House Calendar

Tuesday, March 24, 2026

78th DAY OF THE ADJOURNED SESSION

House Convenes at 10:00 A.M.

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Favorable

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ORDERS OF THE DAY

ACTION CALENDAR

Action Postponed Until Tuesday, March 24, 2026

Third Reading

H. 817

An act relating to mental health support and substance use disorder prevention in schools

Amendment to be offered by Rep. North of Ferrisburgh to H. 817

That the bill be amended in Sec. 1, 18 V.S.A. § 7209, in subsection (c), by striking out subdivision (1)(C) in its entirety and inserting in lieu thereof a new subdivision (1)(C) to read as follows:

(C) Emphasizes school and community-based resources, parental consent to participate in programming, and how to access professional services when additional support is needed.

Committee Bill for Second Reading

H. 941

An act relating to municipal regulation of agriculture

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

New Business

Third Reading

H. 928

An act relating to technical corrections to fish and wildlife statutes

H. 932

An act relating to the regulation of forestry under Act 250

Favorable with Amendment

H. 211

An act relating to data brokers and personal information

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

Sec. 1. 9 V.S.A. chapter 62 is amended to read:

CHAPTER 62. PROTECTION OF PERSONAL INFORMATION

Subchapter 1. General Provisions

§ 2430. DEFINITIONS

As used in this chapter:

(1) "Authorized agent" means:

(A) a person designated by a consumer to act on the consumer's behalf;

(B) a parent or legal guardian that acts on behalf of the parent's child or on behalf of a child for whom the guardian has legal responsibility; or

(C) a guardian or conservator that acts on behalf of a consumer that is subject to a guardianship, conservatorship, or other protective arrangement.

(2)(A) "Biometric data" means that data generated from the technological processing of an individual's unique biological, physical, or physiological characteristics can be used to identify an individual, including:

(i) iris or retina scans;

(ii) fingerprints;

(iii) facial or hand mapping, geometry, or templates;

(iv) vein patterns;

(v) voice prints; and

(vi) gait or personally identifying physical movement or patterns.

(B) "Biometric data" does not include:

(i) a digital or physical photograph;

(ii) an audio or video recording; or

(iii) any data generated from a digital or physical photograph, or an audio or video recording, unless such data is generated to identify a specific individual.

(3)(A) "Brokered personal information" means ~~one or more of the following computerized data elements about a consumer, if categorized or organized for dissemination to third parties:~~

~~(i) name;~~

~~(ii) address;~~

~~(iii) date of birth;~~

~~(iv) place of birth;~~

~~(v) mother's maiden name;~~

~~(vi) unique biometric data generated from measurements or technical analysis of human body characteristics used by the owner or licensee of the data to identify or authenticate the consumer, such as a fingerprint, retina or iris image, or other unique physical representation or digital representation of biometric data;~~

~~(vii) name or address of a member of the consumer's immediate family or household;~~

~~(viii) Social Security number or other government-issued identification number; or~~

~~(ix) other information that, alone or in combination with the other information sold or licensed, would allow a reasonable person to identify the consumer with reasonable certainty~~ any information, including derived data and unique identifiers, that is linked or reasonably linkable, alone or in combination with other information, to an identified or identifiable individual or to a device that identifies, is linked to, or is reasonably linkable to one or more identified or identifiable individuals in a household.

(B) "Brokered personal information" does not include publicly available information ~~to the extent that it is related to a consumer's business or profession~~.

~~(2)~~(4) "Business" means a commercial entity, including a sole proprietorship, partnership, corporation, association, limited liability company, or other group, however organized and whether or not organized to operate at a profit, including a financial institution organized, chartered, or holding a license or authorization certificate under the laws of this State, any other state, the United States, or any other country, or the parent, affiliate, or subsidiary of a financial institution, but does not include the State, a State agency, any political subdivision of the State, or a vendor acting solely on behalf of, and at the direction of, the State.

~~(3)~~(5) "Consumer" means an individual residing in this State.

~~(4)~~(6)(A) "Data broker" means a business, or unit or units of a business, separately or together, that knowingly collects and sells or licenses to third parties the brokered personal information of a consumer with whom the business does not have a direct relationship.

(B) ~~Examples of a direct relationship with a business include if the consumer is a past or present:~~

~~(i) customer, client, subscriber, user, or registered user of the business's goods or services;~~

~~(ii) employee, contractor, or agent of the business;~~

~~(iii) investor in the business; or~~

~~(iv) donor to the business~~ As used in this subdivision (6), "direct relationship" means that a consumer has intentionally interacted with a business for the purpose of accessing, purchasing, using, requesting, or obtaining information about the business's products or services. A consumer does not have a direct relationship with a business if the purpose of the consumer's engagement is to exercise a consumer right or for the business to verify the consumer's identity. A business does not have a direct relationship with a consumer simply because the business collects brokered personal information directly from the consumer; the consumer must intend to interact with the business. A business is still a data broker and does not have a direct relationship with a consumer as to the brokered personal information the business sells about the consumer that it collected outside of a first-party interaction with the consumer.

~~(C) The following activities conducted by a business, and the collection and sale or licensing of brokered personal information incidental to conducting these activities, do not qualify the business as a data broker:~~

~~(i) developing or maintaining third-party e-commerce or application platforms;~~

~~(ii) providing 411 directory assistance or directory information services, including name, address, and telephone number, on behalf of or as a function of a telecommunications carrier;~~

~~(iii) providing publicly available information related to a consumer's business or profession; or~~

~~(iv) providing publicly available information via real-time or near-real-time alert services for health or safety purposes.~~

~~(D)~~(C) The phrase "sells or licenses" does not include~~:~~

~~(i)~~ a one-time or occasional sale of assets of a business as part of a transfer of control of those assets that is not part of the ordinary conduct of the business~~; or~~

~~(ii) a sale or license of data that is merely incidental to the business~~.

~~(5)(A) "Data broker security breach" means an unauthorized acquisition or a reasonable belief of an unauthorized acquisition of more than one element of brokered personal information maintained by a data broker when the brokered personal information is not encrypted, redacted, or protected by another method that renders the information unreadable or unusable by an unauthorized person.~~

~~(B) "Data broker security breach" does not include good faith but unauthorized acquisition of brokered personal information by an employee or agent of the data broker for a legitimate purpose of the data broker, provided that the brokered personal information is not used for a purpose unrelated to the data broker's business or subject to further unauthorized disclosure.~~

~~(C) In determining whether brokered personal information has been acquired or is reasonably believed to have been acquired by a person without valid authorization, a data broker may consider the following factors, among others:~~

~~(i) indications that the brokered personal information is in the physical possession and control of a person without valid authorization, such as a lost or stolen computer or other device containing brokered personal information;~~

~~(ii) indications that the brokered personal information has been downloaded or copied;~~

~~(iii) indications that the brokered personal information was used by an unauthorized person, such as fraudulent accounts opened or instances of identity theft reported; or~~

~~(iv) that the brokered personal information has been made public.~~

~~(6)~~(7) "Data collector" means a person who, for any purpose, whether by automated collection or otherwise, handles, collects, disseminates, or otherwise deals with personally identifiable information, and includes the State, State agencies, political subdivisions of the State, public and private universities, privately and publicly held corporations, limited liability companies, financial institutions, and retail operators.

~~(7)~~(8) "Encryption" means use of an algorithmic process to transform data into a form in which the data is rendered unreadable or unusable without use of a confidential process or key.

(9)(A) "GenAI system" means an artificial intelligence system that can generate derived synthetic content, including text, images, video, and audio, that emulates the structure and characteristics of the system's training data.

(B) As used in subdivision (A) of this subdivision (9), "artificial intelligence system" means an engineered or machine-based system that varies in its level of autonomy and that can, for explicit or implicit objectives, infer from the input it receives how to generate outputs that can influence physical or virtual environments.

(10) "Identified or identifiable individual" means an individual who can be readily identified, directly or indirectly.

~~(8)~~(11) "License" means a grant of access to, or distribution of, data by one person to another in exchange for consideration. A use of data for the sole benefit of the data provider, where the data provider maintains control over the use of the data, is not a license.

~~(9)~~(12) "Login credentials" means a consumer's user name or ~~e-mail~~ email address, in combination with a password or an answer to a security question, that together permit access to an online account.

~~(10)~~(13)(A) "Personally identifiable information" means a consumer's first name or first initial and last name in combination with one or more of the following digital data elements, when the data elements are not encrypted, redacted, or protected by another method that renders them unreadable or unusable by unauthorized persons, subject to the exception in subdivision (C) of this subdivision (13):

(i) a Social Security number;

(ii) a driver license or nondriver State identification card number, individual taxpayer identification number, passport number, military identification card number, or other identification number that originates from a government identification document that is commonly used to verify identity for a commercial transaction;

(iii) a financial account number or credit or debit card number, if the number could be used without additional identifying information, access codes, or passwords;

(iv) a password, personal identification number, or other access code for a financial account;

(v) ~~unique biometric data generated from measurements or technical analysis of human body characteristics used by the owner or licensee of the data to identify or authenticate the consumer, such as a fingerprint,~~

~~retina or iris image, or other unique physical representation or digital representation of~~ biometric data;

(vi) genetic information; and

(vii)(I) health records or records of a wellness program or similar program of health promotion or disease prevention;

(II) a health care professional's medical diagnosis or treatment of the consumer; or

(III) a health insurance policy number.

(B) "Personally identifiable information" does not ~~mean~~ include publicly available information ~~that is lawfully made available to the general public from federal, State, or local government records~~.

(C) "Personally identifiable information" does not require a consumer's first name or first initial and last name if any of the data elements contained in subdivisions (A)(i)–(vii) of this subdivision (13) is sufficient to perform or attempt to perform identity theft against the consumer.

(14) "Precise geolocation" means information derived from technology that can precisely and accurately identify the specific location of a consumer within a radius of 1,850 feet.

(15) "Processor" means a person who performs any operation or set of operations, whether by manual or automated means, on brokered personal information or on sets of brokered personal information, such as the collection, use, storage, disclosure, analysis, deletion, or modification of brokered personal information on behalf of a business.

(16)(A) "Publicly available information" means information that:

(i) is made available:

(I) through federal, state, or local government records; or

(II) to the general public from widely distributed media; or

(ii) a data broker has a reasonable basis to believe that the consumer has lawfully made available to the general public.

(B) "Publicly available information" does not include:

(i) biometric data collected by a business about a consumer without the consumer's knowledge;

(ii) information that is collated and combined to create a consumer profile that is made available to a user of a publicly available website either in exchange for payment or free of charge;

(iii) information that is made available for sale;

(iv) an inference about a consumer that is generated from the information described in subdivision (ii) or (iii) of this subdivision (16)(B);

(v) any obscene visual depiction, as defined in 18 U.S.C. § 1460;

(vi) brokered personal information that is created through the combination of brokered personal information with publicly available information;

(vii) genetic data, unless otherwise made publicly available by the consumer to whom the information pertains;

(viii) information provided by a consumer on a website or online service made available to all members of the public, for free or for a fee, where the consumer has maintained a reasonable expectation of privacy in the information, such as by restricting the information to a specific audience; or

(ix) intimate images, authentic or computer-generated, known to be nonconsensual.

~~(11)~~(17) "Record" means any material on which written, drawn, spoken, visual, or electromagnetic information is recorded or preserved, regardless of physical form or characteristics.

~~(12)~~(18) "Redaction" means the rendering of data so that the data are unreadable or are truncated so that ~~no~~ not more than the last four digits of the identification number are accessible as part of the data.

(19)(A) "Sale" means the exchange of a consumer's brokered personal information by the data broker to a third party for monetary or other valuable consideration.

(B) "Sale" does not include:

(i) the disclosure of brokered personal information to a processor that processes the brokered personal information on behalf of the data broker;

(ii) the disclosure of brokered personal information to a third party for purposes of providing a product or service requested by the consumer;

(iii) the disclosure or transfer of brokered personal information to an affiliate of the data broker;

(iv) the disclosure, with the consumer's consent, of brokered personal information where the consumer directs the data broker to disclose

the brokered personal information or intentionally uses the data broker to interact with a third party;

(v) the disclosure of publicly available information; or

(vi) the disclosure or transfer of brokered personal information to a third party as an asset that is part of a merger, acquisition, bankruptcy, or other transaction, or a proposed merger, acquisition, bankruptcy, or other transaction, in which the third party assumes control of all or part of the data broker's assets.

(C) As used in subdivision (B) of this subdivision (19), "affiliate" means a legal entity that shares common branding with another legal entity or controls, is controlled by, or is under common control with another legal entity.

(D) As used in subdivision (C) of this subdivision (19), "control" or "controlled" means:

(i) ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a company;

(ii) control in any manner over the election of a majority of the directors or of individuals exercising similar functions; or

(iii) the power to exercise controlling influence over the management of a company.

~~(13)~~(20)(A) "Security breach" means unauthorized acquisition of electronic data, or a reasonable belief of an unauthorized acquisition of electronic data, that compromises the security, confidentiality, or integrity of a consumer's personally identifiable information or login credentials maintained by a data collector.

(B) "Security breach" does not include good faith but unauthorized acquisition of personally identifiable information or login credentials by an employee or agent of the data collector for a legitimate purpose of the data collector, provided that the personally identifiable information or login credentials are not used for a purpose unrelated to the data collector's business or subject to further unauthorized disclosure.

(C) In determining whether personally identifiable information or login credentials have been acquired or ~~is~~ are reasonably believed to have been acquired by a person without valid authorization, a data collector may consider the following factors, among others:

(i) indications that the information is in the physical possession and control of a person without valid authorization, such as a lost or stolen computer or other device containing information;

(ii) indications that the information has been downloaded or copied;

(iii) indications that the information was used by an unauthorized person, such as fraudulent accounts opened or instances of identity theft reported; or

(iv) that the information has been made public.

§ 2431. ACQUISITION AND DISCLOSURE OF BROKERED PERSONAL INFORMATION; PROHIBITIONS

(a) Prohibited acquisition and use.

(1) A person shall not acquire brokered personal information through fraudulent means.

(2) A person shall not acquire or use brokered personal information for the purpose of:

(A) stalking or harassing another person;

(B) committing a fraud, including identity theft, financial fraud, or ~~e-mail~~ email fraud; or

(C) engaging in unlawful discrimination, including employment discrimination and housing discrimination.

(b) Disclosure. A data broker shall:

(1) maintain procedures that require prospective users of the data broker's brokered personal information to identify themselves, state the purposes for which the information is sought, and certify that the information shall be used for no other purpose;

(2) prior to disclosing brokered personal information to a prospective user and pursuant to subdivision (1) of this subsection:

(A) make a reasonable effort to verify the identity of the prospective user of the information; and

(B) review the user's stated purposes for which the information is sought; and

(3) not disclose brokered personal information to a prospective user if the data broker has reasonable grounds for believing that the information will

be used to violate State or federal law or will not be used for the purposes stated by the user pursuant to this subsection.

(c) Enforcement.

(1) A person who violates a provision of this section commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

(2) The Attorney General has the same authority to adopt rules to implement the provisions of this section and to conduct civil investigations, enter into assurances of discontinuance, bring civil actions, and take other enforcement actions as provided under chapter 63, subchapter 1 of this title.

Subchapter 2. Security ~~Breach Notice Act~~ Breaches

§ 2435. NOTICE OF SECURITY BREACHES

* * *

(b) Notice of breach.

* * *

(6) A data collector may provide notice of a security breach involving personally identifiable information to a consumer by one or more of the following methods:

(A) Direct notice, which may be by one of the following methods:

(i) written notice mailed to the consumer's residence;

(ii) electronic notice, for those consumers for whom the data collector has a valid ~~e-mail~~ email address, if:

(I) the data collector's primary method of communication with the consumer is by electronic means, the electronic notice does not request or contain a hypertext link to a request that the consumer provide personal information, and the electronic notice conspicuously warns consumers not to provide personal information in response to electronic communications regarding security breaches; or

(II) the notice is consistent with the provisions regarding electronic records and signatures for notices in 15 U.S.C. § 7001; or

(iii) telephonic notice, for those consumers for whom the data collector has a valid phone number, provided that the telephonic contact is made directly with each affected consumer and not through a prerecorded message and further provided that the data collector makes not less than five attempts to contact the consumer for a live conversation before the data collector may leave a voicemail providing information about the breach.

* * *

(c) Notice to consumer reporting agencies. In the event a data collector provides notice to more than 1,000 consumers at one time pursuant to this section, the data collector shall notify, without unreasonable delay, all consumer reporting agencies that compile and maintain files on consumers on a nationwide basis, as defined in 15 U.S.C. § 1681a(p), of the timing, distribution, and content of the notice. This subsection shall not apply to a person who is licensed or registered under Title 8 by the Department of Financial Regulation.

(d) Exception to notice requirement.

(1) Notice of a security breach pursuant to subsection (b) of this section is not required if the data collector establishes that misuse of personally identifiable information or login credentials is not reasonably possible and the data collector provides notice of the determination that the misuse of the personally identifiable information or login credentials is not reasonably possible pursuant to the requirements of this subsection. If the data collector establishes that misuse of the personally identifiable information or login credentials is not reasonably possible, the data collector shall provide notice of its determination that misuse of the personally identifiable information or login credentials is not reasonably possible and a detailed explanation for said determination to the Vermont Attorney General or to the Department of Financial Regulation in the event that the data collector is a person or entity licensed or registered with the Department under Title 8 or this title. The data collector may designate its notice and detailed explanation to the Vermont Attorney General or the Department of Financial Regulation as "trade secret" if the notice and detailed explanation meet the definition of trade secret contained in 1 V.S.A. § 317(c)(9).

* * *

(e) HIPAA compliance. A data collector that is subject to the privacy, security, and breach notification rules adopted in 45 C.F.R. Part 164 pursuant to the federal Health Insurance Portability and Accountability Act, P.L. 104-191 (1996) is deemed to be in compliance with this subchapter if the data collector:

(1) ~~the data collector~~ experiences a security breach that is limited to personally identifiable information specified in subdivision 2430(10)(A)(vii) of this chapter; ~~and~~

(2) ~~the data collector~~ provides notice to affected consumers pursuant to the requirements of the breach notification rule in 45 C.F.R. Part 164, Subpart D; and

(3) provides notice to the Attorney General or to the Department of Financial Regulation pursuant to subdivision (b)(3)(B) of this section along with a written certification of compliance with 45 C.F.R. Part 164, Subpart D.

(f) Waiver. Any waiver of the provisions of this subchapter is contrary to public policy and is void and unenforceable.

(g) Financial institutions. Except as provided in subdivision (3) of this subsection, a financial institution that is subject to the following guidances, and any revisions, additions, or substitutions relating to an interagency guidance, shall be exempt from this section:

* * *

(h) Enforcement.

* * *

(2) With respect to a data collector that is a person or entity ~~licensed or registered with~~ regulated by the Department of Financial Regulation under Title 8 or this title, the Department of Financial Regulation shall have the full authority to investigate potential violations of this subchapter and to prosecute, obtain, and impose remedies for a violation of this subchapter or any rules or regulations adopted pursuant to this subchapter, as the Department has under Title 8 or this title or any other applicable law or regulation.

* * *

§ 2436. NOTICE OF DATA BROKER SECURITY BREACHES

(a) Short title and definitions.

(1) This section shall be known as the "Data Broker Security Breach Notice Act."

(2)(A) As used in this section, "data broker security breach" means an unauthorized acquisition or a reasonable belief of an unauthorized acquisition of more than one instance of brokered personal information maintained by a data broker when the brokered personal information is not encrypted, redacted, or protected by another method that renders the information unreadable or unusable by an unauthorized person.

(B) "Data broker security breach" does not include good faith but unauthorized acquisition of brokered personal information by an employee or agent of the data broker for a legitimate purpose of the data broker, provided

that the brokered personal information is not used for a purpose unrelated to the data broker's business or subject to further unauthorized disclosure.

(C) In determining whether brokered personal information has been acquired or is reasonably believed to have been acquired by a person without valid authorization, a data broker may consider the following factors, among others:

(i) indications that the brokered personal information is in the physical possession and control of a person without valid authorization, such as a lost or stolen computer or other device containing brokered personal information;

(ii) indications that the brokered personal information has been downloaded or copied;

(iii) indications that the brokered personal information was used by an unauthorized person, such as fraudulent accounts opened or instances of identity theft reported; or

(iv) that the brokered personal information has been made public.

