LGBTQ+ families, workers with low income, and individuals in nontraditional family structures have equal access to caregiving leave without undue burden.

Sec. 2. 21 V.S.A. § 471 is amended to read:

§ 471. DEFINITIONS

As used in this subchapter:

(1) “Bereavement leave” means a leave of absence from employment or self-employment by an individual due to the death of the individual’s family member that occurs not more than one year after the family member’s death. Bereavement leave includes leave taken in relation to the administration or settlement of the deceased family member’s estate. Leave taken in relation to the administration or settlement of the deceased family member’s estate shall not occur more than one year after the family member’s death.

(2) “Domestic partner” means an individual with whom the employee has an enduring domestic relationship of a spousal nature, provided the employee and the domestic partner:

(A) have shared a residence for at least six consecutive months;

(B) are at least 18 years of age;

(C) are not married to or considered a domestic partner of another individual;

(D) are not related by blood closer than would bar marriage under State law; and

(E) have agreed between themselves to be responsible for each other’s welfare.

(3) “Domestic violence” has the same meaning as in 15 V.S.A. § 1151.

(4) “Employer” means an individual, organization, or governmental body, partnership, association, corporation, legal representative, trustee, receiver, trustee in bankruptcy, and any common carrier by rail, motor, water, air, or express company doing business in or operating within this State that a person who for the purposes of parental leave, bereavement leave, safe leave, and leave for a qualifying exigency employs 10 or more individuals who are employed for an average of at least 30 hours per week during a year and for the purposes of family leave employs 15 or more individuals for an average of at least 30 hours per week during a year.

(2)(5) “Employee” means a person who, in consideration of direct or indirect gain or profit, has been continuously employed by the same employer for a period of one year for an average of at least 30 hours per week.

(3)(6) “Family leave” means a leave of absence from employment by an employee who works for an employer that employs 15 or more individuals

who are employed for an average of at least 30 hours per week during the year for one of the following reasons:

(A) the serious health condition of the employee; or

(B) the serious health condition of the employee's ~~child, stepchild or ward who lives with the employee, foster child, parent, spouse, or parent of the employee's spouse~~ family member.

(7) "Family member" means:

(A) regardless of age, an employee's biological, adopted, or foster child; an employee's stepchild or legal ward; a child of the employee's spouse or civil union or domestic partner; or a child to whom the employee stands in loco parentis, regardless of legal documentation; an individual to whom the employee stood in loco parentis when the individual was under 18 years of age; or any individual for whom the employee provides caregiving responsibilities similar to those of a parent-child relationship;

(B)(i) a parent of an employee or an employee's spouse or civil union or domestic partner, regardless of whether the relationship to the employee or the employee's spouse or civil union or domestic partner is a biological, foster, adoptive, or step relationship;

(ii) a legal guardian of an employee or employee's spouse or civil union or domestic partner; or

(iii) a person who stands in loco parentis for the employee or who stood in loco parentis when the employee or employee's spouse or civil union or domestic partner was under 18 years of age;

(C) a person to whom the employee is legally married under the laws of any state or a civil union or domestic partner of an employee; or

(D) a grandparent, grandchild, or sibling of the employee or the employee's spouse or civil union or domestic partner, regardless of whether the relationship to the employee or the employee's spouse or civil union or domestic partner is a biological, foster, adoptive, or step relationship.

~~(4)~~(8) "Health care provider" means a licensed health care provider or a health care provider as defined pursuant to 29 C.F.R. § 825.125.

(9) "In loco parentis" means a relationship in which an individual has day-to-day responsibilities to care for and support a child, regardless of biological or legal ties. Financial support is not a requirement for this relationship, recognizing caregiving roles beyond traditional definitions.

~~(5)~~(10) “Parental leave” means a leave of absence from employment by an employee who works for an employer that employs 10 or more individuals who are employed for an average of at least 30 hours per week during the year for one of the following reasons:

(A) ~~the birth of the employee’s child~~ pregnancy;

(B) the employee’s recovery from childbirth or miscarriage;

(C) the birth of the employee’s child and to care for or bond with the child within one year after the child’s birth; or

~~(B)~~(D) the initial placement of a child 16 18 years of age or younger with the employee for the purpose of adoption or foster care and to care for or bond with the child within one year after the placement for adoption or foster care.

(11) “Qualifying exigency” means a qualifying exigency identified pursuant to 29 C.F.R. § 825.126 that is related to active duty service by a family member in the U.S. Armed Forces.

