House Calendar

Thursday, March 20, 2025

72nd DAY OF THE BIENNIAL SESSION

House Convenes at 1:00 P.M.

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ACTION CALENDAR

Action Postponed Until March 20, 2025

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.)

Amendment to be offered by Reps. Sibilia of Dover, Donahue of Northfield, Headrick of Burlington, and Lipsky of Stowe to H. 474

That the bill be amended by adding a reader assistance heading and a new section to be Secs. 5a to read as follows:

* * * Independent Candidate Filing Deadline * * *

Sec. 5a. 17 V.S.A. § 2402 is amended to read:

§ 2402. REQUISITES OF STATEMENT

* * *

(d)(1) A statement of nomination and a completed and signed consent form shall be filed:

* * *

(C) in the case of any other independent candidate, not earlier than the fourth Monday in April and not later than 5:00 p.m. on the Thursday preceding fourteenth day following the primary election prescribed by section 2351 of this chapter, and not later than 5:00 p.m. of the third day prior to fourteenth day following the day of a special primary election.

* * *

Favorable with Amendment

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)

New Business

Third Reading

H. 80

An act relating to the Office of the Health Care Advocate

H. 209

An act relating to intranasal epinephrine in schools

H. 219

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

H. 222

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

H. 243

An act relating to the regulation of business organizations

H. 342

An act relating to protecting the personal information of certain public servants

Committee Bill for Second Reading

H. 480

An act relating to miscellaneous amendments to education law

(Rep. Conlon of Cornwall will speak for the Committee on Education.)

Amendment to be offered by Rep. Boutin of Barre City to H. 480

That the bill be amended by adding a reader assistance heading and one new section to be Sec. 8a to read as follows:

* * * Retirement Allowance for Interim Educators * * *

Sec. 8a. 2022 Acts and Resolves No. 173, Sec. 1 is amended to read:

Sec. 1. FY 2023; RESTORATION OF SERVICE; VERMONT STATE TEACHERS' RETIREMENT SYSTEM

- (a) Authority. Notwithstanding 16 V.S.A. § 1939 or any other provision of law, in fiscal year 2023, a beneficiary who retired from the System as a Group A or a Group C member may resume service, as that term is defined in 16 V.S.A. § 1931, to serve as an interim school educator for a period not to exceed one school year and receive the beneficiary's retirement allowance for the entire period that service is resumed, provided that:
- (1) the beneficiary has received a retirement allowance for six months or more immediately preceding the resumption of service;
- (2) the employer of the beneficiary is subject to the assessment set forth in 16 V.S.A. § 1944d on behalf of the beneficiary and remits payment to the Benefits Fund; and
- (3) the employer of the beneficiary remits payment to the Vermont Teachers' Retirement Fund, established in 16 V.S.A. § 1944, in an amount equal to the contribution rate established for members of the beneficiary's group for any period that service is resumed.
- (b) Period of service. A person who resumes service under subsection (a) of this section shall not make any contributions to the System during the person's period of service and shall not be entitled to a retirement allowance separately computed for the period that service was resumed.
- (c) Employment certification. Each superintendent who hires an interim school educator pursuant to subsection (a) of this section shall certify to the Board that the district exhausted all reasonable options to employ a qualified active educator prior to employing a beneficiary as an interim school educator.

(d) Renewal.

- (1) In fiscal years 2024 and 2025 through 2027, the State Treasurer is authorized to grant not more than two four renewals for a one-fiscal-year period to the authority described in subsection (a) of this section. The State Treasurer shall make the determination to renew the authority not earlier than June May 1 but not later than June 30 May 31 in each fiscal year and shall notify the House Committee on Government Operations and Military Affairs and Senate Committees Committee on Government Operations of the determination.
- (2) In the event the State Treasurer makes a determination to renew the authority pursuant to subdivision (1) of this subsection, a beneficiary may only

resume service during each one-year renewal period if service is performed in a different interim school educator position. [Repealed.]

(e) Repeal. This section shall be repealed on June 30, 2026 2028.

H. 482

An act relating to Green Mountain Care Board authority to adjust a hospital's reimbursement rates and to appoint a hospital observer

(Rep. Black of Essex will speak for the Committee on Health Care.)

H. 483

An act relating to the expansion of existing income tax credits

(Rep. Kimbell of Woodstock will speak for the Committee on Ways and Means.)

Favorable with Amendment

H. 398

An act relating to the Vermont Economic Development Authority

Rep. Carris-Duncan of Whitingham, 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. 10 V.S.A. chapter 12 is amended to read:

CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT AUTHORITY

* * *

§ 212. DEFINITIONS

As used in this chapter:

* * *

(6) "Eligible facility" or "eligible project" means any industrial, commercial, or agricultural enterprise or endeavor approved by the Authority that meets the criteria established in the Vermont Sustainable Jobs Strategy adopted by the Governor under section 280b of this title used in a trade or business whether or not such business is operated for profit, including land and rights in land, air, or water; buildings; structures; machinery; and equipment of such eligible facilities or eligible projects, except that an eligible facility or project shall not include the portion of an enterprise or endeavor relating to the sale of goods at retail where such goods are manufactured primarily out of State, and except further that an eligible facility or project shall not include the

portion of an enterprise or endeavor relating to housing unless otherwise authorized in this chapter. Such enterprises or endeavors may include:

* * *

(T) Any capital improvement; purchase of receivables, property, assets, commodities, bonds, or other revenue streams or related assets; working capital program or liability; or other insurance program.

* * *

(9) "Insurance contract" means a contract insuring mortgage payments under subchapter 2 of this chapter. [Repealed.]