(b) Notice of breach.

(1) Except as otherwise provided in subsection (c) of this section, a data broker shall, following discovery or notification to the data broker of a security breach affecting a consumer, notify the consumer that there has been a data broker security breach. Notice of the security breach shall be made in the most expedient time possible and without unreasonable delay, but not later than 45 days after the discovery or notification, consistent with the legitimate needs of the law enforcement agency, as provided in subdivisions (3) and (4) of this subsection, or with any measures necessary to determine the scope of the security breach and restore the reasonable integrity, security, and confidentiality of the data system.

(2) A data broker shall provide notice of a breach to the Attorney General as follows:

(A)(i) The data broker shall notify the Attorney General of the date of the security breach and the date of discovery of the breach and shall provide a preliminary description of the breach within 14 business days, consistent with the legitimate needs of the law enforcement agency, as provided in subdivisions (3) and (4) of this subsection (b), after the data broker's discovery of the security breach.

(ii) If the date of the breach is unknown at the time notice is sent to the Attorney General, the data broker shall send the Attorney General the date of the breach as soon as it is known.

(iii) Unless otherwise ordered by a court of this State for good cause shown, a notice provided under this subdivision (2)(A) shall not be disclosed, without the consent of the data broker, to any person other than the authorized agent or representative of the Attorney General, a State's Attorney, or another law enforcement officer engaged in legitimate law enforcement activities.

(B)(i) When the data broker provides notice of the breach pursuant to subdivision (1) of this subsection (b), the data broker shall notify the Attorney General of the number of Vermont consumers affected, if known to the data broker, and shall provide a copy of the notice provided to consumers under subdivision (1) of this subsection (b).

(ii) The data broker may send to the Attorney General a second copy of the consumer notice, from which is redacted the type of brokered personal information that was subject to the breach, that the Attorney General shall use for any public disclosure of the breach.

(3) The notice to the Attorney General and a consumer required by this subsection shall be delayed upon request of a law enforcement agency. A law enforcement agency may request the delay if it believes that notification may impede a law enforcement investigation or a national or Homeland Security investigation or jeopardize public safety or national or Homeland Security interests. In the event law enforcement makes the request for a delay in a manner other than in writing, the data broker shall document the request contemporaneously in writing and include the name of the law enforcement officer making the request and the officer's law enforcement agency engaged in the investigation. A law enforcement agency shall promptly notify the data broker in writing when the law enforcement agency no longer believes that notification may impede a law enforcement investigation or a national or Homeland Security investigation or jeopardize public safety or national or Homeland Security interests. The data broker shall provide notice required by this subsection without unreasonable delay upon receipt of a written communication, which includes facsimile or electronic communication, from the law enforcement agency withdrawing its request for delay.

(4) The notice to a consumer required in subdivision (1) of this subsection shall be clear and conspicuous. A notice to a consumer of a security breach involving brokered personal information shall include a description of each of the following, if known to the data broker:

(A) the incident in general terms;

(B) the categories of brokered personal information that was subject to the security breach;

(C) the general acts of the data broker to protect the brokered personal information from further security breach;

(D) a telephone number, toll-free if available, that the consumer may call for further information and assistance;

(E) advice that directs the consumer to remain vigilant by reviewing account statements and monitoring free credit reports; and

(F) the approximate date of the data broker security breach.

(5) A data broker may provide notice of a security breach involving brokered personal information to a consumer by two or more of the following methods:

(A) written notice mailed to the consumer's residence;

(B) electronic notice, for those consumers for whom the data broker has a valid email address, if:

(i) the data broker's primary method of communication with the consumer is by electronic means, the electronic notice does not request or contain a hypertext link to a request that the consumer provide personal information, and the electronic notice conspicuously warns consumers not to provide personal information in response to electronic communications regarding security breaches; or

(ii) the notice is consistent with the provisions regarding electronic records and signatures for notices in 15 U.S.C. § 7001;

(C) telephonic notice, for those consumers for whom the data broker has a valid phone number, provided that the telephonic contact is made directly with each affected consumer and not through a prerecorded message and further provided that the data broker makes not less than five attempts to contact the consumer for a live conversation before the data broker may leave a voicemail providing information about the breach; or

(D) notice by publication in a newspaper of statewide circulation in the event the data broker cannot effectuate notice by any other means.

(c) Exception to notice requirement.

(1) Notice of a security breach pursuant to subsection (b) of this section is not required if the data broker establishes that misuse of brokered personal

information is not reasonably possible and the data broker provides notice of the determination that the misuse of the brokered personal information is not reasonably possible pursuant to the requirements of this subsection. If the data broker establishes that misuse of the brokered personal information is not reasonably possible, the data broker shall provide notice of its determination that misuse of the brokered personal information is not reasonably possible and a detailed explanation for said determination to the Attorney General. The data broker may designate its notice and detailed explanation to the Attorney General as a trade secret if the notice and detailed explanation meet the definition of trade secret contained in 1 V.S.A. § 317(c)(9). Upon review of the data broker's notice and detailed explanation, the Attorney General may request additional information from the data broker and may accept or reject the data broker's determination. If the Attorney General rejects the data broker's determination, the data broker shall provide notice of the security breach pursuant to subsection (b) of this section.

(2) If a data broker established that misuse of brokered personal information was not reasonably possible under subdivision (1) of this subsection and subsequently obtains facts indicating that misuse of the brokered personal information has occurred or is occurring, the data broker shall provide notice of the security breach pursuant to subsection (b) of this section.

(d) Waiver. Any waiver of the provisions of this subchapter is contrary to public policy and is void and unenforceable.

(e) Enforcement.

(1) A person who violates a provision of this section commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

(2) The Attorney General has the same authority to adopt rules to implement the provisions of this section and to conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as provided under chapter 63, subchapter 1 of this title.

* * *

Subchapter 3A. Student Privacy

* * *

§ 2443f. ENFORCEMENT

(a) A person who violates a provision of this ~~chapter~~ subchapter commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

(b) The Attorney General has the same authority to adopt rules to implement the provisions of this subchapter and to conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as provided under chapter 63, subchapter 1 of this title.

* * *

Subchapter 5. Data Brokers

§ 2446. DATA BROKERS; ANNUAL REGISTRATION

(a) ~~Annually, on or before January 31 following a year in which a~~ Registration. A person ~~meets~~, not more than 30 days after meeting the definition of a data broker ~~as provided in section 2430 of this title, a data broker~~ and then once annually thereafter on or before July 1 of each year, shall:

(1) register with the Secretary of State as a data broker;

(2) pay a registration fee of ~~$100.00~~ $900.00;

(3) maintain a bond in the amount of $20,000.00 that shall run to the State for any liability arising under this subchapter, provided that the action on the bond is brought within two years after accrual of the cause of action; ~~and~~

(4) provide the following information about the data broker to the Secretary of State:

(A) the name and primary physical, ~~e-mail~~ email, phone number, and ~~Internet~~ internet addresses of the data broker;

(B) ~~if the data broker permits a consumer to opt out of the data broker's collection of brokered personal information, opt out of its databases, or opt out of certain sales of data:~~

~~(i) the method for requesting an opt-out;~~

~~(ii) if the opt-out applies to only certain activities or sales, which ones; and~~

~~(iii) whether the data broker permits a consumer to authorize a third party to perform the opt-out on the consumer's behalf;~~

~~(C) a statement specifying the data collection, databases, or sales activities from which a consumer may not opt out;~~

~~(D)~~ a statement whether the data broker implements a purchaser credentialing process;

~~(E)~~(C) pursuant to section 2436 of this chapter, the number of data broker security breaches that the data broker has experienced during the prior year, and if known, the total number of consumers affected by the breaches;

~~(F)~~(D) where the data broker has actual knowledge that it possesses the brokered personal information of minors, a separate statement detailing the data collection practices, databases, sales activities, and opt-out policies that are applicable to the brokered personal information of minors; ~~and~~

~~(G)~~(E) whether the data broker:

(i) collects the:

(I) precise geolocation of consumers;

(II) reproductive health care data of consumers;

(III) biometric data of consumers;

(IV) immigration status of consumers;

(V) sexual orientation of consumers;

(VI) union membership status of consumers;

(VII) name, date of birth, zip code, email address, or phone number of consumers;

(VIII) account login or account number of consumers in combination with any required security code, access code, or password that would permit access to a consumer's account with a third party;

(IX) driver's license number, State identification card number, Social Security number, passport number, military identification number, or other unique identification number of consumers issued on a government document commonly used to verify the identity of a specific individual; or

(X) mobile advertising identification number, connected television identification number, or vehicle identification number of consumers; and

(ii) in the past year, has shared or sold consumers' data to:

(I) a foreign actor;

(II) the federal government;

(III) to other state or local governments;

(IV) to law enforcement, unless the data was shared pursuant to a subpoena or other court order; or

(V) to a developer of a GenAI system or model;

(F) the three most common types of personal information that the data broker collects, if the data broker does not collect the information set forth in subdivisions (E)(i)(VII) and (E)(i)(IX) of this subdivision (4);

(G) an electronic copy of the data broker's:

(i) bond, pursuant to subdivision (3) of this subsection (a); and

(ii) current privacy policy;

(H) any additional information or explanation the data broker chooses to provide concerning its data collection practices;

(I) the URL of a page on the data broker's website that:

(i) pursuant to subsection (c) of this section, allows a consumer to request that a data broker delete the brokered personal information of the consumer; and

(ii) informs consumers about the rights of consumers to opt out of the collection of the consumer's brokered personal information, including:

(I) whether the data broker permits a consumer to opt out of its databases, or opt out of certain sales of data;

(II) the procedure for requesting an opt-out;

(III) if the opt-out applies to only certain activities or sales, which activities or sales it applies to;

(IV) whether the data broker permits a consumer to authorize an authorized agent to perform the opt out on the consumer's behalf; and

(V) the data collection, databases, or sales activities from which a consumer may not opt out; and

(J) whether and to what extent the data broker or any of its subsidiaries is regulated by the Fair Credit Reporting Act; and

(5) amend an existing registration the data broker has with the Secretary of State if required by this section or by the State upon the payment of an administrative fee of $100.00.

(b) ~~A data broker that fails to register pursuant to subsection (a) of this section is liable to the State for:~~ Penalties.

~~(1) a civil penalty of $50.00 for each day, not to exceed a total of $10,000.00 for each year, it fails to register pursuant to this section;~~

~~(2) an amount equal to the fees due under this section during the period it failed to register pursuant to this section; and~~

~~(3) other penalties imposed by law.~~

(1) A data broker that fails to register as required by subsection (a) of this section is liable to the State for:

(A) an administrative fine of $200.00 for each day the data broker fails to register;

(B) an amount equal to the fees that were due during the period the data broker failed to register; and

(C) any reasonable costs incurred by the State in the investigation and administration of the action as the court deems appropriate.

(2) A data broker that fails to provide all registration information required in subdivision (a)(4) of this section shall file an amendment pursuant to subdivision (a)(5) of this section that includes any omitted information not later than 30 days after discovering or receiving notification of the omission and is liable to the State for a civil penalty of $1,000.00 per day for each day thereafter that the data broker does not file an amendment providing the omitted information.

(3) A data broker that files materially incorrect information in its registration shall:

(A) be liable to the State for a civil penalty of $25,000.00; and

(B) correct the materially incorrect information by filing an amendment pursuant to subdivision (a)(5) of this section not later than 30 days after discovering or receiving notification of the incorrect information, and, if it fails to correct the information, the data broker shall be liable for an additional civil penalty of $1,000.00 per day for each day the data broker fails to correct the information.

(c) ~~The Attorney General may maintain an action in the Civil Division of the Superior Court to collect the penalties imposed in this section and to seek appropriate injunctive relief.~~ Deleting brokered personal information.

(1) A data broker shall:

(A) maintain a conspicuous page on its website where a consumer or an authorized agent of a consumer has the ability to request that the data broker delete the consumer's brokered personal information free of charge;

(B) delete the consumer's brokered personal information not later than 30 days after the consumer makes a deletion request pursuant to

subdivision (A) of this subdivision (1), unless the data broker denies the request pursuant to subdivision (3) of this subsection (c); and

(C) notify the consumer that the consumer's brokered personal information has been deleted not later than five days after the information has been deleted.

(2) The web page maintained by a data broker pursuant to subdivision (1) of this subsection shall:

(A) describe how a consumer may exercise the consumer's right to delete the consumer's brokered personal information, including the process for the consumer to appeal the denial of a deletion request pursuant to subdivision (5) of this subsection (c);

(B) adhere to the accessibility and usability guidelines recommended pursuant to 42 U.S.C. chapter 126 (the Americans with Disabilities Act) and 29 U.S.C. § 794d (section 508 of the Rehabilitation Act of 1973); and

(C) employ design practices that facilitate easy comprehension and navigation for all users and that are free of any dark patterns.

(3) A data broker may deny a consumer's request to delete the consumer's brokered personal information pursuant to subdivision (1) of this subsection to the extent that:

(A) the retention of the consumer's brokered personal information is required by law or is required to comply with a civil, criminal, or regulatory inquiry, investigation, subpoena, or summons by a federal, state, municipal, or other governmental authority; or

(B) the brokered personal information is:

(i) used by a consumer reporting agency to furnish a consumer report pursuant to the Fair Credit Reporting Act;

(ii) necessary to investigate, establish, exercise, prepare for, or defend a legal claim;

(iii) strictly necessary to fulfill a specific legal requirement on behalf of a business to which the data broker is bound by a written contract to fulfill that legal requirement;

(iv) used to prevent, detect, protect against, or respond to security incidents, identity theft, fraud, harassment, or to preserve the technical integrity or physical security of systems or investigate, report, or prosecute those responsible for any such action;

(v) data that is collected or used for purposes of the National Precursor Log Exchange, or its equivalent, pursuant to State or federal law;

(vi) processed solely in the data broker's capacity as a processor to a business with which the consumer has a direct relationship, as that term is defined in subdivision 2430(a)(6)(B) of this chapter; or

(vii) used in connection with underwriting, issuing title insurance, or completing an appraisal.

(4) Brokered personal information retained pursuant to subdivision (3) of this subsection shall be:

(A) separated or segregated from data used for any other purpose;

(B) deleted immediately upon the expiration of the legal or contractual requirement; and

(C) not used, sold, shared, or processed for any other purpose.

(5) A data broker shall provide the consumer with the ability to appeal an instance where the data broker denies the consumer's request to delete the consumer's brokered personal information pursuant to subdivision (3) of this subsection (c) with a process that:

(A) gives the consumer 45 days after the consumer receives notice that the data broker has denied the deletion request to initiate the appeal;

(B) is conspicuously available to the consumer;

(C) is similar to the manner in which a consumer submits a deletion request pursuant to subdivision (1) of this subsection (c);

(D) requires the data broker to approve or deny the appeal within 45 days after the date on which the data broker received the appeal and to notify the consumer in writing of the data broker's decision and the reasons for the decision; and

(E) requires a data broker that denies a consumer's appeal to provide information that enables the consumer to contact the Attorney General to submit a complaint.

(6)(A) If a data broker is unable to authenticate a deletion request made pursuant to subdivision (1) of this subsection (c), the data broker shall not be required to comply with the request and shall provide notice to the consumer or the consumer's agent that the data broker is unable to authenticate the request. The data broker shall provide the consumer with the additional information the data broker requires in order to authenticate the consumer.

(B) As used in this subdivision (6), "authenticate" means the use of reasonable measures to determine whether a deletion request is being made by, or on behalf of, the consumer who is entitled to exercise that request with respect to the brokered personal information at issue.

(d) Consumer rights web page. The Secretary of State shall create and maintain a publicly accessible page on its website that provides consumers with the following:

(1) a downloadable spreadsheet of data brokers that have registered with the State along with the information a data broker provides during registration pursuant to subsection (a) of this section;

(2) the URL of a page on each registered data broker's website that allows a consumer to delete the consumer's brokered personal information, pursuant to subdivision (c)(1) of this section; and

(3) any additional information about the rights consumers have pursuant to this subchapter.

(e) Enforcement.

(1) A person who violates a provision of this section commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

(2) The Attorney General has the same authority to adopt rules to implement the provisions of this section and to conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as provided under chapter 63, subchapter 1 of this title.

§ 2447. DATA BROKER DUTY TO PROTECT INFORMATION; STANDARDS; TECHNICAL REQUIREMENTS

* * *

(d) Enforcement.

(1) A person who violates a provision of this section commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

(2) The Attorney General has the same authority to adopt rules to implement the provisions of this ~~chapter~~ section and to conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as provided under chapter 63, subchapter 1 of this title.

* * *

Sec. 2. STUDY OF ACCESSIBLE DELETION MECHANISM; REPORT; APPROPRIATION

(a) The Secretary of State shall study the feasibility of:

(1) establishing an accessible deletion mechanism that:

(A) implements and maintains reasonable security procedures and practices, including administrative, physical, and technical safeguards appropriate to the nature of the information and the purposes for which brokered personal information will be used and to protect a consumer's brokered personal information from unauthorized use, disclosure, access, destruction, or modification;

(B) allows a consumer, through a single verifiable consumer request, to request that every data broker that maintains any brokered personal information about the consumer delete the brokered personal information;

(C) allows a consumer to selectively exclude specific data brokers from a request made under subdivision (B) of this subdivision (1);

(D) allows a consumer to alter a previous request made pursuant to subdivision (B) of this subdivision (1) after at least 45 days have passed since the consumer last made a request;

(E) allows a consumer to request the deletion of all brokered personal information related to that consumer all at once through a single deletion request;

(F) permits a consumer to securely submit information in one or more privacy-protecting ways to aid in the deletion request;

(G) allows a data broker registered with the Secretary of State to determine whether a consumer has submitted a verifiable request to delete the brokered personal information related to that consumer as described in subdivision (B) of this subdivision (1);

(H) does not allow the disclosure of any additional brokered personal information of a consumer when the data broker accesses the accessible deletion mechanism, unless otherwise specified in this subchapter;

(I) allows a consumer to make a request described in subdivision (B) of this subdivision (1) using a website operated by the Secretary of State;

(J) does not charge a consumer to make a request described in subdivision (B) of this subdivision (1);

(K) is readily accessible and usable by consumers with disabilities;

(L) supports the ability of a consumer's authorized agents to aid in the deletion request;

(M) allows the consumer or their authorized agent to verify the status of the consumer's deletion request; and

(N) provides a description of the following:

(i) the deletion permitted by this section;

(ii) the process for submitting a deletion request pursuant to this section; and

(iii) examples of the types of information that may be deleted; and

(2) utilizing a data broker's registry fund to hold monies received for transactions pursuant to 9 V.S.A. § 2446 and to disburse for the purpose of supporting and offsetting the costs of the accessible deletion mechanism set forth in subdivision (1) of this subsection.

(b) Reporting. The Secretary of State shall, based on the study set forth in subsection (a) of this section, submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs an interim report on or before December 1, 2027, and a final report on or before December 1, 2028, including its findings and any proposed legislation for the General Assembly's consideration. The interim report shall provide the General Assembly with any recommended actions to pursue in the 2028 legislative session.

(c) Appropriation. In fiscal year 2027, $50,000.00 is appropriated from the General Fund to the Secretary of State for the purpose of hiring a consultant that will provide support to the Secretary in the study pursuant to subsection (a) of this section.

Sec. 3. EFFECTIVE DATE

This act shall take effect on January 1, 2027.

(Committee Vote: 9-2-0)

Rep. Burkhardt of South Burlington, for the Committee on Ways and Means, recommends that the bill ought to pass when amended as recommended by the Committee on Commerce and Economic Development.

(Committee Vote: 10-0-1)

Rep. Mrowicki of Putney, for the Committee on Appropriations, recommends that the bill ought to pass when amended as recommended by the Committee on Commerce and Economic Development.