(12) “Safe leave” means a leave of absence from employment by an employee because:

(A) the employee or the employee’s family member is a victim or alleged victim of domestic violence, sexual assault, or stalking;

(B) the employee is using leave for one of the following reasons related to domestic violence, sexual assault, or stalking:

(i) to seek or obtain medical care, counseling, or social or legal services, either for themselves or for a family member;

(ii) to recover from injuries;

(iii) to participate in safety planning, either for themselves or for a family member;

(iv) to relocate or secure safe housing, either for themselves or for a family member;

(v) to meet with a State’s Attorney or law enforcement officer; or

(vi) to attend a hearing concerning an order against stalking or sexual assault pursuant to 12 V.S.A. § 5133, when the employee seeks the order as a plaintiff; and

(C) the employee is not the perpetrator or alleged perpetrator of the domestic violence, sexual assault, or stalking.

~~(6)~~(13) “Serious health condition” means:

(A) an accident, illness, injury, disease, or physical or mental condition that:

(i) poses imminent danger of death;

(ii) requires inpatient care in a hospital, hospice, or residential medical care facility; or

(iii) requires continuing treatment by a health care provider; or

(B) rehabilitation from an accident, illness, injury, disease, or physical or mental condition described in subdivision (A) of this subdivision ~~(6)~~(13), including treatment for substance use disorder.

(14) “Sexual assault” has the same meaning as in 15 V.S.A. § 1151.

(15) “Stalking” has the same meaning as in 15 V.S.A. § 1151.

(16) “U.S. Armed Forces” means:

(A) the U.S. Army, Navy, Air Force, Marine Corps, Space Force, and Coast Guard;

(B) a reserve component of the U.S. Army, Navy, Air Force, Marine Corps, Space Force, and Coast Guard; or

(C) the National Guard of any state.

Sec. 3. 21 V.S.A. § 472 is amended to read:

§ 472. LEAVE

(a)(1) During any 12-month period, an employee shall be entitled to take unpaid leave for a period not to exceed 12 weeks:

~~(1)(A) for parental leave, during the employee’s pregnancy and following the birth of an employee’s child or within a year following the initial placement of a child 16 years of age or younger with the employee for the purpose of adoption.;~~

~~(2)(B) for family leave, for the serious health condition of the employee or the employee’s child, stepchild or ward of the employee who lives with the employee, foster child, parent, spouse, or parent of the employee’s spouse;~~

(C) for safe leave; or

(D) for a qualifying exigency.

(2) During any 12-month period, an employee may use up to two out of the 12 weeks of leave available pursuant to subdivision (1) of this subsection for bereavement leave.

(b) During the leave, at the employee's option, the employee may use accrued sick leave or vacation leave or any other accrued paid leave, ~~not to exceed six weeks~~ or short-term disability insurance. Utilization of accrued paid leave or short-term disability insurance shall not extend the leave provided pursuant to this section.

* * *

(e)(1) An employee shall give the employer reasonable written notice of intent to take leave under this ~~subchapter~~ section. Notice shall include the date the leave is expected to commence and the estimated duration of the leave.

(2) In the case of the adoption or birth of a child, an employer shall not require that notice be given more than six weeks prior to the anticipated commencement of the leave.

(3) In the case of an unanticipated serious health condition, a miscarriage, an unanticipated need for safe leave, a premature birth, the death of a family member, or a short-notice qualifying exigency, the employee shall give the employer notice of the commencement of the leave as soon as practicable.

(4)(A) In the case of a serious health condition of the employee or a member of the employee's family, an employer may require certification from a health care provider to verify the condition and the amount and necessity for the leave requested.

(B) An employer may require an employee to provide documentation of the need for safe leave. An employee may provide documentation from any one of the following sources:

(i) a court or a law enforcement or other government agency;

(ii) a domestic violence, sexual assault, or stalking assistance program;

(iii) a legal, clerical, medical, or other professional from whom the employee, or the employee's family member, received counseling or other assistance concerning domestic violence, sexual assault, or stalking; or

(iv) a self-attestation by the employee describing the circumstances supporting the need for safe leave; no further corroboration shall be required unless otherwise mandated by law.

(C) An employer may require an employee to provide documentation of the need for bereavement leave. An employee may provide any of the following forms of documentation:

(i) a death certificate;

(ii) a published obituary; or

(iii) a written notice or verification of death, burial, or memorial services from a mortuary, funeral home, burial society, crematorium, religious organization, or governmental agency.

(D) An employer may require an employee to provide documentation of the need for leave for a qualifying exigency as set forth in 29 C.F.R. § 825.309.