* * *

- (11) "Maturity date," as used in subchapter 2 of this chapter, means the date upon which the note or other evidence of indebtedness secured by a mortgage would be extinguished if paid in accordance with the mortgage payments. [Repealed.]
- (12) "Mortgage," as used in subchapter 2 of this chapter, means a first mortgage upon an eligible facility given by a mortgagor, as herein defined, to secure the repayment of amounts borrowed to pay costs of a project. [Repealed.]
- (13) "Mortgage payments," as used in subchapter 2 of this chapter, means the periodic payments called for by a mortgage that shall cover lease land rentals, if any, mortgage insurance premiums, interest, installments of principal, taxes and assessments, hazard insurance payments, and any other payments called for in the mortgage. [Repealed.]
- (14) "Mortgagee," as used in subchapter 2 of this chapter, means the original lender under a mortgage and its successors and assigns, if approved by the Authority. [Repealed.]
- (15) "Mortgagor," as used in subchapter 2 of this chapter, means the original borrower under a mortgage or a security agreement and its successors and assigns, if approved by the Authority. [Repealed.]

* * *

§ 213. AUTHORITY; ORGANIZATION

* * *

(c) The Authority shall elect a chair from among its appointed members, and a vice chair and treasurer other officers from among its members and shall employ a manager who shall hold office at the Authority's pleasure and who,

unless he or she the individual is a member of the classified service under 3 V.S.A. chapter 13, shall receive such compensation as may be fixed by the Authority with the approval of the Governor. A quorum shall consist of eight members. Members disqualified from voting under section 214 of this title shall be considered present for purposes of determining a quorum. No action of the Authority shall be considered valid unless the action is supported by a majority vote of the members present and voting and then only if at least five members vote in favor of the action.

* * *

(i) The Authority shall study and report back to the Legislature no later than January 15, 1989 on the feasibility of hiring full-time counsel in lieu of retaining outside counsel. [Repealed.]

§ 214. MEMBERS; DISQUALIFICATION

A member of the Authority may not participate in any decision:

* * *

(2) Upon any insurance contract under subchapter 2 of this chapter or loan under subchapter 5 of this chapter, if the member is a member, director, trustee, employee, or officer of; or has any interest direct or indirect in; or owns any stock, bonds, or other liabilities issued by or authorized by the prospective mortgagor, mortgagee, or tenant;

* * *

§ 215. MANAGER; DUTIES

The manager shall be the chief administrative officer of the Authority and shall direct and supervise the administrative affairs and technical activities of the Authority in accordance with any rules, regulations, and policies, and procedures set forth by the Authority. In addition to any other duties, the manager shall:

- (4) work closely with the Agency of Commerce and Community Development and provide assistance to the various divisions of that Agency when requested to facilitate the planning and financing of projects; and
- (5) make recommendations and reports, in cooperation with the Agency of Commerce and Community Development, to the Authority on the merits of any proposed project, on the status of local development corporations, and on suitable industrial sites; [Repealed.]

(6) perform such other duties as may be directed by the Authority in the carrying out of the purposes of this chapter.

§ 216. AUTHORITY; GENERAL POWERS

The Authority is hereby authorized:

(1) To sue and be sued in its own name and plead and be impleaded; service of process upon it in any action shall be made by service upon the Secretary of State either in hand or by leaving a copy of the process at his or her the Secretary's office.

* * *

(3) To adopt and from time to time amend bylaws, and rules, and regulations for the calling and conduct of its meetings and for the conduct of its affairs, including regulations rules, policies, and procedures relating to applications for financial assistance and disclosure of information supplied to it.

* * *

(10) To administer its own funds and to invest or deposit funds which that are not needed currently to meet the obligations of the Authority.

* * *

(13) To cause to be incorporated in Vermont a nonprofit corporation that will qualify as a State development company under Title 15 of the U.S. Code 15 U.S.C. § 695 and rules and regulations adopted promulgated pursuant thereto. The voting members of the Authority shall be members of the company and shall constitute the board of directors of the company. The company shall have at least 14 other members selected by the members of the Authority. The company shall be organized and operate under the nonprofit corporation laws of the State of Vermont to the extent not inconsistent herewith. The Authority shall have the power to contract with the company to provide staff and management needs of the company. The Authority is authorized to contribute to the capital of the company in an amount the Authority determines is necessary and appropriate.

* * *

(15) To delegate to loan officers the power to review, approve, and make loans under this chapter, subject to the approval of the manager, and to disburse funds on such loans, subject to the approval of the manager as set forth in the policies and procedures of the Authority.

§ 217. RECORDS; ANNUAL REPORT; AUDIT

(a) The Authority shall keep an accurate account of all its activities and of all its receipts and expenditures. Information and records in connection with an application for an insurance contract under subchapter 2 of this chapter shall be preserved for three years after the application has been denied or, if the application is accepted, for three years after the mortgage has been discharged and thereafter until the Authority orders them destroyed.

* * *

(c) The Auditor of Accounts of the State and his or her the Auditor's authorized representatives may at any time examine the accounts and books of the Authority, including its receipts, disbursements, contracts, funds, investments, and any other matters relating to its financial statements.

* * *

§ 217a. APPLICATION

Among such other things as may be required by the Authority, any application for financing or for mortgage insurance under this chapter shall state in detail on the application the nature and purpose of the business and its products for which the loan, or revenue bonds or mortgage insurance is are intended to benefit.