(Committee Vote: 9-0-2)

H. 577

An act relating to establishing the Vermont Prescription Drug Discount Card Program

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

Sec. 1. 18 V.S.A. chapter 91, subchapter 7 is added to read:

Subchapter 7. Vermont Prescription Drug Discount Card Program

§ 4691. VERMONT PRESCRIPTION DRUG DISCOUNT CARD PROGRAM

(a) There is established the Vermont Prescription Drug Discount Card Program, administered by the Office of the State Treasurer, for the purpose of pooling prescription drug purchasing power with other U.S. states and territories and nongovernmental organizations. The Program shall be made available to all Vermont residents.

(b)(1) To further the purposes of the Program, the State Treasurer may cooperate with other U.S. states and territories, regional consortia, or nongovernmental organizations, or a combination of these, to pool prescription drug purchasing power to:

(A) reduce prescription drug costs;

(B) negotiate discounts with prescription drug manufacturers;

(C) centralize prescription drug purchasing; and

(D) establish volume discount contracting.

(2) As used in subdivision (1)(D) of this subsection, "volume discount contracting" means the negotiated purchase of a large quantity of a prescription drug at a decreased cost.

(c) The Treasurer may require that reasonable fees be charged to defray Program costs. Notwithstanding any provision of 32 V.S.A. § 603 to the contrary, the amount and method of collection of any fee shall be determined by the Treasurer based on actual costs.

(d) The amount paid for a prescription drug after application of the Vermont Prescription Drug Discount Card by an individual who is covered by a health insurance plan, as defined in 8 V.S.A. § 4011, shall be attributed

toward the covered individual's deductible and out-of-pocket responsibilities in accordance with 8 V.S.A. § 4093 and section 3612 of this title.

(e) On or before January 15, 2028, and annually thereafter, the State Treasurer shall submit a report to the House Committee on Health Care, the Senate Committee on Health and Welfare, and the Governor detailing the activities of the Program during the previous calendar year, including the number of Vermont residents and pharmacies participating in the Program, the amount of savings on prescription drug costs achieved, and the balance in the Vermont Prescription Drug Discount Card Program Fund.

§ 4692. VERMONT PRESCRIPTION DRUG DISCOUNT CARD PROGRAM FUND

(a) The Vermont Prescription Drug Discount Card Program Fund is established as a special fund to be administered by the State Treasurer to support the Vermont Prescription Drug Discount Card Program established in this subchapter.

(b) The Fund shall consist of:

(1) any monies appropriated to the Fund by the General Assembly;

(2) any monies transferred to the Fund from the federal government, other State agencies, or other government source;

(3) any monies from the payment of fees or other monies due to the Program; and

(4) any gifts, grants, or donations made to the Fund and any gifts, grants, donations, or investments received by the Treasurer for the Program.

(c) The Treasurer shall credit to the Fund all interest earned on Fund balances and any other income derived from the deposit and investment of monies in the Fund.

(d) Any unexpended and unencumbered monies in the Fund at the end of a fiscal year shall remain in the Fund.

Sec. 2. 8 V.S.A. § 4093 is amended to read:

§ 4093. RETAIL PHARMACIES; FILLING OF PRESCRIPTIONS

* * *

(c)(1) A health insurer or pharmacy benefit manager shall permit a participating network pharmacy to perform all pharmacy services within the lawful scope of the profession of pharmacy as set forth in 26 V.S.A. chapter 36.

(2) A health insurer or pharmacy benefit manager shall not do any of the following:

* * *

(F)(i) Exclude any amount paid by or on behalf of a covered individual, including any third-party payment, financial assistance, discount, discount card, coupon, or other reduction, regardless of whether the individual purchased the drug with or without using coverage for the drug under any health insurance plan, when calculating a covered individual's contribution toward:

(I) the out-of-pocket limits for prescription drug costs under section 4092 of this title;

(II) the covered individual's deductible, if any; or

(III) to the extent not inconsistent with Sec. 2707 of the Public Health Service Act, 42 U.S.C. § 300gg-6, the annual out-of-pocket maximums applicable to the covered individual's health benefit plan.

(ii) The provisions of subdivision (i) of this subdivision (F) relating to a third-party payment, financial assistance, discount, coupon, or other reduction in out-of-pocket expenses made on behalf of a covered individual shall only apply to a prescription drug:

(I) for which there is no generic drug or interchangeable biological product, as those terms are defined in 18 V.S.A. § 4601; or

(II) for which there is a generic drug or interchangeable biological product, as those terms are defined in 18 V.S.A. § 4601, but for which the covered individual has obtained access through prior authorization, a step therapy protocol, or the pharmacy benefit manager's or health insurer's exceptions and appeals process.

(iii) The provisions of subdivision (i) of this subdivision (F) shall apply to a high-deductible health plan only to the extent that it would not disqualify the plan from eligibility for a health savings account pursuant to 26 U.S.C. § 223.

(iv) In order to facilitate the appropriate attribution of amounts paid by or on behalf of a covered individual pursuant to subdivision (i) of this subdivision (F) for a covered individual who purchases a prescription drug without using the prescription drug coverage available for the drug under the covered individual's health insurance plan, the health insurer or pharmacy benefit manager, or both, shall:

(I) make readily available on its website a downloadable proof of payment form for a covered individual to use to submit proof of the actual amount that the covered individual paid for the drug; and

(II) provide notice to all covered individuals at least annually that they are responsible for providing proof of payment using the downloadable proof of payment form or another mechanism, if the health insurer or pharmacy benefit elects to make another mechanism available for submitting proof of payment in addition to the downloadable form, in order to have their spending properly attributed to their out-of-pocket limits, deductible, and out-of-pocket maximums as set forth in subdivision (i) of this subdivision (F).

* * *

Sec. 3. 18 V.S.A. § 3612 is amended to read:

§ 3612. PROHIBITED PRACTICES

* * *

(e)(1) A pharmacy benefit manager shall not require a covered person purchasing a covered prescription drug to pay an amount greater than the lesser of:

(A) the cost-sharing amount under the terms of the health benefit plan~~, as determined in accordance with subdivision (2) of this subsection (e)~~;

(B) the maximum allowable cost for the drug; or

(C) the amount the covered person would pay for the drug if the covered person were to pay the pharmacy's usual and customary cash price, after application of any known discounts, ~~if the covered person were paying the cash price~~ instead of using the drug benefit; provided, however, that as used in this subdivision (C), the term "discount" does not include a prescription drug discount card or other third-party prescription drug benefit program.

(2)(A) A pharmacy benefit manager shall attribute any amount paid by or on behalf of a covered person ~~under subdivision (1) of this subsection (e)~~, including any third-party payment, financial assistance, discount, discount card, coupon, or any other reduction in out-of-pocket expenses made by or on behalf of a covered person for prescription drugs, regardless of whether the person purchased the drug with or without using coverage for the drug under any health benefit plan, toward:

(i) the out-of-pocket limits for prescription drug costs under 8 V.S.A. § 4092;

(ii) the covered person's deductible, if any; and

(iii) to the extent not inconsistent with Sec. 2707 of the Public Health Service Act, 42 U.S.C. § 300gg-6, the annual out-of-pocket maximums applicable to the covered person's health benefit plan.

(B) The provisions of subdivision (A) of this subdivision (2) relating to a third-party payment, financial assistance, discount, coupon, or other reduction in out-of-pocket expenses made on behalf of a covered person shall only apply to a prescription drug:

(i) for which there is no generic drug or interchangeable biological product, as those terms are defined in section 4601 of this title; or

(ii) for which there is a generic drug or interchangeable biological product, as those terms are defined in section 4601 of this title, but for which the covered person has obtained access through prior authorization, a step therapy protocol, or the pharmacy benefit manager's or health benefit plan's exceptions and appeals process.

(C) The provisions of subdivision (A) of this subdivision (2) shall apply to a high-deductible health plan only to the extent that it would not disqualify the plan from eligibility for a health savings account pursuant to 26 U.S.C. § 223.

(D) In order to facilitate the appropriate attribution of amounts paid by or on behalf of a covered person pursuant to subdivision (A) of this subdivision (2) for a covered person who purchases a prescription drug without using the prescription drug coverage available for the drug under the covered person's health benefit plan, the pharmacy benefit manager shall:

(i) make readily available on its website a downloadable proof of payment form for a covered person to use to submit proof of the actual amount that the covered person paid for the drug; and

(ii) provide notice to all covered person at least annually that they are responsible for providing proof of payment using a downloadable proof of payment form or another mechanism, if the pharmacy benefit manager elects to make another mechanism available for submitting proof of payment in addition to the downloadable form, in order to have their spending properly attributed to their out-of-pocket limits, deductible, and out-of-pocket maximums as set forth in subdivision (A) of this subdivision (2).

* * *

Sec. 4. VERMONT PRESCRIPTION DRUG DISCOUNT CARD PROGRAM; IMPLEMENTATION REPORT

On or before January 15, 2027, the State Treasurer shall report to the General Assembly regarding implementation of the Vermont Prescription Drug Discount Card Program established in 18 V.S.A. chapter 91, subchapter 7, as added by Sec. 1 of this act, as of that date, including any recommendations for improving the administration of the Program, any fees to be charged to participants, and an estimate of the projected costs to the State in the event that additional financial support is determined to be necessary to administer the Program.

Sec. 5. VERMONT PRESCRIPTION DRUG DISCOUNT CARD PROGRAM; EVALUATION AND START-UP FUNDING

In fiscal year 2027, the sum of $50,000.00 is appropriated from the General Fund to the Office of the State Treasurer for the costs of developing and implementing the Vermont Prescription Drug Discount Card Program as set forth in this act.

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee Vote: 11-0-0)

Rep. Branagan of Georgia, for the Committee on Ways and Means, recommends that the report of the Committee on Health Care be amended as follows:

First: By striking out Sec. 1, 18 V.S.A. chapter 91, subchapter 7, in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 18 V.S.A. chapter 91, subchapter 7 is added to read:

Subchapter 7. Vermont Prescription Drug Discount Card Program

§ 4691. VERMONT PRESCRIPTION DRUG DISCOUNT CARD PROGRAM

(a) There is established the Vermont Prescription Drug Discount Card Program, administered by the Office of the State Treasurer, for the purpose of pooling prescription drug purchasing power with other U.S. states and territories and nongovernmental organizations. The Program shall be made available to all Vermont residents.

(b)(1) To further the purposes of the Program, the State Treasurer may cooperate with other U.S. states and territories, regional consortia, or nongovernmental organizations, or a combination of these, to pool prescription drug purchasing power to:

(A) reduce prescription drug costs;

(B) negotiate discounts with prescription drug manufacturers;

(C) centralize prescription drug purchasing; and

(D) establish volume discount contracting.

(2) As used in subdivision (1)(D) of this subsection, "volume discount contracting" means the negotiated purchase of a large quantity of a prescription drug at a decreased cost.

(c) Monies received by the Program from transfers, gifts, grants, donations, or any other source, including any monies provided to the State through a cooperative arrangement authorized by this section, shall be deposited in the Financial Literacy and Economic Empowerment Trust Fund established pursuant to 32 V.S.A. § 111 and shall be available to the Office of the State Treasurer to defray costs associated with administering the Program.

(d) The amount paid for a prescription drug after application of the Vermont Prescription Drug Discount Card by an individual who is covered by a health insurance plan, as defined in 8 V.S.A. § 4011, shall be attributed toward the covered individual's deductible and out-of-pocket responsibilities in accordance with 8 V.S.A. § 4093 and section 3612 of this title.

(e) On or before January 15, 2028, and annually thereafter, the State Treasurer shall submit a report to the House Committee on Health Care, the Senate Committee on Health and Welfare, and the Governor detailing the activities of the Program during the previous calendar year, including the number of Vermont residents and pharmacies participating in the Program and the amount of savings on prescription drug costs achieved.

Second: By adding a new section to be Sec. 3a to read as follows:

Sec. 3a. 32 V.S.A. § 111 is amended to read:

§ 111. FINANCIAL LITERACY AND ECONOMIC EMPOWERMENT TRUST FUND

(a) There is hereby established ~~and created~~ a special fund entitled the Financial Literacy and Economic Empowerment Trust Fund to be administered by the State Treasurer. The ~~purpose~~ purposes of the Fund ~~is~~ are:

(1) to promote the adoption of fiscally sound money management practices by Vermonters through education and outreach efforts that raise awareness of the need for and benefits of practicing such skills ~~and~~;

(2) to create opportunities to build and encourage the development of new financial literacy activities and educational products for ~~Vermont citizens~~ Vermonters; and

(3) to support other economic empowerment opportunities for Vermonters.

(b) The Fund may receive State ~~appropriations~~ transfers, gifts, grants, federal funds, and any other funds, both public and private, consistent with this section. ~~The Funds~~ Monies in the Fund may be expended in accordance with the trust fund provisions of section 462 of this title for such financial literacy projects as the Treasurer may direct and to defray costs associated with administering the Vermont Prescription Drug Discount Program established pursuant to 18 V.S.A. chapter 91, subchapter 7~~, in accordance with the trust fund provisions of section 462 of this title~~.

(c) The Treasurer may invest monies in the Fund in accordance with the provisions of section 434 of this title. All balances in the Fund at the end of the fiscal year shall be carried forward and shall not revert to the General Fund. Interest earned shall remain in the Fund. The Treasurer's annual financial report to the Governor and the General Assembly shall contain an accounting of receipts, disbursements, and earnings of the Fund.

Third: In Sec. 4, Vermont Prescription Drug Discount Card Program; implementation report, by striking out ", any fees to be charged to participants,"

(Committee Vote: 9-2-0)

Rep. Dickinson of St. Albans Town, for the Committee on Appropriations, recommends that the bill ought to pass when amended as recommended by the Committee on Health Care, when further amended as recommended by the Committee on Ways and Means.

(Committee Vote: 8-2-1)

H. 718

An act relating to building energy efficiency

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

* * * Findings * * *

Sec. 1. FINDINGS

The General Assembly finds that:

(1) Public policy for several years has implemented strategies to stimulate construction to relieve Vermont's severe housing shortage. These actions are gaining momentum without appropriate construction standards for one- and two-unit dwellings and with uneven application of energy efficiency standards.

(2) Recommendations by stakeholders and building efficiency experts in the 2023 Building Energy Code Study Committee and the 2024 and 2025 Building Energy Code Working Group consistently find that Vermont's mandatory energy codes, the Residential Building Energy Standards (RBES) and the Commercial Building Energy Standards (CBES), are a subset of building construction codes and should eventually be administered by the Division of Fire Safety, which administers all other building codes.

(3) Vermont has not adopted a residential building construction code applicable to one- and two-unit dwellings, which means that for these buildings there is no administrative infrastructure or enforcement mechanism for implementing energy codes consistently and effectively. Lack of a residential building code also means Vermont lacks a standard-of-care reference for the public, builders, designers, insurance companies, or the courts, and such lack also may limit the State's ability to access certain federal funding.

(4) Lack of consistent and effective implementation and enforcement of the RBES in particular has resulted in low compliance rates, according to studies by the Department of Public Service.

(5) Recommendations of the 2024 and 2025 Working Group include leveraging the Office of Professional Regulation's (OPR's) residential contractor registry to provide market incentives to contractors to register and obtain voluntary certifications, including in energy codes. However, the registry has not so far proved effective for the public, contractors, or OPR.

(6) OPR does not have adequate resources to make substantial improvements to the registry. The 2025 Working Group recommended convening a Task Force and appropriating funding to assist OPR.

(7) While the RBESs do apply to single-family residences, the Department of Public Service has advised the General Assembly that enabling legislation does not provide clear authority for municipalities to administer and

enforce the RBES at the local level. Some municipalities do wish to have that authority.

* * * Residential Building Code * * *

Sec. 2. ADOPTION OF RESIDENTIAL BUILDING CODE

On or before January 15, 2027, the Director of Fire Safety shall complete an assessment on whether and how the State should adopt a residential building code. The Director shall submit the report with the recommendation to the House Committees on Energy and Digital Infrastructure and on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs.

* * * Task Force * * *

Sec. 3. RESIDENTIAL CONTRACTOR REGISTRY TASK FORCE; REPORTS

(a) Creation. There is created the Residential Contractor Registry Task Force to improve the existing residential contractor registry and expedite the creation of certain voluntary certifications. The Task Force shall act in an advisory capacity to Office of Professional Regulation (OPR).

(b) Membership. The Task Force shall be composed of the following members:

(1) one member appointed by the Secretary of State;

(2) one member appointed by the Commissioner of Public Safety;

(3) one member appointed by the Vermont Builders and Remodelers Association;

(4) one member appointed by the American Institute of Architects Vermont;

(5) one member appointed by the Secretary of Education;

(6) one member appointed by the Chancellor of the Vermont State Colleges System;

(7) one member from the Office of Economic Opportunity's Weatherization Assistance Program;

(8) one member from the Vermont League of Cities and Towns;

(9) one member appointed by Efficiency Vermont;

(10) one member appointed by the Commissioner of Public Service;

(11) one member from the Vermont Attorney General's office;

(12) one member from Associated Builders and Contractors of New Hampshire and Vermont;

(13) one member from Associated General Contractors of Vermont;

(14) one residential contractor not affiliated with Associated Builders and Contractors of New Hampshire and Vermont or Associated General Contractors of Vermont, appointed by the Governor; and

(15) one member of the public appointed by the Governor.

(c) Powers and duties. The Task Force shall advise OPR on ways to:

(1) address shortcomings in the existing residential contractor registry, including:

(A) improving public-facing web presence;

(B) identifying cost-efficient outreach strategies to the public and residential contractors;

(C) identifying and creating lists of trade specialties; and

(D) clarifying the relationship between business-based registrations and individual-based certifications;

(2) expedite the creation of voluntary certifications, including identifying, vetting and recommending credentialing entities, with initial certifications in the following or similar subject areas:

(A) construction site supervisor;

(B) basic energy code, both residential and commercial; and

(C) high-performance building;

(3) assess how to improve the energy education modules required under 3 V.S.A. § 138 and whether they should be administered by the Department of Public Service;

(4) assess whether the type of regulation for residential contractors should be changed from registration to certification or licensure;

(5) assess whether and how the regulating entity for residential building contractors should be transferred from the Office of Professional Regulation to the Division of Fire Safety; and

(6) consider any other strategies to improve and streamline the regulation of the residential construction industry.

(d) Assistance.

(1) The Task Force shall have the administrative, technical, and legal assistance of the Office of Professional Regulation.

(2) The Division of Fire Safety and Department of Public Service shall provide informational assistance and technical expertise to the Task Force regarding issues related to building codes and energy performance.

(e) Reports. Beginning in 2026, the Task Force shall submit annual reports on or before November 1 to the Office of Professional Regulation, the House Committees on Energy and Digital Infrastructure and on General and Housing, and the Senate Committees on Economic Development, Housing and General Affairs and on Natural Resources and Energy with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The member appointed by the Secretary of State shall call the first meeting of the Task Force to occur on or before August 1, 2026, and the Task Force shall then meet at least monthly through July 2027 and then thereafter at least every other month.

(2) The Task Force shall select a chair from among its members at the first meeting.

(3) A majority of the membership shall constitute a quorum.

(4) The Task Force shall cease to exist on June 30, 2029.

(g) Compensation and reimbursement.

(1) Members of the Task Force who are not otherwise compensated by their employer for attendance at meetings shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010.

(2) Payments to members of the Task Force authorized under this subsection shall be made from monies appropriated to the Office of Professional Regulation.

* * * Energy Education * * *

* * * Architects, Engineers, and Property Inspectors * * *

Sec. 4. 3 V.S.A. § 138 is amended to read:

§ 138. REQUIRED EDUCATION FOR SPECIFIED LICENSEES; STATE ENERGY GOALS

* * *

(b) The Office shall require each of the licensees described in subsection (a) of this section to complete an education module regarding the State's energy goals and how each licensee's specific profession can further those goals.

(1) The education module ~~shall be not more than two hours and~~ shall be required as a condition of initial licensure and each license renewal. The module shall explain how the work of the profession or trade intersects with the energy codes and affects the energy, air flow, and moisture management dynamics of the building as an integrated system and include education on any State or utility incentives relevant to the profession.

~~(A) The education module for initial licensure shall provide general information regarding the State's energy goals.~~

~~(B) The education module for license renewal shall provide any updates on the State's energy goals and any updates regarding corresponding State energy programs applicable to the profession.~~

(2) The Office shall consider any recommendations on these education modules provided by relevant stakeholders and approve education modules in consultation with the Agency of Natural Resources and the Department of Public Service for all the licensees set forth in subsection (a) of this section and in consultation with the Department of Taxes for real estate appraisers and real estate brokers and sales persons. Beginning January 1, 2028, and every 3 years thereafter, the Office shall review these education modules, consider recommendations by relevant stakeholders, and update the modules as necessary.