(E) An employer shall not disclose any private medical information or information relating to a safe leave that the employer receives pursuant to this subdivision (4) except to the extent the disclosure is permitted by law and:

(i) consented to by the employee in writing;

(ii) required pursuant to a court order; or

(iii) required pursuant to State or federal law.

~~(4)~~(5) An employee may return from leave earlier than estimated upon approval of the employer.

~~(5)~~(6) An employee shall provide reasonable notice to the employer of the need to extend leave to the extent provided by this subchapter.

(f) Upon return from leave taken under this subchapter, an employee shall be offered the same or comparable job at the same level of compensation, employment benefits, seniority, or any other term or condition of the employment existing on the day leave began. This ~~subchapter~~ subsection shall not apply if, prior to requesting leave, the employee had been given notice or had given notice that the employment would terminate. This subsection shall not apply if the employer can demonstrate by clear and convincing evidence that:

(1) during the period of leave the employee's job would have been terminated or the employee laid off for reasons unrelated to the leave or the condition for which the leave was granted; or

(2) the employee performed unique services and hiring a permanent replacement during the leave, after giving reasonable notice to the employee of intent to do so, was the only alternative available to the employer to prevent substantial and grievous economic injury to the employer's operation.

(g)(1) An employer may adopt a leave policy more generous than the leave policy provided by this subchapter.

(2)(A) Nothing in this subchapter shall be construed to diminish an employer's obligation to comply with any collective bargaining agreement or any employment benefit program or plan that provides greater leave rights than the rights provided by this subchapter.

(B) A collective bargaining agreement or employment benefit program or plan may not diminish rights provided by this subchapter.

(3) Notwithstanding the provisions of this subchapter, an employee may, at the time a need for parental or family leave arises, waive some or all the rights under this subchapter provided the waiver is informed and voluntary and any changes in conditions of employment related to any waiver shall be mutually agreed upon between employer and employee.

(h) Except for the serious health condition of the employee or safe leave when the employee is the victim or alleged victim, an employee who does not return to employment with the employer who provided the leave shall return to the employer the value of any compensation that the employer paid to or on behalf of the employee during the leave, except payments for accrued sick leave or vacation leave.

Sec. 4. 21 V.S.A. § 472a is amended to read:

§ 472a. SHORT-TERM FAMILY LEAVE

(a) In addition to the leave provided in section 472 of this title, an employee shall be entitled to take unpaid leave not to exceed four hours in any 30-day period and not to exceed 24 hours in any 12-month period. An employer may require that leave be taken in a minimum of two-hour segments and may be taken for any of the following purposes:

(1) To participate in preschool or school activities directly related to the academic educational advancement of the employee's ~~child, stepchild, foster child, or ward who lives with the employee~~ family member, such as a parent-teacher conference.

(2) To attend or to accompany the employee's ~~child, stepchild, foster child, or ward who lives with the employee or the employee's parent, spouse, or parent-in-law~~ family member to routine medical or dental appointments.

(3) To accompany the employee's ~~parent, spouse, or parent-in-law~~ family member to other appointments for professional services related to their care and well-being.

(4) To respond to a medical emergency involving the employee's ~~child, stepchild, foster child, or ward who lives with the employee or the employee's parent, spouse, or parent-in-law~~ family member.

* * *

Sec. 5. 21 V.S.A. § 472c is amended to read:

§ 472c. LEAVE; ALLEGED CRIME VICTIMS; RELIEF FROM
STALKING OR ABUSE

* * *

(b) In addition to the leave provided in section 472 of this title, an employee shall be entitled to take unpaid leave from employment for the purpose of attending a deposition or court proceeding related to:

* * *

(2) a relief from abuse hearing pursuant to 15 V.S.A. § 1103, when the employee seeks the order as a plaintiff; or

~~(3) a hearing concerning an order against stalking or sexual assault pursuant to 12 V.S.A. § 5133, when the employee seeks the order as plaintiff; or~~

~~(4) a relief from abuse, neglect, or exploitation hearing pursuant to 33 V.S.A. chapter 69, when the employee is the plaintiff.~~

* * *

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee Vote: 9-1-1)

Governor's Veto

H. 141

An act relating to fiscal year 2025 budget adjustments

Text of Veto Message

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. H. 141** to the House is as follows:

March 14, 2025

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
State House
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning H.141, *An act relating to fiscal year 2025 budget adjustments*, without my signature.