* * *

§ 231. ASSISTANCE TO LOCAL DEVELOPMENT CORPORATIONS

Upon application of a local development corporation, the Authority may loan money to that local development corporation, upon such terms and conditions as it may prescribe, for the purpose of industrial park planning and development, for constructing or improving a speculative building or small business incubator facility on land owned or held under lease by the local development corporation, for purchase or improvement of existing buildings suitable for or which can be made suitable for industrial or small business incubation facility purposes and for the purchase of land in connection with any of the foregoing. Before the local development corporation receives such funds for such purposes from the Authority, it shall give to the Authority security for the repayment of the funds. The security shall be in such form and amounts as the Authority may determine and shall, in each instance, include a first mortgage on the land, or the leasehold, building, and appurtenances financed by such funds. Loans by the Authority to local development corporations for the construction of speculative buildings or improvements to those buildings shall be repaid in full, including interest and other charges, within 90 days after the building is occupied if the building is being sold, or

within five years after the property is occupied if the building is being leased, or within such period of time deemed reasonable by the Authority. Loans by the Authority to local development corporations for the construction, purchase, or improvement of small business incubator facilities shall be repaid in full, including interest and other charges, within ten 20 years after the property is occupied.

* * *

§ 244. BONDS

* * *

(b) Bonds shall bear the manual <u>or electronic</u> signature of the treasurer of the municipality and the manual, <u>electronic</u>, or facsimile signature or signatures of the mayor or a majority of the selectboard or trustees as the case may be. Interest coupons, if any, shall bear the facsimile signature of the treasurer. If the municipality has a corporate seal, bonds shall bear the seal or a facsimile of the seal. Bonds executed in accordance with this subchapter shall be valid notwithstanding that before the delivery thereof and payment therefor any or all of the persons whose signatures appear thereon shall have ceased to hold office.

* * *

§ 253. STATE AUTHORITY PROJECTS

- (a) The State of Vermont Authority may engage in projects within the state State in accordance with the provisions of this subchapter. For the purposes of this section and section 254 of this title:
- (1) The word "municipality" as used in the sections of this subchapter other than this section shall mean the "State of Vermont" "Authority";

- (b) For the purposes of engaging in a project, the Authority shall act in the name of the State and on its behalf of the State as its agent and instrumentality for the execution of financing documents, security documents, bonds, and other appropriate instruments or for the taking of any action with respect to a project financed in whole or in part by the issue of bonds under section 254 of this title.
- (c) Title to or possessory interest in any eligible facility that is financed in whole or in part by the issue of bonds pursuant to section 254 of this title may be taken and held in the name of the State Authority. In performing its functions under this section, the Authority may exercise any and all powers conferred upon municipalities by this subchapter, but the Authority shall not

execute any financing document, security document, or bond with respect to a project until the Authority has made the findings required by section 246 of this title.

* * *

§ 254. STATE BONDS

* * *

- (c) Bonds issued under this section shall bear the manual, electronic, or facsimile signature of the manager or treasurer of the Authority and the manual or facsimile signature of the Chair or Vice Chair of the Authority, or authorized designee and agent; provided, however, that at least one of the foregoing such signatures shall be manual unless the bonds are to be manually authenticated by a bank or trust company serving as trustee for the bonds. The details of the bonds shall be fixed by the signing officers in accordance with section 244 of this title. Bonds shall be sold by the signing officers at public or private sale, and the proceeds thereof shall be paid to the trustee, lender, or disbursing agent under the security document that secures the bonds.
- (d) No financing or security document, or bond, or other instrument issued or entered into in the name and on behalf of the State under this subchapter shall in any way obligate the State to raise any money by taxation or use other funds for any purpose to pay any debt or meet any financial obligation to any person at any time in relation to an eligible facility financed in whole or in part by the issue of the Authority's bonds under this subchapter, except from monies received or to be received under a financing or security document entered into under this subchapter or except as may be required by any other provision of law. Notwithstanding the provisions of this subsection, the State may accept and expend with respect to an eligible facility any gifts or grants received from any source in accordance with the terms of the gifts or grants.

- (f) Bonds may be issued by the Authority under this subchapter for the purpose of making loans to local development corporations for industrial park planning and development, constructing, or improving a speculative building or small business incubator facility on land owned or held under lease by the local development corporation, purchase or improvement of existing buildings suitable or that can be made suitable for industrial or business incubation purposes, and purchase of land in connection with any of the foregoing.
- (1) Before issuing bonds for construction of a speculative building or small business incubator facility and the purchase of land in connection

therewith, the Authority shall make the determinations and incorporate in its minutes the findings that:

- (A) the project is within the scope of this chapter, will be of public use and benefit, and may reasonably be expected to create new employment opportunities;
- (B) the proposed site for the speculative building or small business incubator facility will be located on adequate land owned or to be acquired by the local development corporation or leased by the local development corporation on terms satisfactory to the Authority;
- (C) an adequate access road from a public highway is provided to the proposed site and that such utilities as water, sewer, and power facilities are available, or will be available when the speculative building or small business incubator facility is completed;
- (D) the project plans comply with all applicable environmental, zoning, planning, and sanitary laws and regulations of the municipality where it is to be located and of the State of Vermont;
- (E) the local development corporation is responsible and has presented evidence to demonstrate its ability to carry out the project as planned;
- (F) evidence has been presented demonstrating the feasibility of the site as a location for business, and additional evidence has been presented that an adequate supply of labor is available within the labor market area to serve a business located on the site;
- (G) the local development corporation has made adequate provisions for insurance protection of the building while it is unoccupied and suitable arrangements have been made for fire protection and maintenance while it is unoccupied;
- (H) the project will be without unreasonable risk of loss to the Authority, and the local development corporation is unable to secure on reasonable terms the funds required for the project without the assistance of the Authority;
- (I) the financing and security documents contain provisions such that under no circumstances is the State obligated directly or indirectly to pay project costs; debt service; or expenses of operation, maintenance, and upkeep of the facility except from bond proceeds or from funds received under the financing or security documents, exclusive of funds received thereunder by the State for its own use;