* * * Heating Equipment Technicians * * *

Sec. 5. 20 V.S.A. § 2731 is amended to read:

§ 2731. RULES; INSPECTIONS; VARIANCES

(a) Rules.

(1) The Commissioner is authorized to adopt rules regarding the construction of buildings, maintenance and operation of premises, and prevention of fires and removal of fire hazards, and to prescribe standards necessary to protect the public, employees, and property against harm arising out of or likely to arise out of fire.

(2)(A) The Commissioner shall require each of the following certificants

to complete an education module regarding the State's energy goals and how each certificant's specific profession can further those goals:

* * *

(B) The education module shall be not more than two hours and shall be required as a condition of initial certification and certification renewal. The module shall explain how the work of the profession or trade intersects with the energy codes and affects the energy, air flow, and moisture management dynamics of the building as an integrated system and include education on any State or utility incentives relevant to the profession.

~~(i) The education module for initial certification shall provide general information regarding the State's energy goals.~~

~~(ii) The education module for certification renewal shall provide any updates on the State's energy goals and any updates regarding corresponding State energy programs applicable to the profession.~~

(C) The Commissioner shall consider any recommendations on these education modules provided by relevant stakeholders and approve education modules in consultation with the Agency of Natural Resources and the Department of Public Service. Beginning January 1, 2028, and every 3 years thereafter, the Commissioner shall review these education modules, consider recommendations by relevant stakeholders, and update the modules as necessary.

* * *

* * * Commissioned Boiler Inspectors * * *

Sec. 6. 20 V.S.A. § 2884 is amended to read:

§ 2884. QUALIFICATIONS OF INSPECTORS

* * *

(b) ~~Education. The Commissioner shall require each boiler inspector to complete an education module regarding the State's energy goals and how the boiler inspection profession can further those goals.~~

~~(1) The education module shall be not more than two hours and shall be required as a condition of initial authorization and authorization renewal. The module shall include education on any State or utility incentives relevant to the profession.~~

~~(A) The education module for initial authorization shall provide general information regarding the State's energy goals.~~

~~(B) The education module for authorization renewal shall provide any updates on the State's energy goals and any updates regarding corresponding State energy programs applicable to the profession.~~

~~(2) The Commissioner shall consider any recommendations on these education modules provided by relevant stakeholders and approve education modules in consultation with the Agency of Natural Resources and the Department of Public Service.~~ [Repealed.]

* * *

* * * Electricians * * *

Sec. 7. 26 V.S.A. § 905 is amended to read:

§ 905. APPLICATION; EXAMINATIONS, EDUCATION, AND FEES

* * *

(g) Pursuant to qualifications and procedures determined by the Commissioner, the Board shall, upon request, waive application fees for qualified military members and military spouses.

(1) The education module shall be not more than two hours and shall be required as a condition of initial licensure and license renewal. The module shall explain how the work of the profession or trade intersects with the energy codes and affects the energy, air flow, and moisture management dynamics of the building as an integrated system and include education on any State or utility incentives relevant to the profession.

~~(A) The education module for initial licensure shall provide general information regarding the State's energy goals.~~

~~(B) The education module for license renewal shall provide any updates on the State's energy goals and any updates regarding corresponding State energy programs applicable to the profession.~~

(2) The Commissioner shall consider any recommendations on these education modules provided by relevant stakeholders and approve education modules in consultation with the Agency of Natural Resources and the Department of Public Service. Beginning January 1, 2028, and every 3 years thereafter, the Commissioner shall review these education modules, consider recommendations by relevant stakeholders, and update the modules as necessary.

* * *

* * * Plumbers * * *

Sec. 8. 26 V.S.A. § 2193 is amended to read:

§ 2193. APPLICATIONS; EXAMINATIONS, EDUCATION, AND FEES

* * *

(f) In addition to other education requirements of this subchapter, the Commissioner shall require each applicant to complete an education module regarding the State's energy goals and how the plumbing profession can further those goals.

(1) The education module shall be not more than two hours and shall be required as a condition of initial licensure and license renewal, except that master and journeyman plumbers who complete this education module shall not be required to complete this education module for any additional specialty license. The module shall explain how the work of the profession or trade intersects with the energy codes and affects the energy, air flow, and moisture management dynamics of the building as an integrated system and include education on any State or utility incentives relevant to the profession.

~~(A) The education module for initial licensure shall provide general information regarding the State's energy goals.~~

~~(B) The education module for license renewal shall provide any updates on the State's energy goals and any updates regarding corresponding State energy programs applicable to the profession.~~

(2) The Commissioner shall consider any recommendations on these education modules provided by relevant stakeholders and approve education modules in consultation with the Agency of Natural Resources and the Department of Public Service. Beginning January 1, 2028, and every 3 years thereafter, the Commissioner shall review these education modules, consider recommendations by relevant stakeholders, and update the modules as necessary.

Sec. 9. ENERGY PROFESSIONALS REGULATION REPORT

The Office of Professional Regulation shall conduct a sunrise process to assess whether Home Energy Rating Systems raters and energy professionals should be regulated professions. On or before November 1, 2028, the Office shall submit a report with its recommendations to the House Committees on Energy and Digital Infrastructure and on Government Operations and Military Affairs and the Senate Committees on Economic Development, Housing, and General Affairs and on Natural Resources and Energy.

* * * Energy Code Enforcement * * *

Sec. 10. 30 V.S.A. § 51 is amended to read:

§ 51. RESIDENTIAL BUILDING ENERGY STANDARDS; STRETCH CODE

* * *

(j) Municipal enforcement. A municipality may enforce the RBES within the municipality in compliance with this section.

(k) Transitional safe harbor compliance.

(1) This subsection applies to any residential building for which a certificate of compliance with the Residential Building Energy Standards was filed pursuant to this section using the 2020 RBES compliance path during the period beginning on September 17, 2025, the effective date of Executive Order No. 06-25 of 2025, and until such time as amendments to the RBES rules are adopted.

(2) A building described in subdivision (1) of this subsection shall be deemed to be in compliance with this section. The use of the 2020 RBES compliance path during that period shall not, by itself, constitute a violation of this section or of any rule adopted under this section.

(3) The State shall not bring an enforcement action under this section based solely on the use of the 2020 RBES compliance path for a building described in subdivision (1) of this subsection, and no damages, penalties, or other relief shall be awarded in an action brought under subsection (g) of this section based solely on such use.

Sec. 11. 30 V.S.A. § 53 is amended to read:

§ 53. COMMERCIAL BUILDING ENERGY STANDARDS

* * *

(h) Municipal enforcement. A municipality may enforce the CBES within the municipality in compliance with this section.

(i) Transitional safe harbor compliance.

(1) This subsection applies to any commercial building for which the builder or owner complied with the version of the 2020 Commercial Building Energy Standards as referenced in Executive Order No. 06-25 of 2025 during the period beginning on September 17, 2025, the effective date of the Executive Order, and until such time as amendments to the CBES rules are adopted.

(2) A building described in subdivision (1) of this subsection shall be deemed to be in compliance with this section. The use of the 2020 version of the CBES during that period shall not, by itself, constitute a violation of this section or of any rule adopted under this section.

(3) The State shall not bring an enforcement action under this section based solely on the use of the 2020 version of the CBES for a building described in subdivision (1) of this subsection.

Sec. 12. 24 V.S.A. § 3101 is amended to read:

§ 3101. BYLAWS AND ORDINANCES; PENALTIES

(a) The mayor and board of aldermen of a city, the selectboard of a town, or the trustees of an incorporated village, may, in accordance with this chapter, establish codes and regulations for the construction, maintenance, repair, and alteration of buildings and other structures within the municipality. Such codes and regulations may include provisions relating to building materials, structural design, passageways, stairways and exits, heating systems, fire protection procedures, and such other matters as may be reasonably necessary for the health, safety, and welfare of the public, but excluding electrical installations subject to regulation under 26 V.S.A. chapter 15. The adopted codes and regulations may incorporate by reference the Residential Building Energy Standards and the Commercial Building Energy Standards established pursuant to 30 V.S.A. chapter 2.

(b) Any code or regulation under subsection (a) of this section shall be adopted, amended, or repealed and enforced pursuant to the provisions of chapter 59 of this title.

(c) When any municipality adopts or amends a building code, it shall impose requirements consistent with the current rules and standards adopted by the Commissioner of Public Safety under 20 V.S.A. chapter 173, subchapter 2.

* * *

(g) Incorporation of the Residential Building Energy Standards and the Commercial Building Energy Standards pursuant to subsection (a) of this section shall allow the municipality to enforce those standards.

* * * Appropriations * * *

Sec. 13. APPROPRIATIONS

Notwithstanding any provision of law to the contrary:

(1) In fiscal year 2027, the sum of $200,000.00 is appropriated from the General Fund to the Department of Public Service for the purpose of funding, as part of the energy efficiency utilities' 2027–2029 Demand Resource Plans, consultation and technical support to municipalities that elect to adopt and enforce the Residential Building Energy Standards and the Commercial Building Energy Standards.

(2) In fiscal year 2027, the sum of $200,000.00 is appropriated from the General Fund to the Office of Professional Regulation to support the Residential Contractor Registry Task Force established in Sec. 3 of this act with the goal of identifying a consumer-oriented agency or organization to host a website to raise public awareness of the residential contractor registry; providing funding to that agency or organization to launch and manage the website on or before December 31, 2027 and supporting the Office of Professional Regulation in the development of voluntary certifications.

* * * Effective Date * * *

Sec. 14. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee Vote: 6-3-0)

Rep. Kascenska of Burke, for the Committee on Appropriations, recommends that the report of the Committee on Energy and Digital Infrastructure be amended by striking out Sec. 13, appropriations, and in its entirety and inserting in lieu thereof a new Sec. 13 to read as follows:

Sec. 13. CONTINGENCY OF FUNDING

The duty to implement the Residential Contractor Registry Task Force described in Sec. 3 of this act is contingent upon an appropriation of funds in fiscal year 2027 from the General Fund to the Office of Professional Regulation for that purpose.

(Committee Vote: 9-2-0)

H. 740

An act relating to the greenhouse gas inventory and registry

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

Sec. 1. 10 V.S.A. § 582 is amended to read:

§ 582. GREENHOUSE GAS INVENTORIES; REGISTRY

* * *

(e) Rules.

(1) The Secretary may adopt rules to implement the provisions of this section and shall review existing and proposed international, federal, and State greenhouse gas emission reporting programs and make reasonable efforts to promote consistency among the programs established pursuant to this section and other programs, and to streamline reporting requirements on greenhouse gas emission sources. Except as provided in subsection (g) of this section, nothing in this section shall limit a State agency from adopting any rule within its authority.

(2) The Secretary has authority to adopt rules that create a comprehensive greenhouse gas emission reporting program that covers all sources of emissions, including fuel suppliers. Suppliers of transportation and heating fuels covered by the rules shall comply with requests from the Secretary for information. The Secretary shall adopt a rule that at a minimum includes the types and volume of fossil fuels sold by sector for the transportation, residential, commercial, and industrial sectors and by zip code, municipality, or the smallest geographic level practicable.

* * *

Sec. 2. RULEMAKING

On or before July 1, 2027, the Secretary of Natural Resources shall adopt final rules for greenhouse gas reporting as required under 10 V.S.A. § 582(e)(2).

Sec. 3. APPROPRIATION AND POSITIONS

(a) Funding. In addition to other funds appropriated to the Agency of Natural Resources, the sum of $500,000.00 shall be appropriated from the General Fund as a base appropriation, which will be used to draft the greenhouse gas emission reporting rules, to develop a greenhouse gas emission source database, and to support staff and on-going efforts required to implement emission source data collection.

(b) Positions. In fiscal year 2027, the establishment of two new permanent classified Environmental Analyst V positions in the Agency of Natural Resources is authorized.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

(Committee Vote: 6-3-0)

Rep. Squirrell of Underhill, for the Committee on Appropriations, recommends that the report of the Committee on Energy and Digital Infrastructure be amended as follows:

First: By striking out Sec. 2 in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. RULEMAKING

Contingent upon an appropriation of funds in fiscal year 2027, for this purpose, on or before July 1, 2027, the Secretary of Natural Resources shall adopt final rules for greenhouse gas reporting as required under 10 V.S.A. § 582(e)(2). The duty to create a database for the reporting of data is also contingent upon an appropriation of funds.

Second: By striking out Sec. 3, appropriation and positions, in its entirety and by renumbering the remaining section to be numerically correct.

(Committee Vote: 8-3-0)

H. 778

An act relating to dam safety

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

Sec. 1. 20 V.S.A. § 10 is amended to read:

§ 10. REQUEST TO GOVERNOR BY MUNICIPAL AUTHORITIES

The all-hazards event provisions of this chapter shall not be brought into action unless the municipal director of emergency management, a member of the legislative body of the municipality, the city or town manager, or the mayor of a city that is within the area affected by an all-hazards event shall declare an emergency and request the Governor to find that a state of emergency exists and the Governor so finds, or unless the Governor declares a state of emergency under section 9 of this title. This section shall not be construed to prevent the Governor or the Director of Emergency Management without municipal approval from requiring the evacuation of an area subject to inundation from a dam failure when there is a dam failure or an imminent risk of failure.

Sec. 2. STATE OF VERMONT EMERGENCY OPERATIONS PLANNING PILOT PROJECT; REPORT

(a)(1) The Division of Emergency Management, in coordination with the Department of Environmental Conservation, shall conduct a pilot project under which the Division shall develop a set of emergency operations plans (EOPs) for two State-owned dams that have been classified as high-hazard potential. One of the dams shall have a population at risk of 1,000 or more persons and the other shall have a population at risk of 100 or more but fewer than 1,000 persons.

(2) The set of EOPs for each dam shall include an EOP for each municipality in the inundation zone of the dam.

(b)(1) In preparing the EOPs required under subsection (a) of this section and in order to ensure the sufficiency of the EOPs to protect public lives and property, the Division shall coordinate with and collect input from those entities traditionally involved in regional and municipal emergency management, including municipal officials; emergency responders; regional planning commissions; State and regional search and rescue partners, including swiftwater rescue providers; and other relevant interested parties located in the regional area that would be inundated if the dam were to fail. The Division also shall coordinate with any owner or operator of a hydroelectric generation facility located at a State-owned dam.

(2) The Division of Emergency Management may hire a contractor, including a regional planning commission, to complete the requirements of this section, including one or both of the EOPs required under subsection (a) of this section.

(c) Each EOP required to be completed under subsection (a) of this section shall:

(1) be coordinated with each dam's emergency action plan and shall utilize each dam's emergency action plan inundation maps;

(2) identify planned evacuations and evacuation routes based on possible inundation scenarios, including how to evacuate vulnerable populations such as medically vulnerable individuals who need access to electricity or specialized medical equipment;

(3) identify where individuals shall evacuate to, such as a shelter, higher ground, or reunification location;

(4) engage facilities that house vulnerable populations, such as schools, shelters for the unhoused, and senior living communities, in the plan development;

(5) plan for the use of mutual aid and State resources, and coordinate such use between municipalities downstream of the dam;

(6) address how to implement the use of pre-event communication and early warning systems to alert persons in the inundation areas, including the use of the VT-Alert system; and

(7) include any additional provisions deemed useful by the Division in developing the EOP or for inclusion in the EOP.

(d) On or before July 1, 2028, the Division of Emergency Management shall submit to the House Committee on Environment and the Senate Committee on Natural Resources and Energy the results of the pilot project required under subsection (a) of this section, including:

(1) copies of the EOPs for the two dams;

(2) a summary of the process of developing the EOPs, including whether the Division completed the EOPs with Division staff, contracted with regional planning commissions, or hired other contractors to complete the EOPs;

(3) a summary of how the Division or the Division contractor coordinated with municipal officials; State and regional search and rescue entities, including swiftwater rescue partners; owners or operators of hydroelectric facilities at a dam; and emergency responders representing municipalities in the area of potential inundation from each dam;

(4) the cost of the EOPs completed under the pilot project;

(5) a summary of early warning and communications systems municipalities may use to communicate recommendations or requests for evacuation, including the best use of the State's VT-Alert System; and

(6) a scope, timeline, and budget for the Division to develop an EOP template or templates and a training on EOP development for municipalities.

(e) As part of the report required under subsection (d) of this section, the Division of Emergency Management shall, based on the results of the pilot project EOPs:

(1) recommend how EOPs should be completed for all State or federal dams in Vermont that are high-hazard potential dams and that have a population at risk of 100 or more persons, including:

(A) whether and how to prioritize completion of the EOPs for all high-hazard dams with a population at risk of 100 or more persons;

(B) whether the Division of Emergency Management can complete or contract for completion of the EOPs for all State or federal dams with a population at risk of 100 or more persons by 2035;

(C) whether the Division of Emergency Management can complete an EOP for a federal dam or whether the Division may only assist those local entities authorized to complete an EOP under federal law; and

(D) what it would cost for the Division of Emergency Management to complete the EOPs for dams with a population at risk of 100 or more persons or what it would cost for the Division to contract with a qualified consultant to complete the EOPs;

(2) recommend how EOPs should be completed for high-hazard dams with a population at risk of fewer than 100 persons;

(3) recommend potential funding sources that the Division or individual municipalities could access to complete or contract for the completion of EOPs;

(4) recommend how to best educate municipalities, regional planning commissions, and emergency service providers about the need for and importance of EOPs for dams;

(5) recommend whether and how an EOP should identify structures that persons would reasonably be expected to occupy and how to geotag these structures for purposes of inclusion in the VT-Alert system; and

(6) recommend how often the Division, regional planning commissions, or municipalities should conduct practice emergency response for the EOPs required under subsection (a) of this section and ultimately for all EOPs prepared for dams in the State.

Sec. 3. APPROPRIATIONS

(a) In addition to other funds appropriated to the Department of Public Safety for the Division of Emergency Management in fiscal year 2027, $250,000.00 is appropriated from the General Fund to the Department for completion by the Division of Emergency Management of the emergency operations plan pilot project required under Sec. 2 of this act.

(b) In addition to other funds appropriated to the Department of Environmental Conservation in fiscal year 2027, $125,000.00 is appropriated from the General Fund to the Department of Environmental Conservation for

the Department's assistance in completing the emergency operations plan pilot project required under Sec. 2 of this act.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

(Committee Vote: 11-0-0)

Rep. Squirrell of Underhill, for the Committee on Appropriations, recommends that the bill ought to pass when amended as recommended by the Committee on Environment.

(Committee Vote: 10-0-1)

H. 861

An act relating to establishing an Americans with Disabilities Act Coordinator

Rep. Burrows of West Windsor, 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. 3 V.S.A. chapter 45 is amended to read:

CHAPTER 45. ADMINISTRATION

* * *

Subchapter 7. Americans with Disabilities Act Coordinator

§ 2331. AMERICANS WITH DISABILITIES ACT COORDINATOR

(a) There is created the permanent position of the Americans with Disabilities Act Coordinator within the Agency of Administration for the purpose of coordinating, across State government and in collaboration with agency partners, all State programs, services, and activities, accessible to and available for individuals with disabilities.

(b) The Coordinator shall be an individual with the lived experience of a disability and shall have completed a recognized Americans with Disabilities Act coordinator certificate program. The Coordinator shall have comprehensive knowledge of the Americans with Disabilities Act, 42 U.S.C. §§ 12101–12213, section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, and any related federal and State disability rights law. The Coordinator shall be familiar with the structure, programs, services, and personnel of State government and with alternative communication formats and assistive technologies.

(c) In hiring for the Coordinator position, the Secretary of Administration shall consider only those candidates nominated by the following entities:

(1) the Human Rights Commission;

(2) Disability Rights Vermont;

(3) the Vermont Coalition for Disability Rights; and

(4) the Vermont Center for Independent Living.