For weeks, I have been clear that I do not support H.141 as passed by the House or the Senate for many reasons including:

1. Given growing uncertainty around federal funding and the potential for significant funding cuts to critical programs, spending additional general funds in the budget adjustment for expenses that are not time sensitive is irresponsible. These new spending proposals should be considered as part of the FY26 budget to be weighed against other initiatives that may have been reduced due to federal budget cuts.
2. Expanding the free "hotel/motel program," moves us backwards, reversing important progress made towards reforming this failed program, agreed upon by the Administration and Legislature just last year. After nearly five years of experience, we know this approach is far too expensive and fails our constituents, communities and taxpayers.

I proposed a compromise path to the Committee of Conference which would have moved these spending and policy decisions to the FY26 budget while providing \$2.1 million in flexible grants to municipalities to address needs in their communities during April, May and June. My compromise proposal protects the most vulnerable, develops emergency shelter capacity, adheres to the agreement from the last session, and limits unnecessary appropriations while we monitor federal action.

This compromise proposal, or something similar, remains on the table.

For these reasons, I'm vetoing H.141 pursuant to Chapter II, Section 11 of the Vermont Constitution.

It's my hope the Legislature will reconsider and send me a budget adjustment I can agree to.

Sincerely,

Philip B. Scott
Governor

For Informational Purposes
NOTICE OF JOINT ASSEMBLY

Thursday, March 20, 2025 - 10:30 A.M. - House Chamber - Retention of seven Superior Court Judges and one Magistrate.

CROSSOVER DATES

The Joint Rules Committee established the following crossover dates:

(1) All **Senate/House** bills must be reported out of the last committee of reference (including the Committees on Appropriations and Finance/Ways and Means, except as provided below in (2) and the exceptions listed below) on or before **Friday, March 14, 2025**, and filed with the Secretary/Clerk so they may be placed on the Calendar for Notice the next legislative day – Committee bills must be voted out of Committee by **Friday, March 14, 2025**.

(2) All **Senate/House** bills referred pursuant to Senate Rule 31 or House Rule 35(a) to the Committees on Appropriations and Finance/Ways and Means must be reported out by the last of those committees on or before **Friday, March 21, 2025**, and filed with the Secretary/Clerk so they may be placed on the Calendar for Notice the next legislative day.

Exceptions to the foregoing deadlines include the major money bills (the general Appropriations bill (“The Big Bill”), the Transportation Capital bill, the Capital Construction bill, and the Fee/Revenue bills).

HOUSE CONCURRENT RESOLUTION (H.C.R.) PROCESS

Joint Rules 16a–16d provide the procedure for the General Assembly to adopt concurrent resolutions pursuant to the Consent Calendar. Here are the steps for Representatives to introduce an H.C.R. and to have it ceremonially read during a House session:

1. Meet with Legislative Counselor Michael Chernick regarding your H.C.R. draft request. Come prepared with an idea and any relevant supporting documents.
2. Have a date in mind if you want a ceremonial reading. You should meet with Counselor Chernick at least two weeks prior to the week you want your ceremonial reading to happen.
3. Counselor Chernick will draft your H.C.R., and Resolutions Editor and Coordinator Jill Pralle will edit it. Upon completion of this process, a

paper or electronic copy will be released to you. If a paper copy is released to you, a sponsor signout sheet will also be included.

4. Please submit the sponsor list to Counselor Chernick by paper *or* electronically, but not both.
5. The final list of sponsors needs to be submitted to Counselor Chernick not later than 12:00 noon the Thursday of the week prior to the H.C.R.'s appearance on the Consent Calendar.
6. The Office of Legislative Counsel will then send your H.C.R. to the House Clerk's Office for incorporation into the Consent Calendar and House Calendar Addendum for the following week.
7. The week that your H.C.R. is on the Consent Calendar, any presentation copies that you requested will be mailed or available for pickup on Friday, after the House and Senate adjourn, which is when your H.C.R. is adopted pursuant to Joint Rules.
8. Your H.C.R. can be ceremonially read during a House session once it is adopted. If you would like to schedule a ceremonial reading, contact Second Assistant Clerk Courtney Reckord to confirm your requested ceremonial reading date.

JOINT FISCAL COMMITTEE NOTICES

Grants and Positions that have been submitted to the Joint Fiscal Committee by the Administration, under 32 V.S.A. §5(b)(3)(D):

JFO #3244: \$2,335,401.00 to the Agency of Human Services, Department of Health from the Substance Abuse and Mental Health Services Administration. Funds support continued crisis counseling assistance and training in response to the July 2024 flood event. *[Received February 7, 2025]*

JFO #3245: \$250,000.00 to the Agency of Human Services, Department of Health from the National Association of State Mental Health Program Directors. Funds used to provide trainings for crisis staff and to make improvements to the State's crisis system dispatch platform. *[Received February 7, 2025]*