- (J) neither the financing document nor the security document purports to create any debt of the State with respect to the eligible facility, other than a special obligation of the State under this chapter required by section 232 of this title.
- (2) Before issuing bonds for industrial park planning and development and the purchase of land in connection therewith, the Authority shall make the determinations and incorporate in its minutes the findings that:
- (A) the proposed industrial park is on adequate land owned or to be owned by the local development corporation or leased by the local development corporation on terms satisfactory to the Authority;
- (B) an adequate access road from a public highway is provided to the proposed site, and utilities, including water, sewer, and power facilities, are available or will be available for any future tenant located in the park;
- (C) the total industrial park will be planned by architects and engineers acceptable to the Authority;
- (D) no more than 80 percent of the fair market value of the industrial park, as shown by appraisal by an appraiser acceptable to the Authority, is to be financed under the loan;
- (E) the park project is within the scope of this chapter, will be of public use and benefit, and may reasonably be expected to create new employment opportunities;
- (F) the park project complies with all applicable environmental, zoning, planning, and sanitary laws and regulations of the municipality in which it is to be located and of the State of Vermont;
- (G) the local development corporation is responsible and has presented evidence to demonstrate its ability to carry out the park project as planned;
- (H) evidence has been presented demonstrating the feasibility of the site as a location for industry, and additional evidence has been presented that an adequate supply of labor is available within the labor market area to serve an industry located on the site;
- (I) the park project will be without unreasonable risk of loss to the Authority, and the local development corporation is unable to secure on reasonable terms the funds required for the project without the assistance of the Authority;
- (J) the financing and security documents contain provisions such that under no circumstances is the State obligated directly or indirectly to pay

project costs; debt service; or expenses of operation, maintenance, and upkeep of the facility except from bond proceeds or from funds received under the financing or security documents, exclusive of funds received thereunder by the State for its own use;

- (K) neither the financing document nor the security document purports to create any debt of the State with respect to the eligible facility, other than a special obligation of the State under this chapter required by section 237 of this title.
- (3) All determinations and findings made by the Authority pursuant to this section shall be conclusive Financing and security documents shall contain provisions such that under no circumstances is the State obligated directly or indirectly to pay project costs; debt service; or expenses of operation, maintenance, and upkeep of the facility except from bond proceeds or from funds received under the financing or security documents, exclusive of funds received thereunder by the State for its own use.
- (4) Financing and security documents shall not create any debt of the State with respect to the eligible facility, other than a special obligation of the State under this chapter.
- (g) Bonds issued by the Authority under this subchapter may be secured, in whole or in part, by mortgage insurance under subchapter 2 of this chapter upon the terms and conditions set forth in subchapter 2 and in this subsection. Such insurance may be in the form of reinsurance or may be for the purpose of ereating a loan loss reserve, in a case where the bonds are also secured by the mortgage insurance from another source. The principal amount of bonds so secured outstanding at any time with respect to facilities of any one user, or any related person, in any one municipality, shall not exceed \$2,500,000.00. For purposes of this subsection, the term "mortgagee" as used in subchapter 2 of this chapter shall mean the purchasers of the bonds, or where appropriate the trustee under the security document; the mortgage payments to be insured shall be those required to be made by the user under the financing document; and bond proceeds, instead of being used to pay project costs directly, may be used to purchase participation in loans originated by local banks or other responsible financial institutions where the proceeds of such loans have been used to pay project costs. In authorizing mortgage insurance to secure bonds, the Authority shall make all of the findings and determinations set forth in subsection 221(a) of this title, except that the principal of the mortgage cannot exceed \$2,500,000.00. In authorizing any bonds that are to be secured by mortgage insurance, the Authority shall make all of the findings and determinations set forth in section 246 of this title, and may make the findings set forth in subdivisions 246(5) and (7) of this title, notwithstanding the fact

that the mortgage insurance will create a contingent liability of the Authority. The creation of such contingent liability shall not be deemed to violate the prohibition contained in subsection (d), and the statement required on each bond that it does not constitute an indebtedness of the State may be modified to refer to the mortgage insurance. Separate series of bonds all of which are secured by mortgage insurance may be combined pursuant to subsection (e) of this section, and the proceeds of any payment of such mortgage insurance may be allocated and applied by the trustee for the benefit of the bondholders in accordance with the terms of the security document providing for the combined financing All determinations and findings made by the Authority pursuant to this section shall be conclusive.

- (h) The Authority is authorized to pledge security and to enter into security, insurance, or other forms of credit enhancement. A pledge in any agreement shall be valid and binding from the time such pledge shall be made without any physical delivery or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise, irrespective of whether such parties have notice thereof. Any such pledge shall be perfected by filing of the agreement in the records of the Authority and no filing need be made under any other provision of law.
- (i) The Authority may purchase any bond issued under this subchapter 4. Subject to the terms of any agreement with the bondholders, the Authority may hold, pledge, resell, or cancel any bond purchased under this paragraph, expect that a purchase under this paragraph shall not cause the extinguishment of such bond unless the Authority cancels the bond or otherwise certifies its intention that the bond be extinguished.
- (j) No designated member, director, officer, employee, or agent of the Authority shall be liable personally on the bonds or any contract entered into by the Authority or subject to any personal liability or accountability by reason of the issuance of the bonds unless the personal liability or accountability is the result of intentional misconduct.