(d) The Coordinator shall:

(1) work directly with State agencies and departments to advance, coordinate, and monitor statewide compliance efforts;

(2) act as a consultant for State employees, boards, and executive, legislative, and judicial leadership;

(3) ensure communications with individuals with disabilities are as effective as those with individuals without disabilities, giving primary consideration to the individual's preferred method of communication;

(4) educate State employees on their legal obligations, disability access requirements, ableism, and prevention initiatives;

(5) audit programs, facilities, and activities for ongoing compliance;

(6) oversee self-evaluation processes throughout State government to identify and correct violations;

(7) monitor federally required transition plans to ensure timely completion of structural accessibility and improvement;

(8) provide federally required public notice of rights under the Americans with Disabilities Act and provide contact information for a governmental entity's coordinator;

(9) maintain collaborative relationships with disability advocacy organizations and stakeholders; and

(10) facilitate partnerships among governmental departments and disability advocacy organizations to align policies, programs, and implementation strategies that support compliance with the Americans with Disabilities Act and accessible services.

(e) The Coordinator shall have the administrative, legal, and technical support of the Agency of Administration.

Sec. 2. APPROPRIATION; AMERICANS WITH DISABILITIES ACT COORDINATOR

In fiscal year 2027, $150,000.00 is appropriated from the General Fund to establish the Americans with Disabilities Coordinator position established in 3 V.S.A. § 2331.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee Vote: 10-0-1)

Rep. Stevens of Waterbury, for the Committee on Appropriations, recommends that the report of the Committee on General and Housing be amended by striking out Sec. 2, appropriation; Americans with Disabilities Act Coordinator, and Sec. 3, effective date, in their entireties and inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2026, provided that the sum of $150,000.00 has been appropriated in the fiscal year 2027 budget for the Americans with Disabilities Act Coordinator position established in Sec. 1.

(Committee Vote: 7-4-0)

H. 931

An act relating to miscellaneous changes in education law

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

Rep. Burkhardt of South Burlington, for the Committee on Ways and Means, recommends that the bill be amended as follows:

First: By striking out Secs. 3–12 (BOCES; CESA name change) and their reader assistance heading in their entireties and inserting in lieu thereof 10 new sections to read as follows:

Sec. 3. [Deleted.]

Sec. 4. [Deleted.]

Sec. 5. [Deleted.]

Sec. 6. [Deleted.]

Sec. 7. [Deleted.]

Sec. 8. [Deleted.]

Sec. 9. [Deleted.]

Sec. 10. [Deleted.]

Sec. 11. [Deleted.]

Sec. 12. [Deleted.]

Second: In Sec. 14, 16 V.S.A. § 254a, in subsection (c), following "on a form provided by the Vermont Crime Information Center" by striking out ", a set of the applicant's fingerprints, and a fee established by the Vermont Crime Information Center that shall reflect the cost of obtaining the record from the FBI. The fee shall be paid by the applicant" and inserting in lieu thereof "and a set of the applicant's fingerprints. The Agency shall pay the fingerprinting fee required pursuant to 20 V.S.A. § 2062 and shall pay any fee required by the FBI associated with a fingerprint-supported criminal record check"

(Committee Vote: 9-1-1)

Rep. Kascenska of Burke, for the Committee on Appropriations, recommends that the bill ought to pass when amended as recommended by the Committee on Ways and Means.

(Committee Vote: 11-0-0)

Favorable

H. 915

An act relating to establishing an extended producer responsibility program for beverage containers

(Rep. Morris of Springfield will speak for the Committee on Environment.**)**

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

(Committee Vote: 9-1-1)

Rep. Squirrell of Underhill, for the Committee on Appropriations, recommends that the bill ought to pass.

(Committee Vote: 8-3-0)

H. 937

An act relating to miscellaneous judiciary procedures

(Rep. Rachelson of Burlington will speak for the Committee on Judiciary.**)**

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

(Committee Vote: 10-0-1)

Rep. Squirrell of Underhill, for the Committee on Appropriations, recommends that the bill ought to pass.

(Committee Vote: 11-0-0)

NOTICE CALENDAR

Favorable with Amendment

H. 67

An act relating to legislative operations and government accountability

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:

* * * Purpose and Findings * * *

Sec. 1. PURPOSE

The purpose of this act is to advance the principle of government accountability by examining how evidence is used to inform policy, how State laws are implemented, and how legislation may be structured to achieve its intended outcomes. This act seeks to support consistent and transparent accountability practices through simple, clear, independent, objective, and fact-based processes.

* * * Pilot Government Accountability Project * * *

Sec. 2. PILOT GOVERNMENT ACCOUNTABILITY PROJECT

(a) Assignment. The Joint Fiscal Committee shall, in addition to its other duties described in law and rules, conduct the Pilot Government Accountability Project to examine governmental practices, make recommendations on improving those practices, and develop effective tools for evaluating government accountability.

(b) Selection of Project issues before the Committee. The Chief Fiscal Officer of the Joint Fiscal Office, in consultation with the Speaker of the House, the President Pro Tempore, and the leaders of the major political parties in both the House and the Senate, will select issues for the Committee's consideration and refer these to the Joint Fiscal Committee on or before August 1, 2026.

(c) Charge. The Committee is charged with completing, to the extent feasible, Project elements as described in this section.

(1) Examination of issues selected by Committee. The Committee shall be empowered to examine, investigate, and otherwise analyze issues that it selects pursuant to subsection (b) of this section.

(2) Review of program performance. The Committee shall examine whether State programs and initiatives are advancing the policy goals established in statute, including consideration of outcome data, implementation progress, and operational challenges.

(3) Consideration of evidence and evaluation. The Committee shall review available research, independent evaluations, audits, and performance measures relevant to State programs and policies and encourage the use of reliable data and evaluation methods in legislative decision making.

(4) Identification of effective practices and improvement opportunities. The Committee shall highlight approaches that demonstrate positive outcomes, identify barriers to effective implementation, and recommend reasonable opportunities for improvement, coordination, or replication where appropriate.

(5) Support for alignment of policy, funding, and outcomes. The Committee shall provide information and recommendations that assist the General Assembly in aligning appropriations, statutory intent, and measurable results.

(6) Monitoring of follow-up actions. The Committee shall, when issuing recommendations, request updates from relevant agencies regarding actions taken or progress made, as appropriate.

(7) Coordination with existing oversight entities. The Committee shall work in consultation with legislative committees of jurisdiction, the State Auditor, the Chief Performance Officer, and other relevant entities to avoid duplication and to support efficient use of State resources.

(8) Surveying of data and data impact. The Committee shall survey available State data and documented impacts to better understand implementation, outcomes, and opportunities for improvement.

(9) Communication of outcomes. The Committee shall consider how and when program outcomes and performance information are communicated, including the audiences receiving such information and the clarity, timeliness, and usefulness of the communication for supporting transparency, public understanding, and informed decision making.

(10) Development of evaluation tools. The Committee may consider the development or use of appropriate tools and methods to assess program outcomes and performance, including measures that support consistent evaluation, transparency, and informed legislative and administrative decision making.

(d) Report. On or before December 15, 2026, and again on or before November 15, 2027, the Committee shall present and submit a written report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations that includes any findings on the issues examined and any recommendations for legislative action.

* * * Joint Fiscal Office Consultant; Appropriation * * *

Sec. 3. JOINT FISCAL OFFICE CONSULTANT; APPROPRIATION

(a) Committee personnel. The Joint Fiscal Office may, to conduct research and analysis and to provide other support as necessary for the Pilot Government Accountability Project, either:

(1) contract with a consultant for a two-year term; or

(2) create a new exempt temporary service position for a two-year term.

(b) Appropriation. There is appropriated to the Joint Fiscal Office from the General Fund in fiscal year 2027 the sum of $150,000.00 for Pilot Government Accountability Project personnel.

* * * Effective Date * * *

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

(Committee Vote: 11-0-0)

Rep. Stevens of Waterbury, for the Committee on Appropriations, recommends that the report of the Committee on Government Operations and Military Affairs be amended by striking out Sec. 3, Legislative Joint Fiscal Office consultant; appropriation, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. LEGISLATIVE JOINT FISCAL OFFICE CONSULTANT

(a) Committee personnel. The Legislative Joint Fiscal Office may, to conduct research and analysis and to provide other support as necessary for the Pilot Government Accountability Project, either:

(1) contract with a consultant for a two-year term; or

(2) create a new exempt limited service position for a two-year term.

(b) Appropriation. There is appropriated to the Legislative Joint Fiscal Office from the General Fund in fiscal year 2027 the sum of $300,000.00, to be used for Pilot Government Accountability Project personnel over a two-year period.

(Committee Vote: 11-0-0)

H. 567

An act relating to unclaimed property, State retirement systems, and capital debt

Rep. Birong of Vergennes, for the Committee on Government Operations and Military Affairs, recommends that the bill ought to pass.

(Committee Vote: 11-0-0)

Rep. Burkhardt of South Burlington, for the Committee on Ways and Means, recommends that the bill be amended by striking out Sec. 2 (unclaimed property expenses and service charges) and Sec. 3 (unclaimed property expenses and service charges sunset) in their entireties and inserting in lieu thereof a new Sec. 2 and Sec. 3 to read as follows:

Sec. 2. 27 V.S.A. § 1543 is amended to read:

§ 1543. EXPENSES AND SERVICE CHARGES OF ADMINISTRATOR

Before making a deposit of funds received under this chapter to the General Fund, the Administrator may deduct:

(1) expenses of disposition of property delivered to the Administrator under this chapter;

(2) costs of mailing and publication in connection with property delivered to the Administrator under this chapter;

(3) reasonable service charges;

(4) expenses incurred in examining records of or collecting property from a putative holder or holder; and

(5) property valued at ~~$100.00~~ $150.00 or less more than 10 years after the abandoned property was received from the holder under subchapter 6 of this chapter ~~shall be paid by the~~.

(A) The Administrator shall deposit funds deducted under this subdivision (5) into the Vermont Retirement Security Fund created by 3 V.S.A. § 534 up to a maximum annual total of $300,00.00.

(B) Notwithstanding subdivision (A) of this subdivision (5), in the Administrator's sole discretion, funds deducted under this subdivision (5) may

be deposited into the Vermont Higher Education Endowment Trust Fund created by 16 V.S.A. § 2885 ~~under authority of this subdivision~~, provided that not more than a combined total of $300,000.00 shall be deposited into the Funds in a given year.

(C) For purposes of this subdivision, the value of the abandoned property shall be that value as of the date the property was received from the holder by the Administrator.

Sec. 3. 27 V.S.A. § 1543(5) is amended to read:

(5) property valued at $150.00 or less more than 10 years after the abandoned property was received from the holder under subchapter 6 of this chapter.

(A) The Administrator shall deposit funds deducted under this subdivision (5) into the ~~Vermont Retirement Security Fund created by 3 V.S.A. § 534~~ Vermont Higher Education Endowment Trust Fund created by 16 V.S.A. § 2885 up to a maximum annual total of $300,00.00.

(B) ~~Notwithstanding subdivision (A) of this subdivision (5), in the Administrator's sole discretion, funds deducted under this subdivision (5) may be deposited into the Vermont Higher Education Endowment Trust Fund created by 16 V.S.A. § 2885, provided that not more than a combined total of $300,000.00 shall be deposited into the Funds in a given year.~~ [Repealed.]

(C) For purposes of this subdivision, the value of the abandoned property shall be that value as of the date the property was received from the holder by the Administrator.

(Committee Vote: 11-0-0)

Rep. Dickinson of St. Albans Town, for the Committee on Appropriations, recommends that the bill ought to pass when amended as recommended by the Committee on Ways and Means, and when further amended as follows:

First: In Sec. 2, 27 V.S.A. § 1543, in subdivision (5)(A), by striking out "$300,00.00" and inserting in lieu thereof "$300,000.00"

Second: In Sec. 3, 27 V.S.A. § 1543(5), in subdivision (5)(A), by striking out "$300,00.00" and inserting in lieu thereof "$300,000.00"

Third: In Sec. 7, Pension and Benefits Funding Task Force; report, by striking out subsection (h) in its entirety and re-lettering the remaining subsection to be alphabetically correct.

Fourth: By striking out Sec. 24, Office of the State Treasurer; positions, and its reader assistance heading in their entireties and inserting in lieu thereof a new Sec. 24 to read as follows:

Sec. 24. [Deleted.]

(Committee Vote: 11-0-0)

H. 650

An act relating to educational technology products

Rep. Graning of Jericho, 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. 9 V.S.A. chapter 62 is amended to read:

CHAPTER 62. PROTECTION OF PERSONAL INFORMATION

* * *

Subchapter 3A. Student Privacy

* * *

§ 2443f. ENFORCEMENT

(a) A person who violates a provision of this ~~chapter~~ subchapter commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

(b) The Attorney General has the same authority to adopt rules to implement the provisions of this subchapter and to conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as provided under chapter 63, subchapter 1 of this title.

Subchapter 3B. Educational Technology

§ 2444a. REGISTRATION REQUIREMENTS

(a) Definitions. As used in this section:

(1) "Educational technology product" and "product" mean any student-facing software, application, or platform that may collect, process, or transmit student data and that is used for teaching and learning purposes in a school in Vermont.

(2) "Filing" means an initial registration, amendment, periodic report, or other filing with the Secretary of State as the Secretary may require.

(3) "Provider of an educational technology product" and "provider" mean a person that provides an educational technology product that is in use at a school with or without a contract with the school or school district.

(4) "School" means a public school or an independent school approved pursuant to 16 V.S.A. § 166.

(b) Mandatory data reporting. In addition to all other requirements of a person registering with the Secretary of State pursuant to State law, a person doing business in this State as a provider of an educational technology product shall, at the time of a filing, provide the following:

(1) the name and primary physical, email, and internet addresses of the person;

(2) a link to the most recent version of the privacy policy and terms and conditions of each product in use;

(3) the name of each school or school district in which the provider is operating pursuant to a contract;

(4) the name and a brief description of each product of the provider, also indicating which products are offered at no cost to schools;

(5) which products are known by the provider to be in use in any school or school district; and

(6) an attestation that each product meets:

(A) the standards set forth in subchapter 3A of this chapter and subchapter 6 of this chapter (the Vermont Age-Appropriate Design Code Act); and

(B) all federal and State privacy laws, including the federal Children's Online Privacy Protection Act.

* * *

Sec. 2. EDUCATIONAL TECHNOLOGY REGISTRATION REVIEW; CERTIFICATION; AGENCY OF EDUCATION; REPORT

(a) Task. The Agency of Education shall:

(1) in consultation with the Secretary of State, review all educational technology product provider registrations pursuant to 9 V.S.A. § 2444a;

(2) in consultation with schools, create a list of educational technology products in use across the State;

(3) cross-reference the information gathered in subdivisions (1) and (2) of this subsection to determine the names of any unregistered educational technology providers operating in the State and forward the names of such providers to the Office of the Attorney General;

(4) determine where assistive technology may be included in an individualized education plan;

(5) provide a recommendation as to how the State should certify educational technology products for use in schools, including:

(A) which State entities should be involved in the certification process and to what extent;

(B) the criteria to be considered in the certification process, which at the minimum shall include:

(i) the product's compliance with State curriculum standards;

(ii) advantages of using the product compared with nondigital methods;

(iii) whether the product was explicitly designed for educational use;

(iv) design features of the product, including any:

(I) geolocation tracking;

(II) use of artificial intelligence, which includes chatbots, synthetic content, and automated decision-making tools;

(III) targeted advertising;

(IV) personalized recommendation systems;

(V) access to adults unknown to a student; and

(VI) features that would lead to compulsive use;

(v) whether the product serves as beneficial assistive technology or provides some other form of benefit for special education purposes; and

(vi) the data privacy practices of the provider of the product;

(C) the timeline and estimated cost to establish and implement the certification process;

(D) the estimated cost or cost savings for schools assuming a State certification process is established; and

(E) whether any third-party services, including Internet Safety Labs, should be utilized to assist in certification; and

(6) provide the General Assembly with any other information it deems relevant to help ensure that educational technology products are safely and smartly used in Vermont schools.

(b) Report. On or before November 15, 2027, the Agency of Education shall submit a written report to the House Committees on Commerce and Economic Development and on Education and the Senate Committees on Economic Development, Housing and General Affairs and on Education with its findings and information gathered pursuant to subsection (a) of this section along with any recommendations for legislative action concerning the certification of educational technology products.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee Vote: 11-0-0)

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

(Committee Vote: 10-0-1)

H. 657

An act relating to enabling unaccompanied homeless youth to obtain certain services without parental consent

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

* * * Removing Reach Up Asset Limit * * *

Sec. 1. 33 V.S.A. § 1103 is amended to read:

§ 1103. ELIGIBILITY AND BENEFIT LEVELS

* * *

(c) The Commissioner shall adopt rules for the determination of eligibility for the Reach Up program and benefit levels for all participating families that include the following provisions:

* * *

(5)~~(A) The asset limitation shall be $9,000.00 for families for the purposes of determining initial and continuing eligibility for the Reach Up program, and the following savings accounts shall not be considered in the calculation for determining the asset limitation:~~

~~(i) a retirement account, such as an individual retirement arrangement (IRA), a defined contribution plan qualified under 26 U.S.C. § 401(k), or any similar account as defined in 26 U.S.C. § 408; and~~

~~(ii) a qualified child education savings account, such as the Vermont Higher Education Investment Plan, established in 16 V.S.A. § 2877, or any similar plan qualified under 26 U.S.C. § 529.~~

~~(B) The value of assets accumulated from the earnings of adults and children in participating families and from any federal or Vermont earned income tax credit shall be excluded for purposes of determining continuing eligibility for the Reach Up program.~~ The Department shall not impose an asset limit for the purpose of initial and continuing eligibility for the Reach Up program.

* * *

* * * Social Security Benefits for Youth in Foster Care * * *

Sec. 2. 33 V.S.A. § 4902 is amended to read:

§ 4902. DEFINITIONS

As used in this chapter:

(1) "Child" means a person under 18 years of age committed by the Family Division of the Superior Court to the Department for Children and Families.

(2) "Commissioner" means the Commissioner for Children and Families.

(3) "Department" means the Department for Children and Families.

(4) "Foster care" means care of a child, for a valuable consideration, in a child care institution or in a family other than that of the child's parent, guardian, or relative.

(5) "Qualified ABLE account" means an ABLE account, as that term is defined in section 8002 of this title, or an account established pursuant to any qualified state ABLE program created pursuant to 26 U.S.C. § 529A (section 529A of the Internal Revenue Code of 1986).

(6) "Representative payee" means the person appointed by the Social Security Administration to manage Social Security benefits for a child.

(7) "RSDI benefits" means a child's retirement, survivors, or disability insurance benefits under 42 U.S.C. chapter 7, subchapter II (Title II of the Social Security Act).

(8) "Social Security Act" means the Social Security Act, 42 U.S.C. chapter 7, as may be amended.

(9) "Social Security benefits" means a child's RSDI benefits, SSI benefits, or both, as applicable.

(10) "SSI benefits" means a child's Supplemental Security Income benefits under 42 U.S.C. chapter 7, subchapter XVI (Title XVI of the Social Security Act).

Sec. 3. 33 V.S.A. § 4907 is added to read:

§ 4907. FOSTER CARE; SOCIAL SECURITY BENEFITS

(a) The Department shall not use any portion of a child's Social Security benefits to offset the State's costs for the child's maintenance except to maintain the child's eligibility for SSI benefits and to avoid a violation of federal asset or resource limits.

(b) Upon the request of the child or the child's foster care provider, the Department, in its capacity as representative payee for a child, may use the child's Social Security benefits for the child's unmet needs beyond the amount that the State is obligated, required, or agrees to pay for the care of the child.

(c) In its capacity as representative payee for a child and with the assistance of the State Treasurer, the Department shall:

(1) establish a trust account for the child, which shall be a qualified ABLE account for any child receiving SSI benefits;

(2) monitor any federal asset or resource limits for the child's SSI benefits;

(3) ensure that the child's best interests are served by using the child's Social Security benefits for the child's unmet needs or conserving the child's Social Security benefits in a way that avoids violating any federal asset or resource limits that would affect the child's ability to receive SSI benefits;

(4) appeal any denied application for SSI benefits submitted on behalf of a child; and

(5) provide an annual accounting of the use, application, or conservation of the child's Social Security benefits, including any payments made under subsection (b) of this section, to the child; the child's parent, legal guardian, or counsel; the Family Division of the Superior Court; and the Office of the Child, Youth, and Family Advocate.