Subchapter 5. Direct Mortgage Loans

§ 261. ADDITIONAL POWERS

In addition to powers enumerated elsewhere in this chapter, the Authority may:

(1) Make loans secured by mortgages <u>or other assets</u>, which may be subordinate to one or more prior mortgages <u>or liens</u>, upon application by the proposed <u>mortgagor obligor</u>, who may be a private corporation, nonprofit organization, partnership, person, or municipality financing an eligible project

described in subdivision 212(6) of this title, upon such terms as the Authority may prescribe, for the purpose of financing the establishment or expansion of eligible facilities. Such loans shall be made from the Vermont Jobs Fund established under subchapter 3 of this chapter. The Authority may provide for the repayment and redeposit of such loans as provided in this subchapter.

* * *

(3) Purchase prior mortgages secured loans and make payments on prior mortgages secured loans on any eligible facility where the purchase or payment is necessary to protect any loan previously made by the Authority. In addition, the Authority may sell, transfer, convey, and assign any such prior mortgage or security. Monies used by the Authority in the purchase of any prior mortgages mortgage or security, or any payments thereon, shall be withdrawn from the Vermont Jobs Fund, and any monies derived from the sale of any prior mortgages mortgage or security shall be deposited by the Authority in the Vermont Jobs Fund.

* * *

§ 262. FINDINGS

Before making any loan, the Authority shall receive from an applicant a loan application in such form as the Authority may by regulation rule prescribe, and the Authority, or the Authority's loan officer pursuant to the provisions of subdivision 216(15) of this title, shall determine and incorporate findings in its minutes that:

- (1) The project is within the scope of this chapter and will increase or maintain employment and expand the economy of the State.
- (2) The project plans comply with all applicable environmental, zoning, planning, and sanitary laws and regulations of the municipality where it is to be located and of the State of Vermont.

- (5) The principal obligation of the Authority's mortgage <u>loan</u> does not exceed \$5,000,000.00, which may be secured by land and buildings or by machinery and equipment, or both, unless:
- (A) an integral element of the project consists of the generation of heat or electricity employing biomass, geothermal, methane, solar, or wind energy resources to be primarily consumed at the project, in which case the principal obligation of the Authority's mortgage loan does not exceed \$6,000,000.00, which may be secured by land and by buildings or machinery and equipment, or both; such principal obligation does not exceed 40 percent

of the cost of the project; and the mortgagor obligor is able to obtain financing for the balance of the cost of the project from other sources as provided in the following section; or

* * *

- (6) The mortgagor obligor is responsible and able to manage its responsibilities as mortgagor obligor and owner of the project.
- (7) The mortgage <u>loan</u> has a satisfactory maturity date, in no case later than 20 years from the date of the mortgage.
- (8) The mortgagor obligor is unable to finance the project upon reasonable terms without the assistance of the requested loan from the Authority, or in the alternative, the granting of the loan will serve as a substantial inducement for the establishment or expansion of an eligible project within the State.
- (9) The mortgagor obligor has made adequate provision for insurance protection of the project while the loan is outstanding.

* * *

§ 263. MORTGAGE LOAN; LIMITATIONS

- (a) When it has been determined by the Authority that the establishment or expansion of a particular eligible facility will accomplish the public purposes of this act, the Authority may contract to loan to the mortgagor obligor an amount not in excess of 40 percent of the cost of such eligible facility. In addition, the Authority shall have determined that the mortgagor obligor has obtained from other independent and responsible sources, such as banks and insurance companies financial institutions or otherwise, a firm commitment for all other funds, over and above the loan of the Authority and such funds or property as the local development corporation may hold, necessary for payment of all of the cost of the project, and that the sum of all these funds, together with any funds, machinery, and equipment to be provided by the mortgagor obligor is adequate for the completion and operation of the project.
- (b) Any loan of the Authority under this subchapter shall be for a period of time and shall bear interest at such rate as determined by the Authority and shall be secured by a mortgage on the eligible facility or a lien on its assets for which the loan was made or upon the assets of a municipal communications plant, including the net revenues derived from the operation thereof, or both. The mortgage secured loan may be subordinate to one or more prior mortgages loans, including the mortgage liens securing the obligation issued to secure the commitment of funds from the independent and responsible sources and used in the financing of the economic development project. Monies loaned by the

Authority shall be withdrawn from the Vermont Jobs Fund and paid over to the mortgagor obligor in such manner as provided and prescribed by the rules and regulations of the Authority. All payments of principal and interest on the loans shall be deposited by the Authority in the Vermont Jobs Fund.

(c) Loans by the Authority for an eligible facility under this subchapter shall be made only in the manner and to the extent provided in this section, except, however, in those instances where an agency of the federal government participates in the financing of an eligible facility by loan, grant, or otherwise. When any federal agency participates, the Authority may adjust the required ratio of financial participation by the local development corporation, independent sources of funds, and the Authority in such manner as to ensure the maximum benefit available by the participation of the federal agency. Where any federal agency participating in the financing of an eligible facility is not permitted to take as security a mortgage, the lien of which is junior to the mortgage of the Authority, the Authority shall be authorized to take as security for its loan a mortgage junior in lien to that of the federal agency.

* * *

§ 264. ACCELERATED REPAYMENT PROVISIONS

Any direct mortgage loan made on or after July 1, 1988 under this subchapter shall be conditioned upon the maintenance of a reasonable level of employment at the facility or facilities owned by the mortgagor obligor and pledged as security for the loan. For the purposes of this section, a reasonable level of employment shall be deemed not to have been maintained whenever a mortgagor an obligor employing 50 or more employees at such facility or facilities permanently transfers, within any three-year period, 50 percent or more of those employees or employment positions to any out-of-state facility. Upon breach of this condition, the Authority may declare all principal and interest of the mortgage loan immediately due and payable and may commence foreclosure on any property held as security for the mortgage loan or take any other lawful steps to obtain payment.

* * *

§ 279c. VERMONT EXPORT FINANCE PROGRAM

* * *

(e) Any excess of revenues over expenses derived from this program shall be deposited in the development fund Vermont Jobs Fund.

* * *

§ 280a. ELIGIBLE PROJECTS; AUTHORIZED FINANCING PROGRAMS

- (a) The Authority may develop, modify, and implement any existing or new financing program, provided that any specific project that benefits from such program shall meet the criteria contained in the Vermont Sustainable Jobs Strategy adopted under outlined in section 280b of this title, and provided further that the program shall meet the criteria contained in the Vermont Sustainable Jobs Strategy adopted under section 280b of this title. These programs may include:
- (1) the Mortgage Insurance Program, administered under chapter 12, subchapter 2 of this title; [Repealed.]

* * *

- (11) a program that would award grants made to eligible and qualified recipients as directed by the Agency of Agriculture, Food and Markets or the Agency of Natural Resources for the purpose of funding water quality initiatives approved by the agencies, provided that the maximum amount of grants awarded by the Authority pursuant to the program shall not exceed \$1,340,238.00 in the aggregate; or
- (12) loans to agricultural enterprises or endeavors administered by the Authority under chapter 16A of this title and any programs created thereunder.
- (b) This section shall not apply to the Job Start Program authorized by chapter 12, subchapter 7 of this title, and the agricultural finance programs authorized by chapter 16 of this title. [Repealed.]

§ 280b. THE VERMONT SUSTAINABLE JOBS STRATEGY

- (a)(1) The Governor, with the advice of the Secretary of Commerce and Community Development and the Authority, shall adopt a Vermont sustainable jobs strategy for the State, in accordance with the provisions of this section Before issuing any funds to an eligible facility or eligible project under section 280a of this title, the Authority shall make a determination that the facility or project materially supports one of the following objectives:
- (A) creating or sustaining employment opportunities for Vermonters in proportion to the amount of financial assistance requested;
- (B) providing quality employment at wage and benefit levels sufficient to permit a reasonable standard of living by community standards, and at levels that may contribute to bringing Vermont's average wage up to or above 100 percent of the national average wage rate;
- (C) promoting employment opportunities in economically disadvantaged areas and communities in the State;

- (D) advancing the overall growth of wealth in the Vermont economy by promoting the production and sale of goods and services with a substantial Vermont content and those that utilize Vermont's unique human and natural resource base to markets outside of the State and nation, including visitors to, and travelers through, the State;
- (E) assisting the development of a business infrastructure that will contribute to sustainable economic development, to include the provision of necessary services, including shipping, warehousing, communications, repair and maintenance, technical services, distribution, and dependent care, particularly when intrastate capability in these areas can replace services currently provided by out-of-state suppliers;
- (F) encouraging economic development projects that reduce, mitigate, or eliminate the effects of climate change, the pollution of land, air, or water, or those that will interdict material within the State that, having served its intended purpose, would otherwise enter the solid waste disposal stream and that will cause the diversion of such material to useful purposes, or that will reuse or recycle any such post-consumer material;
- (G) encouraging commercial activity in the traditional downtown areas of the State and promoting through appropriate commercial adaptation the preservation of suitable buildings or structures that are historically or aesthetically significant;
- (H) encouraging economic development projects that are consistent with and sensitive to the needs of the communities in which such projects are located;
- (I) promoting entrepreneurial activity, recognizing that some of those that are the small businesses of today will be the large employers of tomorrow; and
- (J) aiding in the achievement of the economic development and business growth strategies adopted by the Vermont Economic Progress Council and the Vermont Department of Economic Development, wherever possible providing assistance to those categories of enterprise that may be designated as especially desirable for Vermont.
- (2) All determinations and findings made by the Authority pursuant to this section shall be conclusive.
- (b)(1) The Vermont sustainable jobs strategy shall contain the criteria upon which the Authority shall develop, modify, and implement its public financing programs, and the criteria for determining whether investments should be made in an eligible project. Such criteria shall include a requirement that,

before making any investment or other financial commitment, the Authority shall determine that the proposed project is of public use and benefit and is without unreasonable risk of loss to the Authority.

- (2) In adopting the Vermont sustainable jobs strategy, the Governor shall consider:
 - (A) the policies established in section 280 of this title; and
- (B) the economic policy and economic development plan of the State, as developed by the Economic Progress Council under subchapter 3 of chapter 29 of this title The Authority may adopt such policies and procedures necessary to define further any term or criterion used in this section or to set specific standards by which to measure the extent to which any proposed project meets the requirements of this section.
- (c)(1) Before adopting the Vermont sustainable jobs strategy, the Governor shall direct the Authority and the Secretary of Commerce and Community Development to solicit information and recommendations from the people and businesses of the State.
- (2) After soliciting information and recommendations, the Authority and the Secretary shall jointly develop a proposed Vermont sustainable jobs strategy. In developing a proposed strategy, the Authority and the Secretary shall consider how best to integrate Vermont's economic, social, and environmental values into a Vermont sustainable jobs strategy. The Authority and the Secretary shall jointly present their proposed strategy to the House Committee on Commerce and the Senate Committee on Economic Development, Housing and General Affairs meeting in joint hearing.
- (3) After legislative presentation, the Authority and the Secretary may amend the proposed strategy, and shall present the proposed strategy as amended to the Governor. The Governor may adopt the proposed strategy, or may return the proposed strategy to the Authority and the Secretary for further development and legislative presentation. After adoption of the Vermont sustainable jobs strategy, any amendments to the strategy may be adopted by the Governor in accordance with the process established by this section In deciding whether to provide financial assistance to an applicant, the Authority, after determining that a project meets its credit underwriting standards, shall take into account the criteria outlined in this section, the overall benefits of the project to the State and to the community in which it is proposed to be located, the amount of assistance requested, and the availability of Authority resources to fund the request.