* * * Enabling Unaccompanied Youth to Obtain Certain Services Without Parental Consent * * *

Sec. 4. 33 V.S.A. § 4908 is added to read:

§ 4908. UNACCOMPANIED YOUTH

(a) Definition. As used in this section:

(1) "Homeless children and youth" means individuals who lack a fixed, regular, and adequate nighttime residence, including:

(A) children and youth sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason;

(B) children and youth living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations;

(C) children and youth living in emergency or transitional shelters;

(D) children and youth abandoned in hospitals;

(E) children and youth living in a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings;

(F) children and youth living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; or

(G) migratory children who qualify as homeless because they are living in circumstances described in this subdivision.

(2) "Unaccompanied homeless youth" means a homeless child or youth not in the physical custody of a parent or guardian.

(3) "School district homeless liaison" means an employee designated by a school district to act as a liaison for homeless children and youth.

(b) Certification. An unaccompanied youth may become certified if the youth is:

(1) found by a school district homeless liaison or other appropriate staff person to be an unaccompanied youth; or

(2) believed to qualify as an unaccompanied youth, by:

(A) the director of an emergency shelter program funded by the State;

(B) the director of a runaway or homeless youth program funded by the U.S. Department of Health and Human Services or the U.S. Department of Housing and Urban Development or designee;

(C) a continuum of care lead agency or designee;

(D) the Chief Juvenile Defender or designee; or

(E) the Vermont Network Against Domestic and Sexual Violence or designee.

(c) Proof of certification.

(1) Elevate Youth Services' Vermont Coalition of Runaway and Homeless Services shall develop a standardized form that shall be used by the entities specified in subdivision (b)(2) of this section to certify qualifying unaccompanied youths. The front of the form shall include the circumstances that qualify the youth; the date the youth was certified; the name, title, and signature of the certifying individual; and confirmation from the certifying individual that they have completed a human trafficking training in the past two years. This section shall be reproduced in its entirety on the back of the form.

(2) Without the consent of a parent or guardian, a certified unaccompanied youth may use the completed form to:

(A) apply at no charge for a nondriver identification card pursuant to 23 V.S.A. § 115, a learner's permit pursuant to 23 V.S.A. § 617, or an operator's license or operator's privilege card pursuant to 23 V.S.A. § 608;

(B) obtain a vital event certificate at no charge pursuant to 18 V.S.A. § 5017;

(C) consent to care by health care professionals licensed or certified in Vermont, including medical care; dental care; mental health care services, including psychological counseling and treatment, psychiatric treatment, and substance use prevention and treatment services; and surgical diagnosis and treatment, including medical diagnosis and treatment, such as preventive care and care provided in a health care facility, as defined in 18 V.S.A. § 9432, for:

(i) themselves; or

(ii) the youth's child, if the certified unaccompanied youth is unmarried, is the parent of the child, and has actual custody of the child;

(D) enter into a contract for housing or obtain admission to a shelter or transitional housing;

(E) obtain employment, pursuant to 21 V.S.A. chapter 5, subchapter 4;

(F) purchase an automobile and obtain an automobile liability policy that meets the requirements of 23 V.S.A. chapter 11;

(G) apply for a student loan;

(H) obtain admission to high school or postsecondary school and participate in school activities, including extracurricular activities and field trips;

(I) open an account at a State- or federally chartered bank or credit union; and

(J) receive services for victims of domestic or sexual violence, as appropriate.

(d) Use of certification form. A health care professional shall accept the completed form as proof of the youth's status as a certified unaccompanied youth. Entities that provide housing, services, or benefits authorized under this section may keep a copy of the form or card in the youth's medical file.

(e) Consent of a parent or guardian.

(1) A certification issued pursuant to subsection (b) of this section shall authorize an unaccompanied youth to obtain benefits and services listed in subsection (c) of this section. A person, provider, or health care professional shall not require the consent of a parent or guardian as a condition of providing a benefit or service authorized under subsection (c) of this section.

(2) For the purposes of implementing subdivision (c)(2)(I) of this section, the Commissioner of Financial Regulation shall ensure that minimum youth certification requirements are met for the purpose of making it legally permissible for a bank, credit union, or insurance company to contract with an unaccompanied youth without the consent of a parent or guardian and with the understanding that the unaccompanied youth may not have a permanent physical address.

(f) Immunity from liability. Any entity, provider, or health care professional who contracts with an unaccompanied youth pursuant to this section shall be immune from liability for the determination to contract with a minor, unless the entity, provider, or health care professional acted with gross negligence.

(g) Nothing in this section shall be construed as altering the Interstate Compact for Juveniles.

Sec. 4a. 13 V.S.A. § 1311 is amended to read:

§ 1311. UNLAWFUL SHELTERING; AIDING A RUNAWAY CHILD

* * *

(b) A person commits the crime of unlawfully sheltering or aiding a runaway child if the person:

(1) knowingly shelters a runaway child;

(2) intentionally aids, helps, or assists a child to become a runaway child; or

(3) knowingly takes, entices, or harbors a runaway child, with the intent of committing a criminal act involving the child or with the intent of enticing or forcing the child to commit a criminal act.

(c) Exempt from the prohibitions of this section are:

(1) a shelter, or the directors, agents, or employees of a shelter, designated by the Commissioner for Children and Families pursuant to 33 V.S.A. § 5304, provided that the requirements of 33 V.S.A. § 5303(b) are satisfied; ~~and~~

(2) a person who has taken the child into custody pursuant to 33 V.S.A § 5251 or 5301; and

(3) a person providing assistance pursuant to 33 V.S.A. § 4908.

* * *

* * * Unaccompanied Youth; Vital Event Certificates * * *

Sec. 5. 18 V.S.A. § 5017 is amended to read:

§ 5017. FEES FOR COPIES

(a) For a certified copy of a vital event certificate, the fee shall be $10.00.

(b) The State Registrar shall waive the fee for certified copies of vital event certificates issued to:

(1) an individual attesting to a lack of fixed, regular, and adequate nighttime residence; ~~and~~

(2) an individual between 18 and 24 years of age who resided in a foster home or residential child care facility between 16 and 18 years of age pursuant to placement by a child-placing agency; and

(3) an unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908.

* * * Unaccompanied Youth; Nondriver Identification Cards * * *

Sec. 6. 23 V.S.A. § 115 is amended to read:

§ 115. NONDRIVER IDENTIFICATION CARDS

(a)(1) Any Vermont resident may make application to the Commissioner and be issued an identification card that is attested by the Commissioner as to true name, correct age, residential address unless the listing of another address is requested by the applicant or is otherwise authorized by law, and any other identifying data as the Commissioner may require that shall include, in the case of minor applicants, the written consent of the applicant's parent, guardian, or other person standing in loco parentis.

* * *

(3) The Commissioner shall require payment of a fee of $29.00 at the time application for an identification card is made, except that an initial nondriver identification card shall be issued at no charge to:

(A) an individual who surrenders the individual's license in connection with a suspension or revocation under subsection 636(b) of this title due to a physical or mental condition; or

(B) an individual under 23 years of age who was in the care and custody of the Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age; and

(C) an unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908.

* * *

* * * Unaccompanied Youth; License and Privilege Cards * * *

Sec. 7. 23 V.S.A. § 608 is amended to read:

§ 608. FEES

* * *

(c)(1) Individuals under 23 years of age who were in the care and custody of the Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age shall be provided with operator's licenses or operator privilege cards at no charge.

(2) No additional fee shall be due for a motorcycle endorsement for an individual under 23 years of age who was in the care and custody of the

Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age.

(d) Individuals receiving Supplemental Security Income or Social Security Disability Income and individuals with a disability as defined in 9 V.S.A. § 4501 shall be provided with operator's licenses or operator privilege cards for the following fees:

(1) Original issuance: $20.00.

(2) Renewal every four years: $20.00.

(3) Replacement of lost, destroyed, or mutilated card or a new name is required: $10.00.

(e)(1) An unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908 shall be provided with operator's licenses or operator privilege cards at no charge.

(2) No additional fee shall be due for a motorcycle endorsement for an unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908.

* * * Unaccompanied Youth; Learner's Permit * * *

Sec. 8. 23 V.S.A. § 617 is amended to read:

§ 617. LEARNER'S PERMIT

* * *

(b)(1) Notwithstanding the provisions of subsection (a) of this section, any licensed person may apply to the Commissioner of Motor Vehicles for a learner's permit for the operation of a motorcycle in the form prescribed by the Commissioner. The Commissioner shall offer both a motorcycle learner's permit that authorizes the operation of three-wheeled motorcycles only and a motorcycle learner's permit that authorizes the operation of any motorcycle. The Commissioner shall require payment of a fee of $24.00 at the time application is made, except that no fee shall be charged for an unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908 or for an individual under 23 years of age who was in the care and custody of the Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age.

(2) After the applicant has successfully passed all parts of the applicable motorcycle endorsement examination, other than a skill test, the Commissioner may issue to the applicant a learner's permit that entitles the applicant, subject to subsection 615(a) of this title, to operate a three-wheeled motorcycle only,

or to operate any motorcycle, upon the public highways for a period of 120 days from the date of issuance. The fee for the examination shall be $11.00, except that no fee shall be charged for an unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908 or for an individual under 23 years of age who was in the care and custody of the Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age.

(3) A motorcycle learner's permit may be renewed only twice upon payment of a $24.00 fee. An unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908 and an individual under 23 years of age who was in the care and custody of the Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age shall not be charged a fee for the renewal of a motorcycle learner's permit.

* * *

(d)(1) An applicant shall pay $24.00 to the Commissioner for each learner's permit or a duplicate or renewal thereof.

(2) An unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908 and an applicant under 23 years of age who was in the care and custody of the Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age shall not be charged a fee for a learner's permit or a duplicate or renewal thereof.

* * *

* * * Transportation of Children * * *

Sec. 9. 33 V.S.A. § 5123 is amended to read:

§ 5123. TRANSPORTATION OF A CHILD

(a) As used in this section:

(1) "Least restrictive" has the same meaning as in section 5130 of this chapter.

(2) "Mechanical restraint" has the same meaning as in section 5130 of this chapter.

(3) "Physical restraint" has the same meaning as in section 5130 of this chapter.

(4) "Secure transport" means transport in a vehicle with disabled internal controls for rear door handles and window switches, requiring the driver to open them from the outside, or with a safety partition installed to

separate the driver from the passenger compartment. "Secure transport" includes any vehicle being driven by a law enforcement officer.

(5) "Soft restraint" has the same meaning as in section 5130 of this chapter.

(6) "Waist shackles" means a mechanical restraint device, typically a chain, used around the waist and to which the child's wrists may be chained or cuffed.

(b) The Commissioner for Children and Families shall ensure that all reasonable and appropriate measures consistent with public safety are made to transport or escort a child subject to this chapter in a manner that:

(1) ~~reasonably avoids~~ prevents physical and psychological trauma;

(2) respects the privacy of the child; and

(3) represents the least restrictive means necessary for the safety of the child.

~~(b)~~(c) The Commissioner for Children and Families shall have the authority to ~~select the person or persons who may transport a child under the Commissioner~~'s ~~care and custody~~ designate the professional or law enforcement officers transporting children and shall authorize the method of transport. A contract for transportation services shall include the requirements in this section. Transportation services with noncontracted law enforcement officers shall only be authorized in emergency situations or by court order.

~~(c)~~(d) The Commissioner shall ~~ensure supervisory review of every decision to transport a child using mechanical restraints. When transportation with restraints for a particular child is approved, the reasons for the approval shall be documented in writing~~ provide education materials complying with this section that outline the legal requirements for the secure transportation of children to individuals designated pursuant to subsection (c) of this section and shall obtain verification that all designated individuals have reviewed the education materials.

~~(d)~~(e) Secure transport shall only be used when the Department determines and documents why it is necessary to prevent the risk of serious physical harm to the child or others, based upon an individualized risk assessment.

~~(e)~~(f) It is the policy of the State of Vermont that mechanical restraints are not routinely used on children subject to this chapter unless circumstances dictate that such methods are necessary. Soft mechanical restraints shall be the first option for restraint, and other mechanical restraints shall not be utilized as

a substitute for soft restraints if the soft restraints are deemed adequate for safety.

(g) An entity contracted pursuant to subsection (c) of this section shall provide documentation to the Department for the use of restraints when:

(1) the entity believes that the risk of serious physical harm to the child or others requires the use of soft restraints before or during the transport, including a description as to why less restrictive interventions could not reasonably be attempted or why the attempted use of less restrictive interventions was unsuccessful;

(2) the entity believes that the risk of serious physical harm to the child or others was such that soft restraints were not adequate for safety and shall include a description as to which restraint was used and why soft restraints were deemed inadequate for preventing the risk of serious physical harm to the child or others; or

(3) the use of waist shackles was determined to be the sole means of preventing serious physical harm to the child or others and shall include a description as to why waist shackles were the sole means of preventing the risk of serious physical harm to the child or others.

(h) Documentation for the use of restraints shall be completed prior to transport unless the circumstances that required their use occurred during the course of the transport, in which case the documentation shall occur after completion of the transport.

(i) The use of waist shackles shall be prohibited on children 12 years of age or younger. The use of waist shackles on children 13 years of age or older shall be assessed and determined to be the sole means of preventing serious physical harm to the child or others and documented accordingly. Only designated law enforcement agencies shall use waist shackles on a child transported pursuant to this section.

(j) The Commissioner shall ensure supervisory review by the Department of all documentation required by this section.

(k)(1) Annually, on or before January 15, the Department for Children and Families shall submit a written report to the House Committee on Human Services; the Senate Committee on Health and Welfare; and the Office of the Child, Youth, and Family Advocate addressing the number of secure transports of children during the previous year, including, for those transported with restraints:

(A) the age, gender, and racial background of the children transported;

(B) the number of children transported using mechanical restraints;

(C) whether the transport was conducted by law enforcement or a private agency;

(D) when applicable, the type of mechanical restraint;

(E) the type of custody children were in when transport occurred; and

(F) the purpose of the transport.

(2) Once the Department has upgraded its technological capacity in a manner that enables it to collect responsive data, information specific to subdivisions (1)(B), (C), (E), and (F) of this subsection shall be collected and included in the annual report with regard to all secure transports.

(l) Annually, on or before January 15, the Department of State's Attorneys and Sheriffs shall submit a written report to the House Committee on Human Services; the Senate Committee on Health and Welfare; the Department for Children and Families; and the Office of the Child, Youth, and Family Advocate addressing the number of secure transports of minors during the previous year:

(1) the age, gender, and racial background of the minors transported;

(2) the number of minors transported using mechanical restraints;

(3) when applicable, the type of mechanical restraint;

(4) the type of custody minors were in when transport occurred; and

(5) the purpose of the transport.

Sec. 10. REPORT; RESTRAINT IN TRANSPORTATION OF CHILDREN

(a) On or before December 15, 2027, the Department for Children and Families shall submit a written report to the House Committee on Human Services and to the Senate Committee on Health and Welfare addressing how the Department is effectuating the policies set forth in 33 V.S.A. § 5123(d) and 2017 Acts and Resolves No. 85, Sec. E.314, including:

(1) contracting with law enforcement or private agencies for the transport of children;

(2) Departmental oversight and supervisory review of the secure transport of children, including transport provided by private agencies or law enforcement officers;

(3) the mechanism used by the Department to collect and review data on the application of mechanical restraints during the transport of children in compliance with 33 V.S.A. § 5123(c);

(4) materials and requirements for designated contractors;

(5) written policies used to effectuate the law; and

(6) other information the Department deems relevant.

(b) As used in this section, "restraint" has the same meaning as in 33 V.S.A. §5130.

Sec. 11. USE OF FORCE POLICY

The Vermont Criminal Justice Council, in consultation with the Department of Vermont State's Attorneys and Sheriffs; the Office of the Child, Youth, and Family Advocate; Disability Rights Vermont; and the Departments for Children and Families and of Disabilities, Aging, and Independent Living shall conduct a formal review to determine whether its use of force policy should include an appendix to adequately address the transportation by law enforcement of children under 18 years of age that is in alignment with the public policy considerations for the transport of children in the custody of the Department for Children and Families pursuant to 33 V.S.A. § 5123.

* * * Restraint and Seclusion * * *

Sec. 12. 33 V.S.A. § 5130 is added to read:

§ 5130. NON-TRANSPORT RELATED RESTRAINT AND SECLUSION

(a) As used in this section:

(1) "Chemical restraint" means any medication used to manage behavior or restrict freedom of movement that is not a standard treatment or dosage for the individual's condition.

(2) "Child" or "children" means a child or children in the Department's custody or receiving care or services in a program regulated or licensed by the Department.

(3) "Mechanical restraint" means a type of restraint using a mechanical device, material, or equipment, or garment attached to the child's body, that restricts freedom of movement or immobilizes or reduces the ability of a child to move the child's arms, legs, body, or head freely.

(4) "Physical restraint" means a type of restraint using a manual or physical hold that restricts freedom of movement or immobilizes or reduces the ability of a child to move the child's arms, legs, body, or head freely. A

physical restraint shall not include a light touch to encourage a response or to provide direction or guidance, provided the child is able to move away freely.

(5) "Prone restraint" means a physical intervention technique where an individual is held face down on the individual's stomach. "Prone restraint" does not include a physical restraint that involves a momentary initial hold in a prone position while transitioning to an evidence-based, safer form of restraint that is not considered to be a prohibited form of physical restraint.

(6) "Seclusion" means involuntary confinement of a child in a segregated room or area from which the child is prevented or from which the child reasonably believes that the child is prevented from leaving, whether the door is locked or not. "Seclusion" does not include a voluntary time out under staff supervision for a short period of time in an unlocked room at the child's request.

(7) "Strip search" means a search that requires a child to remove or arrange some clothing so as to permit a visual inspection of the child's breasts, buttocks, or genitalia. "Strip search" does not include a pat down through the child's clothing to determine whether contraband is present.

(8) "Least restrictive" means the minimum intervention necessary to prevent harm to the child or to another, maximizing a child's autonomy, ensuring that restrictions are proportionate to the risk of harm, and ensuring involuntary measures are only permitted as a last resort when less intrusive methods have failed.

(9) "Soft restraint" means a mechanical restraint device that uses soft material or fabric that is padded and designed to safely fit around the limbs of an individual to limit mobility in order to prevent self-harm or harm to others.

(10) "Secure residential program" means a secure residential treatment program that employs locked or inoperable doors and windows to prevent a child from leaving the building.

(b) The Department shall not use or authorize the use of prone restraints, mechanical restraints, chemical restraints, or strip searches on a child.

(c) Seclusion or physical restraint shall not be used for punishment, disciplinary purposes, the protection of property, or any other reason other than as a safety measure of last resort to prevent a serious and immediate risk of harm to the child or others.

(d) A staff member shall use other less restrictive interventions, unless less restrictive interventions have failed or would be ineffective in stopping imminent danger of physical injury or property damage.

(e) After attempting to use less restrictive interventions, a staff member trained in accordance with rule may physically restrain a child or place a child in seclusion if the staff member:

(1) determines that the child's behavior poses a serious and immediate risk of physical harm to the child or others;

(2) conducts the physical restraint or seclusion in a manner that respects the child's privacy and limits physical and psychological trauma; and

(3) after initiation of the intervention, explains to the child the reasons for the physical restraint or seclusion and informs the child of the circumstances that allow release from the physical restraint or seclusion.

(f) If a child is placed in physical restraint or seclusion pursuant to subsection (e) of this section, the child shall be released immediately when there is no longer a serious and immediate risk of physical harm to the child or others.

(g)(1) Restraint or seclusion lasting more than 10 minutes shall require supervisory approval and oversight. Restraint or seclusion lasting more than 30 minutes require clinical and administrative consultation, approval, and oversight. A child shall not be held for more than one hour in restraint or seclusion without an in-person assessment by a clinician and authorization by the administrator on duty.

(2) A child in seclusion shall be provided constant uninterrupted supervision by a qualified staff employed by the program who is familiar to the child.

(h) Nothing in this section shall be construed to:

(1) include a locked bedroom during regular sleeping hours in a secure residence as seclusion; or

(2) conflict with any law providing greater or additional protections to minors.