Subchapter 15. Disaster Recovery Loan Fund

§ 280gg. DISASTER RECOVERY LOAN FUND

- (a)(1) There is established within the Authority the Vermont Disaster Recovery Loan Fund, referred to in this subchapter as "the Fund," the purpose of which is to enable the Authority to provide loans and other forms of financial assistance to businesses and agricultural enterprises after disasters.
- (2) The Authority shall consult with the Secretary of Commerce and Community Development and the Secretary of Agriculture in determining whether funds shall be made available following a disaster event impacting areas of the State. A consultation shall not be required in the event of a disaster declaration declared by the Governor or the President of the United States.

(b) The Authority shall establish:

- (1) policies and procedures for the Fund that the Authority determines are necessary to carry out the purposes of this subchapter; and
- (2) financing programs necessary to ensure timely delivery of financial assistance after a disaster.
- (c) The Authority shall limit the interest rates charged for loans provided utilizing funds from the Disaster Recovery Loan Fund to rates necessary to cover the costs of administering the Fund.
- (d) This is a revolving loan program and any excess of revenues over expenses derived from this program shall be deposited in the Fund.
- Sec. 2. 10 V.S.A. § 234 is redesignated and amended to read:

§ 234 220a. THE VERMONT JOBS FUND

(a) There is hereby created the Vermont Jobs Fund, hereinafter called the Fund, which shall be used by the Authority as a nonlapsing fund for the purposes of subchapters 3, 5, 9, and 10 of this chapter. To it shall be charged all operating expenses of the Authority not otherwise provided for and all payments of interest and principal required to be made by the Authority under this subchapter. To it shall be credited any appropriations made by the General Assembly for the purposes of subchapters 3, 5, 9, and 10 of this chapter and all payments required to be made to the Authority under subchapters 3, 5, 9, and 10 of this chapter, it being the intent of this section that the Fund shall operate as a revolving fund whereby all appropriations and payments made thereto, unless required to repay notes under the following section, may be applied and reapplied for the purposes of subchapters 3, 5, 9, and 10 of this chapter.

Monies in the Fund may be loaned at interest rates to be set by the Authority for the following:

- (1) Loans to local development corporations under this subchapter, provided that if the funds for any such loan are derived from the issue of notes to the State Treasurer under section 235 of this chapter, the loan shall bear interest at a rate not less than the rate on the notes chapter.
 - (2) Direct mortgage loans as described in subchapter 5 of this chapter.
- (3) Loans for the financing of export activities under subchapter 9 of this chapter.
- (4) Other loans as the Authority may prescribe under subchapter 10 of this chapter.
- (b) In order to provide monies in the Fund for loans under this chapter, the Authority may issue notes for purchase by the State Treasurer as provided in section 235 of this chapter.
- (e) Monies in the Fund may be loaned to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title at interest rates and on terms and conditions to be set by the Authority to establish a line of credit in an amount not to exceed \$100,000,000.00 to be advanced to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title.
- (d)(c) Monies in the Fund may be loaned to the Vermont Small Business Development Corporation to support its lending operations as established pursuant to subdivision 216(14) of this title at interest rates and on terms and conditions to be set by the Authority.
- (e)(d) Monies in the Fund may be loaned to the Vermont 504 Corporation to support its lending operations as established pursuant to subdivision 216(13) of this title at interest rates and on terms and conditions to be set by the Authority.
- (f)(e) The Authority may loan money from the Fund to the Vermont Sustainable Energy Loan Fund established under subchapter 13 of this chapter at interest rates and on terms and conditions set by the Authority.
- Sec. 3. 2024 Acts and Resolves No. 113, Sec. B.1100 is amended to read:
 - Sec. B.1100 MISCELLANEOUS FISCAL YEAR 2025 ONE-TIME APPROPRIATIONS

- (h) Department of Economic Development. In fiscal year 2025, funds are appropriated for the following:
- (1) \$150,000 General Fund for continued funding of the International Business Office previously funded by 2021 Acts and Resolves No. 74, Sec. G.300(b)(1); and
- (2) \$2,000,000 General Fund for a grant to the Vermont Economic Development Authority to establish a disaster relief fund for use by businesses and agricultural enterprises following a natural disaster.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee Vote: 11-0-0)

Rep. Stevens of Waterbury, for the Committee on Appropriations, recommends that the report of the Committee on Commerce and Economic Development be amended by striking out Sec. 3, 2024 Acts and Resolves No. 113, Sec. B.1100, in its entirety and by renumbering the remaining sections to be numerically correct.

(Committee Vote: 11-0-0)

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 bankruptey, 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 of, vacation leave of, 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 <u>the employer</u> reasonable written notice of intent to take leave under this <u>subchapter section</u>. 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 ehild, stepehild, foster ehild, 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 <u>family member</u> 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)

Amendment to be offered by Rep. Donahue of Northfield to the report of the Committee on General and Housing on H. 461

That the report of the Committee on General and Housing be amended in Sec. 3, 21 V.S.A. § 472, by striking out subsection (f) in its entirety and inserting in lieu thereof a new subsection (f) to read as follows:

- (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; or

(3) the employer was unable to find an employee willing to take the position on a time-limited basis and hiring a permanent replacement, after giving reasonable notice to the employee of intent to do so, was the only option available to enable the employer to prevent substantial and grievous economic injury to the employer's operations.