(i) Notice of the use of restraint or seclusion on a child in the Department's custody shall be provided to the Department; the child's parent or guardian; the child's guardian ad litem; and the child's attorney, if applicable, within 24 hours.

(j) The program or staff member using seclusion or restraint shall document its use and provide a copy of each recorded use of seclusion or restraint, including a copy of any audio or visual recording, to the Commissioner. Upon request, the audio or video shall be provided through secure means of transmission and shall include blurring to protect the identity

of any other children in the program who are not in custody of the Department. The documentation shall include a description of the child's specific behaviors justifying the use of the intervention. The Department shall forward complete documentation of each use of restraint or seclusion to the Office of the Child, Youth, and Family Advocate within two business days.

(k) The Department shall collect the following data on the use of seclusion and physical restraint, by placement type; program name; and the age, gender, and racial background of the child:

(1) the specific types of the seclusion or physical restraint used; and

(2) the length of time a child was secluded or physically restrained, as applicable.

(l)(1) Prior to contracting with any program for the care of a child in the Department's custody, the Department shall conduct a review of any records, from the prior five years regarding the safety of children in the program's care, including any violations of the program's licensing status and any resulting remediation.

(2) The Department shall remove any Vermont child from risk of harm and shall initiate a search for alternative providers if an out-of-state residential provider is determined to be in violation of the standards in the contract regarding restraint and seclusion or in violation of its state's licensing entity.

(m) Notwithstanding subsection (b) of this section, a child detained in a secure residential program may be restrained with mechanical restraints for a momentary initial hold to enable relocation of the child to a less restrictive method of intervention if necessitated to prevent serious and immediate harm to the child or others, except that under no circumstances shall a garment adjacent to the child's body that restricts freedom of movement or immobilizes or reduces the ability of a child to move the child's arms, legs, body, or head freely be utilized. The procedures and standards established under this section, including notice and reporting requirements, shall apply.

(n) Notwithstanding subsection (b) of this section, a child detained in a secure residential program may be subjected to a strip search if a pat search has led to probable cause to believe that the child has possession of contraband that poses a threat of serious bodily harm to the child or others and the child has refused to voluntarily turn over the contraband. The child shall be given the opportunity before and at any time after the commencement of a search to voluntarily relinquish the suspected contraband, whereupon the search will be discontinued. Notice and reporting requirements shall be the same as for use

of restraint or seclusion under this section. Body cavity searches shall not be permitted under any circumstances.

(o) The Department shall post on the Family Division's scorecard or another prominent location on its website the rates of restraint and seclusion used on children in licensed programs and the number of uses of secure transport and of restraint used during transport. The Department shall update this information at least annually.

(p) The Department shall develop and adopt rules pursuant to 3 V.S.A. chapter 25, in collaboration with the Office of the Child, Youth, and Family Advocate and in consultation with stakeholders implementing this section, including requirements for staff training; standards for supervisory oversight, recordkeeping, and reporting by residential programs; oversight responsibilities of the Department; and any other necessary standards.

Sec. 13. 33 V.S.A. § 5130(l) is amended to read:

(l)(1) Prior to contracting with any program for the care of a child in the Department's custody, the Department shall conduct a review of any records, from the prior five years regarding the safety of children in the program's care, including any violations of the program's licensing status and any resulting remediation.

(2) When contracting with an out-of-state program, the Department shall include a requirement that the program adhere to the provisions of this section.

(3) The Department shall remove any Vermont child from risk of harm and shall initiate a search for alternative providers if an out-of-state residential provider is determined to be in violation of the standards in the contract regarding restraint and seclusion or in violation of its state's licensing entity.

Sec. 14. REPORT; CHILDREN IN CORRECTIONAL FACILITIES

(a) On or before January 1, 2027, the Departments for Children and Families and of Corrections shall submit a written report to the House Committees on Human Services and on Corrections and Institutions and to the Senate Committees on Health and Welfare and on Institutions regarding the use of restraint and seclusion on minors detained in Department of Corrections' facilities and potential means for reducing physical and psychological trauma from restraint and seclusion. In preparing the required report, the Departments shall consult with a work group composed of the Office of the Child, Youth, and Family Advocate; the Office of the Defender General, Juvenile Division; Voices for Vermont's Children; the Vermont Federation of Families for Children's Mental Health; Disability Rights

Vermont; and a young adult with lived experience of being detained in a Department of Corrections facility, appointed by the Office of the Child, Youth, and Family Advocate.

(b) Members of the work group who are not participating in their professional capacity shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings. These payments shall be made from monies appropriated to the Office of the Child, Youth, and Family Advocate.

* * * Judicial Review of Placements for Children Previously Under the Custody of the Department for Children and Families * * *

Sec. 15. PROPOSAL TO EXTEND SUPPORTS FOR CHILDREN OVER 17 YEARS OF AGE

On or before November 1, 2026, the Department for Children and Families shall submit a written report, in consultation with the Judicial Branch, to the House Committee on Human Services and to the Senate Committee on Health and Welfare with recommendations for court oversight processes that meet federal requirements to allow access to federal funds for programs that may support youth up to 21 years of age and that ensures sustainable use of judicial resources. The report shall include any recommendations for legislative action.

* * * Prenatal Engagement and Family Support Working Group * * *

Sec. 16. PRENATAL ENGAGEMENT AND FAMILY SUPPORT WORKING GROUP

(a) Creation. There is created the Prenatal Engagement and Family Support Working Group to examine the Department for Children and Families' current practice of using a pregnancy calendar to monitor and track certain pregnant individuals in Vermont and provide recommendations on alternatives to a pregnancy calendar and ways to support pregnant individuals in need of services.

(b) Membership. The Working Group shall be composed of the following members:

(1) the Deputy Commissioner of the Family Services Division of the Department for Children and Families;

(2) the Vermont Child, Youth, and Family Advocate or designee;

(3) the Executive Director of Vermont Family Network or designee;

(4) the Executive Director of Vermont Legal Aid or designee;

(5) the President of Planned Parenthood of Northern New England or designee;

(6) the Executive Director of the Vermont Parent Representation Center or designee;

(7) the Executive Director of Recovery Partners Vermont or designee;

(8) the Executive Director of Voices for Vermont's Children or designee;

(9) the Director of the Department of Health's Maternal and Child Health Division or designee;

(10) a representative, appointed by Children of Recovering Mothers' Team at the Kidsafe Collaborative;

(11) the Director of the Office of the Defender General's Juvenile Division or designee;

(12) an individual with lived experience of being monitored by the Department while pregnant, appointed by the Speaker of the House; and

(13) an individual with lived experience of being monitored by the Department while pregnant, appointed by the Senate Committee on Committees.

(c) Powers and duties. The Working Group shall study the Department for Children and Families' current practice of using a pregnancy calendar to monitor and track certain pregnant individuals in Vermont and provide recommendations on alternatives to a pregnancy calendar and ways to support pregnant individuals in need of services.

(d) Assistance. For the purposes of scheduling meetings and providing administrative assistance, the Working Group shall have the assistance of the Department for Children and Families.

(e) Report. On or before November 15, 2026, the Working Group shall submit a written report to the House Committee on Human Services, the Senate Committee on Health and Welfare, and the House and Senate Committees on Judiciary with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Vermont Child, Youth, and Family Advocate or designee shall call the first meeting of the Working Group to occur on or before August 1, 2026.

(2) The Working Group shall select a chair from among its members at the first meeting.

(3) A majority of the membership shall constitute a quorum.

(4) The Working Group shall cease to exist on February 1, 2027.

(g)(1) Compensation and reimbursement. Members of the Working Group who are not otherwise compensated for attendance at meetings shall be entitled to per diem compensation and expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings.

(2) Members of the Working Group who are not participating in their professional capacity shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings. These payments shall be made from monies appropriated to the Department for Children and Families.

* * * Effective Dates * * *

Sec. 17. EFFECTIVE DATES

(a) This section and Sec. 10 (report; restraint in transportation), Sec. 11 (use of force policy), Sec. 14 (report; children in correctional facilities), and Sec. 15 (proposal to extend supports for children over 17 years of age) shall take effect on passage.

(b) Sec. 9 (transportation of a child) and Sec. 12 (restraint and seclusion) shall take effect on January 1, 2027.

(c) Sec. 2 (33 V.S.A. § 4902) and Sec. 3 (33 V.S.A. § 4907) shall take effect on July 1, 2027.

(d) Sec. 13 (33 V.S.A. § 5130(l)) shall take effect on July 1, 2028.

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

and that after passage the title of the bill be amended to read: "An act relating to various programming and requirements within the Department for Children and Families"

(Committee Vote: 10-1-0)

Rep. Waszazak of Barre City, for the Committee on Ways and Means, recommends that the bill ought to pass when amended as recommended by the Committee on Human Services.

(Committee Vote: 10-0-1)

Rep. Bluemle of Burlington, for the Committee on Appropriations, recommends that the bill ought to pass when amended as recommended by the Committee on Human Services.

(Committee Vote: 11-0-0)

H. 727

An act relating to sustainable data center deployment

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

Sec. 1. 30 V.S.A. chapter 5, subchapter 3 is added to read:

Subchapter 3. Data Centers

§ 281. SHORT TITLE

This subchapter shall be known and may be cited as the "Vermont Sustainable Data Centers Act."

§ 282. PURPOSE

The purpose of this subchapter is to establish a regulatory framework that ensures responsible growth of an emerging industry in a manner that protects existing electric ratepayers from unwarranted costs and promotes sustainable climate, environmental, community, and equity outcomes consistent with State policies.

§ 283. DEFINITIONS

As used in this subchapter:

(1) "Data center" means a facility that uses or is able to use 20 megawatts or more of power and is engaged in providing data processing, hosting, and related services as described under code 518210 of the 2022 North American Industry Classification System.

(2) "Facility" means all buildings, equipment, structures, and other stationary items that are located on a single site or on contiguous or adjacent sites and that are owned or operated by the same person or by any person that controls, is controlled by, or is under common control with such person.

§ 284. LARGE LOAD SERVICE EQUITY CONTRACT; APPROVAL

(a) For the purpose of ensuring just and reasonable rates for all ratepayer classes and mitigating the risk of financial exposure to electric distribution companies and their existing ratepayers, a data center shall be served by an electric company pursuant to a large load service equity contract approved by the Public Utility Commission.

(b) The large load service equity contract shall:

(1) include a method for allocating costs that is equal or proportional to the costs of providing electric service to the data center, including providing for equitable contributions to the embedded costs and the efficiency, reliability, and resiliency of the electricity network;

(2) mitigate the risk of other ratepayer classes paying unwarranted costs, including any electric generation, distribution, and transmission infrastructure costs incurred to meet the load requirements of a data center or the energy capacity, transmission, or resource adequacy costs incurred as a result of the data center's load;

(3) specify the duration of the contract and the date or the estimated date that the electric company will begin to provide electric service to the data center;

(4) obligate the data center to pay a minimum amount or percentage based on the data center's projected electricity usage for the duration of the contract to ensure compliance with subdivision (1) of this subsection;

(5) include a reasonable charge for demand in excess of the data center's projected electricity demand at the time the contract is entered into;

(6) include a collateral requirement sufficient to mitigate the risk of stranded costs;

(7) include provisions requiring implementation of demand-side management operational measures for the purpose of maintaining grid stability and efficiency, including demand response and flexible load management practices, such as load shifting, peak shaving, and the use of distributed energy resources;

(8) include provisions for the collection of gross receipts taxes, energy efficiency charges, and any other fees or charges that may be applicable to electricity revenues; and

(9) meet any other terms or conditions required by the Commission that are consistent with the purpose of this section and in the public interest.

(c) The Commission shall not approve a large load service equity contract unless the Commission first finds that the same will promote the general good of the State.

(d) Before the Commission approves a large load service equity contract as required under this section, the Commission shall find that the terms of the contract:

(1) will not adversely affect the efficiency, reliability, and resilience of the electric power system;

(2) will result in an economic benefit to the State and its residents;

(3) are consistent with the principles for resource selection expressed in the applicable electric distribution company's approved least-cost integrated plan;

(4) are consistent with the Electrical Energy Plan approved by the Department under section 202 of this title, or that there exists good cause to permit a variance;

(5) will ensure that the data center will be served economically by existing or planned transmission facilities without undue adverse effect on Vermont utilities or other retail ratepayer classes; and

(6) are consistent with environmental justice and equity policy as established pursuant to 3 V.S.A. chapter 72.

(e) A data center shall not be eligible to participate in an energy savings account or a customer credit program pursuant to subdivision 209(d)(3)(C) of this title, or a self-managed energy efficiency program pursuant to subsection 209(j) of this title.

§ 285. ENERGY EFFICIENCY DESIGN

Early in the design development phase of a data center, the owner or operator of a data center shall consult with the efficiency utility appointed by the Public Utility Commission under subdivision 209(d)(2)(A) of this title to ensure compliance with State energy efficiency requirements and best practices.

§ 286. QUARTERLY AND ANNUAL REPORTS

(a) Data center. Within three months after a data center becomes operational, and in a form and manner determined by the Commission, the data center shall begin submitting quarterly reports to the Commission and the Department of Public Service. Each quarterly report shall include the data center's water and energy usage, including its peak usage per day, and an

itemization of the data center's payments toward shared infrastructure constructed to support the data center.

(b) Department. Annually, beginning on or before January 15, 2028, and provided at least one data center has entered into a large load service equity contract pursuant to this subchapter, the Commissioner of Public Service shall include in the Department's annual report published pursuant to subsection 202b(e) of this title findings and recommendations related to the energy, environmental, and economic impacts of data center construction and operation in Vermont, as well as any impactful developments within the region, including any benefits to all ratepayers from electric infrastructure projects undertaken to provide power to one or more data centers.

§ 287. RULES

In addition to the rules required by this subchapter, the Commission may adopt any other rules it deems necessary to implement and enforce the provisions of this subchapter consistent with its purpose and in the public interest.

Sec. 2. APPLICATION

30 V.S.A. chapter 5, subchapter 3 (established in Sec. 1 of this act) shall apply to any data center not operational on the effective date of this act and to any smaller, traditional data center operational on the effective date of this act to the extent such data center seeks to expand its capacity and meet the threshold requirements of Sec. 1, 30 V.S.A. § 283(1).

Sec. 3. 10 V.S.A. § 6001 is to read:

§ 6001. Definitions

As used in this chapter:

* * *

(3)(A) "Development" means each of the following:

* * *

(xiv) The construction of improvements on a tract or tracts of land for a data center as defined in 30 V.S.A. § 283(1).

Sec. 4. 10 V.S.A. § 6086a is added to read:

§ 6086a. WATER USE; COOLING; PERMITTING; QUALITY

(a) As used in this section:

(1) "Closed-loop cooling system" means a sealed cooling process in which the same water or coolant circulates continuously within a data center's

cooling system without withdrawal of water from municipal public water supplies, groundwater, or surface water and without discharge of wastewater to municipal wastewater systems, groundwater, or surface waters, except for de minimis discharges authorized under a discharge permit issued by the Agency of Natural Resources.

(2) "Data center" has the same meaning as in 30 V.S.A. § 283(1).

(3) "Per- and polyfluoroalkyl substances" or "PFAS" means any chemical substance or mixture containing a chemical substance that structurally contains at least one of the following three substructures:

(A) R-(CF2)-CF(R′)R″, where both the CF2 and CF moieties are saturated carbons;

(B) R-CF2OCF2-R′, where R and R′ can either be F, O, or saturated carbons; or

(C) CF3C(CF3)R′R″, where R′ and R″ can either be F or saturated carbons.

(b)(1) A data center shall identify to the District Commission reviewing the data center's application for a permit under 10 V.S.A. chapter 151 how the data center will cool the facility.

(2) If water is used to cool a data center, the data center shall use a closed-loop cooling system to minimize impacts to the quality and quantity of surface water and groundwater unless a District Commission, during review of a permit application under 10 V.S.A. chapter 151, determines that the use of a closed-loop cooling system is not feasible at the proposed data center.

(3) If water is used to cool a data center through a closed-loop cooling system or through another type of cooling system, a data center shall identify where the data center will obtain water to cool the facility and where the cooling water will be discharged.

(c) If a data center proposes to use groundwater to cool the data center, the data center shall obtain a groundwater withdrawal permit under 10 V.S.A. § 1418 for any withdrawal of groundwater by the data center notwithstanding the permitting threshold of withdrawal of more than 57,600 gallons of groundwater a day. A closed-loop cooling system is not exempt from the groundwater withdrawal permit under 10 V.S.A. § 1418(b)(6).

(d) If a data center proposes to use surface water to cool the facility, the data center shall obtain a surface water withdrawal permit pursuant to 10 V.S.A. § 1043. The rules adopted by the Secretary to implement 10 V.S.A.

§ 1043 shall require a data center to cease withdrawals under drought conditions.

(e)(1) A data center shall obtain all applicable water quality and water resource protection permits from the Agency of Natural Resources, including stormwater, shoreland, stream alteration, direct discharge, surface water withdrawal, groundwater withdrawal, wetland, and river corridor development permits.

(2) A data center shall obtain from the Agency of Natural Resources a water quality certificate that meets the same criteria that the Agency requires to be met to obtain a federal Clean Water Act Section 401 water quality certification as those criteria existed under the Act, 33 U.S.C. §§ 1251–1388, and any regulations adopted thereunder on January 1, 2026.

(f) A data center that discharges wastewater into a surface water of the State shall identify PFAS that may be used in the operation and submit a plan to the Agency of Natural Resources establishing a program that monitors the wastewater discharge from the data center, including monitoring for the presence of PFAS. The monitoring plan shall be approved by the Agency upon a determination that it meets the Vermont water quality standards.

(g) The addition of PFAS to water discharged from a data center shall be prohibited in Vermont.

Sec. 5. REPORT ON REGIONAL RENEWABLE ENERGY MARKET CONDITIONS; PUBLIC UTILITY COMMISSION

(a) On or before January 15, 2027, the Public Utility Commission shall prepare a written report on projected regional renewable electric generation market conditions. In developing the report, the Commission shall examine the cost and availability of new regional renewable electric generation resources during the years 2027 through 2035.

(b) In preparing the report, the Commission shall provide an opportunity for written input from interested stakeholders, including retail electricity providers, renewable energy developers, regional transmission organizations, consumer advocates, and any other members of the public. In addition, the Commission may consult with the Department of Public Service and other relevant state, regional, or federal entities, as the Commission deems appropriate. Preparation of the report is not subject to the contested case procedures established under 3 V.S.A. chapter 25.

(c) The Commission shall submit the report to the House Committee on Energy and Digital Infrastructure and the Senate Committees on Finance and on Natural Resources and Energy.

Sec. 6. RECOMMENDATION ON DATA CENTER DECOMMISSIONING

(a) The Commissioner of Public Service, in consultation with the Secretary of Natural Resources, the Chair of the Land Use Review Board, and any other interested stakeholders deemed appropriate by the Commissioner, shall recommend a regulatory model for data center decommissioning. As used in this section, "data center" has the same meaning as in Sec. 1, 30 V.S.A. § 283(1), of this act.

(b) The recommended regulatory model developed pursuant to this section shall ensure responsible data center decommissioning in a manner that protects and preserves the environment and the public health and welfare. The model shall include standards and procedures that address:

(1) approval of a decommissioning plan by the appropriate regulatory entity;

(2) regulatory oversight of the decommissioning process, including through site visits and inspections;

(3) a bond requirement or other financial assurance to ensure a data center is solely responsible for the costs associated with implementation of an approved decommissioning plan;

(4) guidelines for data sanitization, the physical destruction of highly sensitive storage devices, and a documented chain of custody for information technology assets;

(5) guidelines for environmental compliance, hazardous material handling, environmental remediation, and site restoration;

(6) a timeline for commencing and completing the decommissioning process after the abandonment, closure, destruction, or permanent cessation of operations of a data center; and

(7) any other matters deemed appropriate by the Commissioner.

(c) On or before December 15, 2026, the Commissioner shall submit recommendations for a data center decommissioning regulatory model in the form of draft legislation to the House Committees on Energy and Digital Infrastructure and on Environment and the Senate Committees on Finance and on Natural Resources and Energy.