Action Postponed Until March 21, 2025

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:

- 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

NOTICE CALENDAR

Favorable with Amendment

H. 10

An act relating to approval of amendments to the charter of the City of Barre

Rep. Coffin of Cavendish, for the Committee on Government Operations and Military Affairs, recommends that the bill be amended in Sec. 2, 24 App. V.S.A. chapter 1, City of Barre, following section 206, vacancies, by inserting the following before the ellipses:

§ 207. VOTING ON REQUEST OF THE CITY MANAGER

- (a) Annually, on the first second Tuesday in March May, the legal voters of the City shall meet to vote on the requests of the City Manager.
- (b) If, at the annual March meeting, the voters disapprove the request of the City Manager, the Mayor, or in his or her absence or disability, the City Clerk, shall warn a general meeting of the legal voters to consider the article disapproved by the voters and to authorize a specific sum of money therefor. The meeting shall be in accordance with 17 V.S.A. §§ 2630–2689 and shall be held at the same location as the previous meeting with the polls open for the

same hours as the previous meeting. If the voters continue to disapprove any portion of the request, similar meetings shall be held in the same manner.

(Committee Vote: 11-0-0)

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 <u>Secretary of Natural Resources</u>, the House Committee on Environment and <u>Energy</u>, 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 <u>not having a valid permit or</u> 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) <u>Initial plan. The initial plan shall last for a period not to exceed</u> 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. 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 endof-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. 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)

Rep. Ode of Burlington, for the Committee on Ways and Means, recommends the bill ought to pass when amended as recommended by the Committee on Environment.

(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 <u>or administrative</u> <u>rules adopted pursuant to this title</u> 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) <u>Trim and harvest services</u>. <u>Trim and harvest services shall be</u> 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. <u>The Board shall offer one-year and two-year employee licenses.</u>
- (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)

Rep. Nigro of Bennington, for the Committee on Appropriations, recommends the bill ought to pass when amended as recommended by the Committee on Government Operations and Military Affairs, and when further amended as recommended by the Committee on Ways and Means.

(Committee Vote: 11-0-0)

Amendment to be offered by Rep. Higley of Lowell to the report of the Committee on Ways and Means on H. 321

That the report of the Committee on Ways and Means be amended in Sec. 13a, 32 V.S.A. § 7702, in subdivision (15), after "synthetic," by striking "and"

Favorable

H. 481

An act relating to stormwater management

(Rep. Logan of Burlington will speak for the Committee on Environment.)

Rep. Ode of Burlington, for the Committee on Ways and Means, recommends the bill ought to pass.

(Committee Vote: 11-0-0)

H. 484

An act relating to miscellaneous agricultural subjects

(**Rep. Nelson of Derby** will speak for the Committee on Agriculture, Food Resiliency, and Forestry.)

Rep. Masland of Thetford, for the Committee on Ways and Means, recommends the bill ought to pass.

(Committee Vote: 11-0-0)

H. 488

An act relating to the fiscal year 2026 Transportation Program and miscellaneous changes to laws related to transportation

(Rep. Walker of Swanton will speak for the Committee on Transportation.)

Rep. Canfield of Fair Haven, for the Committee on Ways and Means, recommends the bill ought to pass.

(Committee Vote: 10-0-1)

H. 489

An act relating to fiscal year 2025 budget adjustments

(Rep. Scheu of Middlebury will speak for the Committee on Appropriations.)

Rep. Kornheiser of Brattleboro, for the Committee on Ways and Means, recommends the bill ought to pass.

(Committee Vote: 7-4-0)

CONSENT CALENDAR FOR NOTICE

Concurrent Resolutions for Adoption Under Joint Rules 16a - 16d

The following concurrent resolutions have been introduced for approval by the Senate and House and will be adopted automatically unless a Senator or Representative requests floor consideration in that member's chamber prior to adjournment of the next legislative day. Requests for floor consideration in either chamber should be communicated to the Senate Secretary's Office or the House Clerk's Office, as applicable. For text of resolutions, see Addendum to House Calendar.

H.C.R. 53

House concurrent resolution honoring Megan Humphrey for her outstanding leadership of HANDS

H.C.R. 54

House concurrent resolution in memory of former Representative, Governor, and Interim University of Vermont President Thomas Paul Salmon

H.C.R. 55

House concurrent resolution recognizing April 2025 as the Month of the Military Child in Vermont

H.C.R. 56

House concurrent resolution designating April 18, 2025 as USS VERMONT (SSN 792) Day in Vermont

H.C.R. 57

House concurrent resolution recognizing March 25, 2025 as National Medal of Honor Day in Vermont

H.C.R. 58

House concurrent resolution recognizing April 18, 2025 as Electric Utility Lineworker Appreciation Day in Vermont

H.C.R. 59

House concurrent resolution honoring Linda C. Johnson for her outstanding State and national contributions to the prevention of child abuse

H.C.R. 60

House concurrent resolution designating March 25, 2025 as Intellectual and Developmental Disabilities Day at the State House

H.C.R. 61

House concurrent resolution recognizing March 2025 as National Athletic Training Month in Vermont

H.C.R. 62

House concurrent resolution commemorating the 50th anniversary of the Black Music Division at Bennington College

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 <u>not later than 12:00 noon the Thursday of the week prior</u> 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]