Sec. 7. EFFECTIVE DATE

This act shall take effect on passage.

(Committee Vote: 9-0-0)

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

(Committee Vote: 10-0-1)

H. 772

An act relating to residential rental agreements, eviction procedures, and the creation of the positive rental payment credit reporting pilot program

Rep. Mihaly of Calais, 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:

* * * Termination of Residential Rental Agreement * * *

Sec. 1. 9 V.S.A. chapter 137 is amended to read:

CHAPTER 137. RESIDENTIAL RENTAL AGREEMENTS

Subchapter 1. General

§ 4451. DEFINITIONS

As used in this chapter:

(1)(A) "Actual notice" means receipt of written notice either:

(i) hand-delivered ~~or~~;

(ii) delivered by sheriff service;

(iii) mailed to the last known address or the address provided in the residential rental agreement;

(iv) emailed to an email address included in the lease agreement and mailed as described in subdivision (iii) of this subdivision (1)(A); or

(v) if the last address is unknown, posted to the door of the dwelling unit.

(B) ~~A~~ There is created a rebuttable presumption that the notice was received ~~three~~ five days after:

(i) the date the email was sent if sent via electronic means;

(ii) the date the notice was posted to the door; or

(iii) ~~mailing is created~~ if the sending party proves that the notice was sent by first-class or certified U.S. mail, the date of the mailing.

* * *

(11) "Immediate family" means:

(A) an adult person related by blood, adoption, civil marriage, or civil union;

(B) an unmarried parent of a joint child;

(C) a child, grandchild, foster child, ward, or guardian; or

(D) a child, grandchild, foster child, ward, or guardian of any person listed in subdivision (A) or (B) of this subdivision (11).

* * *

Subchapter 2. Residential Rental Agreements

§ 4455. TENANT OBLIGATIONS; PAYMENT OF RENT; RENT INCREASES

(a) Rent is payable without demand or notice at the time and place agreed upon by the parties.

(b) An increase in rent shall take effect on the first day of the rental period following no less than 60 days' actual notice to the tenant.

(c) A landlord shall not increase rent more than once in any 12-month period. This subsection shall not prohibit a landlord from increasing rent after the purchase of a dwelling unit subject to the requirements of this section.

* * *

§ 4456a. RESIDENTIAL RENTAL APPLICATION

(a)(1) A landlord or a landlord's agent shall not charge an application fee to any individual in order to apply to enter into a rental agreement for a residential dwelling unit. This subsection shall not be construed to prohibit a person from charging a fee to a person in order to apply to rent commercial or nonresidential property.

(2) As used in this section, an "application fee" means any fee, charge, or cost to submit a residential rental application including any third-party processing payment.

(3) A landlord or a landlord's agent may charge actual costs to conduct a background or credit check of an applicant, unless the tenant or applicant provides a current credit report as part of the application, in which case the landlord or landlord's agent shall not charge for a credit check. For purposes of this subdivision, a "current credit report" means a report dated within 90 days prior to the date of the residential rental application.

(4) If charging for a background or credit check on an applicant, the landlord or the landlord's agent shall provide a copy of the results of the background or credit check to the applicant.

* * *

(c) A person who violates this section commits an unfair practice in commerce in violation of section 2453 of this title.

* * *

§ 4461. SECURITY DEPOSITS

(a)(1) A security deposit is any advance, deposit, or prepaid rent, however named, which is refundable to the tenant at the termination or expiration of the tenancy. The function of a security deposit is to secure the performance of a tenant's obligations to pay rent and to maintain a dwelling unit.

(2) A landlord shall not charge for or receive a security deposit exceeding an amount equal to two months' rent, in addition to any rent for the first month paid on or before initial occupancy.

(3) Subject to the requirements of this section, a landlord may charge a separate security deposit in addition to the amount authorized in subdivision (2) of this subsection as a condition for allowing the tenant to have a pet or pets during the rental period. A landlord shall not charge any amount under this subdivision for any animal that mitigates a disability.

* * *

(c)(1) A landlord shall return the security deposit along with a written statement itemizing any deductions to a tenant within 14 days ~~from~~ after the date on which the landlord discovers that the tenant vacated or abandoned the dwelling unit or the date the tenant vacated the dwelling unit, provided the landlord received notice from the tenant of that date. In the case of the seasonal occupancy and rental of a dwelling unit not intended as a primary residence, the security deposit and written statement shall be returned within 60 days.

(2) If a landlord terminates a tenancy under subsection 4467(d) or (e) of this title and at the request of the tenant, the landlord shall return one-half of the security deposit, subject to any deductions authorized by subsection (b) of this section, along with a written statement itemizing any deductions to the tenant not later than 45 days before the date in the termination notice.

* * *

(e) If a landlord fails to return the security deposit with a statement within ~~14 days~~ the timeframes outlined in subsection (c) of this section, the landlord forfeits the right to withhold any portion of the security deposit. If the failure is willful, the landlord shall be liable for double the amount wrongfully withheld, plus reasonable attorney's fees and costs.

* * *

§ 4465. RETALIATORY CONDUCT PROHIBITED

(a) A landlord of a residential dwelling unit may not retaliate by establishing or changing terms of a rental agreement or by bringing or threatening to bring an action against a tenant who:

(1) has complained to a governmental agency charged with responsibility for enforcement of a building, housing, or health regulation of a violation applicable to the premises materially affecting health and safety;

(2) has complained to the landlord of a violation of this chapter; ~~or~~

(3) has organized or become a member of a tenant's union or similar organization; or

(4) has taken any legal action authorized by law against the landlord.

(b) If the landlord acts in violation of this section, the tenant is entitled to recover damages and reasonable attorney's fees and has a defense in any retaliatory action for possession.

(c) If a landlord serves notice of termination of tenancy on any grounds other than for nonpayment of rent within 90 days after notice by any municipal or State governmental entity that the premises are not in compliance with applicable health or safety regulations, there is a rebuttable presumption that any termination by the landlord is in retaliation for the tenant having reported the noncompliance.

* * *

§ 4467. TERMINATION OF TENANCY; NOTICE

(a) Termination for nonpayment of rent. The landlord may terminate a tenancy for nonpayment of rent by providing actual notice to the tenant of the date on which the tenancy will terminate, which shall be at least ~~14~~ 10 days after the date of the actual notice. The rental agreement shall not terminate if the tenant pays or tenders rent due through the end of the rental period in which payment is made or tendered, provided a landlord may terminate a tenancy under subdivision (b)(1) of this section for repeated late payment of rent. Acceptance of partial payment of rent shall not constitute a waiver of the

landlord's remedies for nonpayment of rent or an accord and satisfaction for nonpayment of rent.

(b) Termination for breach of rental agreement.

(1)(A) The landlord may terminate a tenancy for:

(i) failure of the tenant to comply with a material term of the rental agreement or with obligations imposed under this chapter ~~by~~;

(ii) a tenant's late payment of rent more than three times in a 12-month period; or

(iii) a tenant's refusal to allow a landlord or a landlord's agent access to the dwelling unit in accordance with section 4460 of this title.

(B) A landlord shall provide actual notice ~~given~~ to the tenant at least ~~30~~ 21 days prior to the termination date specified in the notice.

(C) As used in this subsection (b), "late payment of rent" means payment of rent more than 10 days after rent is due under the rental agreement.

(2)(A) When termination is based on ~~criminal activity, illegal drug activity, or~~ acts of violence, damage to the dwelling unit or premises, or other activity any of which ~~threaten~~ threatens the health or safety of other residents, the landlord or landlord's agent, or neighbors, the landlord may terminate the tenancy by providing actual notice to the tenant of the date on which the tenancy will terminate, which shall be at least ~~14~~ five days from the date of the actual notice.

(B) The actual notice required under this subsection (b) shall be accompanied by an affidavit setting forth particular facts and the basis thereof in support of the termination with sufficient details to inform the tenant of the reasoning behind the termination.

(3) A landlord shall not terminate a rental agreement under this subsection based on a person seeking medical assistance for a drug overdose, being the subject of a good faith request for medical assistance, or being at the scene of a drug overdose or within close proximity of the scene of a drug overdose as provided in 18 V.S.A. § 4254 and evidence obtained from the good faith request for medical assistance for a drug overdose shall not be used in an ejectment action brought under 12 V.S.A. chapter 169.

(c) ~~Termination for no cause~~ Termination for tenant or governmental notice to vacate. ~~In the absence of a written rental agreement, the landlord may terminate a tenancy for no cause as follows:~~

(1) ~~If rent is payable on a monthly basis, by providing actual notice to the tenant of the date on which the tenancy will terminate, which shall be:~~

~~(A) for tenants who have resided continuously in the same premises for two years or less, at least 60 days after the date of the actual notice;~~

~~(B) for tenants who have resided continuously in the same premises for more than two years, at least 90 days after the date of the actual notice~~ When termination is based on an intent to vacate provided by actual notice from a tenant, a landlord may terminate a rental agreement on the date provided in the actual notice.

(2) ~~If rent is payable on a weekly basis, by providing actual notice to the tenant of the date on which the tenancy will terminate, which shall be at least 21 days after the date of the actual notice~~ When termination is based on compliance with an order issued by a governmental agency or court order that necessitates vacating the premises, a landlord may terminate a rental agreement on the date provided in the order.

(d) Termination of rental agreement when property is sold or repurposed. ~~In the absence of a written rental agreement a~~ A landlord ~~who has contracted to sell the building~~ may terminate a tenancy by providing actual notice to the tenant of the date on which the tenancy will terminate, which shall be at least ~~30~~ 90 days after the date of the actual notice or, in the event of a written rental agreement, at least 90 days before the expiration of the stated term of the rental agreement, when:

(A) the landlord has contracted to sell the building;

(B) necessary for the landlord or a member of the landlord's immediate family to occupy the premises for a minimum of 12 continuous months as a primary residence;

(C) permanently withdrawing the dwelling unit from the rental market; or

(D) demolishing the dwelling unit or premises or the rental unit requires renovations that exceed 50 percent of the rental unit's value to become or remain habitable, provided that the tenant shall have the right of first refusal to reoccupy the unit at market rate following renovations.

(e) Termination ~~for no cause under terms of written~~ at the expiration of a rental agreement.

(1) If there is a written rental agreement, the notice to terminate ~~for no cause~~ shall be at least ~~30~~ 90 days before the end or expiration of the stated term of the rental agreement ~~if the tenancy has continued for two years or less.~~

~~The notice to terminate for no cause shall be at least 60 days before the end or expiration of the term of the rental agreement if the tenancy has continued for more than two years~~.

(2) In the absence of a written rental agreement, the notice to terminate shall be at least 90 days after the date of actual notice.

(3) If there is a ~~written~~ week-to-week rental agreement, the notice to terminate ~~for no cause~~ shall be at least ~~seven~~ 10 days~~; however, a notice to terminate for nonpayment of rent shall be as provided in subsection (a) of this section~~.

(f) Termination ~~date~~ notice. In all cases, the termination date shall be specifically stated in the notice as well as the reason for the termination.

(g) Conversion to condominium. If the building is being converted to condominiums, notice shall be given in accordance with 27 V.S.A. chapter 15, subchapter 2.

(h) Termination of shared occupancy. A rental arrangement whereby a person rents to another individual one or more rooms in ~~his or her~~ the person's personal residence that includes the shared use of any of the common living spaces, such as the living room, kitchen, or bathroom, may be terminated by either party by providing actual notice to the other of the date the rental agreement shall terminate, which shall be at least ~~15 days after the date of actual notice if the rent is payable monthly and at least~~ seven days after the date of actual notice ~~if the rent is payable weekly~~.

(i) Multiple notices. All actual notices that are in compliance with this section shall not invalidate any other actual notice and shall be a valid basis for commencing and maintaining an action for possession pursuant to this chapter, 10 V.S.A. chapter 153, 11 V.S.A. chapter 14, or 12 V.S.A. chapter 169, notwithstanding that the notices may be based on different or unrelated grounds, dates of termination, or that the notices are sent at different times prior to or during an ejectment action. A landlord may maintain an ejectment action and rely on as many grounds for ejectment as are allowed by law at any time during the eviction process.

(j) Payment after termination; effect.

(1) A landlord's acceptance of full or partial rent payment by or on behalf of a tenant after the termination of the tenancy for reasons other than nonpayment of rent or at any time during the ejectment action shall not result in the dismissal of an ejectment action or constitute a waiver of the landlord's remedies to proceed with an eviction action ~~based on any of the following:~~

~~(A) the tenant's breach of the terms of a rental agreement pursuant to subsection (b) of this section;~~

~~(B) the tenant's breach of the tenant's obligations pursuant to subsections 4456(a), (b), and (c) of this title; or~~

~~(C) for no cause pursuant to subsections (c), (d), (e), and (h) of this section~~.

(2) This subsection shall apply to 10 V.S.A. chapter 153, 11 V.S.A. chapter 14, and 12 V.S.A. chapter 169.

(k) Commencement of ejectment action. A notice to terminate a tenancy shall be insufficient to support a judgment of eviction unless the proceeding is commenced not later than 60 days ~~from~~ after the termination date set forth in the notice.

(l) Affirmative defense to ejectment action.

(1) For any ejectment action based on a failure to pay rent pursuant to subsection (a) of this section, it shall be an affirmative defense of the tenant, and judgment shall be issued for the defendant, if there exists a serious health and safety code violation issued to the landlord under 20 V.S.A. § 2677 and the landlord has made no reasonable attempt to correct the violation as of the date of the termination, which shall include:

(A) any condition that jeopardizes the security of the unit;

(B) major plumbing leaks, flooding, or waterlogged ceiling or flooring in imminent danger of falling in;

(C) gas or fuel oil leaks;

(D) electrical conditions that could result in shock or fire;

(E) absence of a working heating system when outside temperature is below 60 degrees Fahrenheit;

(F) utilities not in service, including no running hot water;

(G) conditions that present the immediate possibility of serious injury;

(H) obstacles that prevent the safe entrance into or exit from the dwelling unit;

(I) absence of a functional toilet within the dwelling unit; or

(J) inoperable smoke or carbon monoxide detectors.

(2) Tenant remedies under this subsection shall not defeat an ejectment action if the serious health and safety code violation was caused by the negligent or deliberate act or omission of the tenant or a person on the premises with the tenant's consent.

(3) This subsection shall apply to 10 V.S.A. chapter 153, 11 V.S.A. chapter 14, and 12 V.S.A. chapter 169.

§ 4468. TERMINATION OF TENANCY; ACTION FOR POSSESSION

If the tenant remains in possession after termination of the rental agreement without the express consent of the landlord, the landlord may bring an action for possession, damages, and costs:

(1) for a termination provided under subsections 4467(a) and (b) of this title, under 12 V.S.A. chapter 169, subchapter 4; and

(2) for all other terminations provided in section 4467 of this title, under 12 V.S.A. chapter 169, subchapter 3.

* * *

* * * Ejectment * * *

Sec. 2. 12 V.S.A. § 663 is added to read:

§ 663. ALTERNATE SERVICE OF PROCESS; DURATION OF ORDER

(a) When the court orders that alternate service of process be made in a civil proceeding, the order shall remain in effect and apply to all subsequent service of process in the same proceeding, including postjudgment proceedings. This section shall apply to orders issued pursuant to Vermont Rule of Civil Procedure 4(d)(1) permitting service of process by publication or by leaving a copy at the defendant's dwelling house or usual place of abode, or to orders permitting alternate service of process under any other provision of law.

(b) When a motion for alternative service of process is filed pursuant to Vermont Rule of Civil Procedure 4(d)(1) in an action under 10 V.S.A. chapter 153, 11 V.S.A. chapter 14, or 12 V.S.A. chapter 169, the court shall rule on the motion within three days after it is filed.

Sec. 3. 12 V.S.A. chapter 169 is amended to read:

CHAPTER 169. EJECTMENT

* * *

Subchapter 3. Superior Court Ejectment

* * *

§ 4853. SERVICE OF PROCESS

~~The~~ Unless otherwise provided by law, the process shall be served and notice given as in other civil actions.

§ 4853a. PAYMENT OF RENT INTO COURT; EXPEDITED HEARING

~~[Subsection (a) as amended by 2007, Act No. 125 (Adj. Sess.), § 1.]~~

~~(a) In any action against a tenant for possession, the landlord may file a motion for an order that the tenant pay rent into court. The motion may be filed and served with the complaint or at any time after the complaint has been filed. The motion shall be accompanied by affidavit setting forth particular facts in support of the motion.~~

~~[Subsection (a) as amended by 2007, Act No. 176 (Adj. Sess.), § 51.]~~

(a) In any action against a tenant for possession brought in accordance with this chapter, 9 V.S.A. chapter 137, 10 V.S.A. chapter 153, or 11 V.S.A. chapter 14, the landlord may file a motion for an order that the tenant pay rent into court. The motion may be filed and served with the complaint or at any time after the complaint has been filed. The motion shall be accompanied by affidavit setting forth particular facts in support of the motion.

* * *

(d) If the court finds the tenant is obligated to pay rent and has failed to do so, the court shall order full ~~or partial~~ payment into court of rent as it accrues while the proceeding is pending and rent accrued from the date of filing with the court the complaint for ejectment or the date the summons and complaint for ejectment were served on the tenant pursuant to Rule 3 of the Vermont Rules of Civil Procedure, whichever occurs first.

* * *

(g) ~~The tenant may at any time by motion apply to the court to reduce the amount ordered to be paid into court under this section. The motion for reduction shall be accompanied by affidavit setting forth particular facts in its support.~~ [Repealed.]

* * *

§ 4854a. PROPERTY OF TENANT REMAINING ON PREMISES AFTER EVICTION

(a) A landlord may dispose of any personal property remaining in a dwelling unit or leased premises without notice or liability to the tenant or owner of the personal property:

(1) ~~15 days after a writ of possession is served pursuant to this chapter or~~ immediately upon the landlord being legally restored to possession of the dwelling unit or leased premises pursuant to this chapter~~, whichever is later~~; or

(2) in the case of an eviction brought pursuant to 10 V.S.A. chapter 153, 40 days after a writ of possession issued for failure to pay rent into court pursuant to subsection 4853a(h) of this title is served or upon the landlord being legally restored to possession of the leased premises by a writ of possession issued for failure to pay rent into court pursuant to subsection 4853a(h) of this title, whichever is later.

(b) Notwithstanding subsection (a) of this section, if the court stays the execution of a writ of possession issued pursuant to this chapter, then a landlord may dispose of any personal property remaining in a dwelling unit or leased premises without notice or liability to the tenant or owner of the personal property ~~one day~~ immediately after the landlord is legally restored to possession of the dwelling unit or leased premises.

* * *

Subchapter 4. Superior Court Ejectment for Nonpayment or Breach

§ 4861. ISSUANCE OF PROCESS BY SUPERIOR JUDGE FOR NONPAYMENT OR BREACH

When the lessee of lands or tenements, either by parole or written lease, or a person holding under the lease, holds possession of the demised premises without right, after the termination of the lease under 9 V.S.A. § 4467(a) or (b), the person entitled to the possession of the premises may have from the presiding judge of the Superior Court a writ to restore the person to the possession thereof.

§ 4862. MODE AND SERVICE OF PROCESS; TRIAL BY JURY

(a) The process may issue as a summons, requiring the defendant to appear and answer to the complaint of the plaintiff, which shall state that the defendant is in the possession of the lands or tenements in question, with a description thereof, that the tenant holds unlawfully and against the right of the plaintiff. A copy of the rental agreement, if any, and any notice to terminate the defendant's tenancy shall be attached to the complaint, including a copy of the rent ledger if the complaint is based on a termination under 9 V.S.A. § 4467(a).

(b) Either party shall have the right to a trial by jury.

§ 4863. ANSWER

(a) Notwithstanding any other provision of law or rule to the contrary, the defendant shall file an answer within 14 days after service of the complaint.

(b) An answer to a complaint filed under this subchapter shall be accompanied by an affidavit setting forth particular facts in opposition to the complaint.

(c)(1) If the complaint is based on a termination under 9 V.S.A. § 4467(a), the defendant may cure the action by paying all rents owed, court costs, and service fees by the answer date. If payment is not received by the answer date, the defendant shall lose the right to cure the complaint as a matter of law. A plaintiff may accept payment in whole or in part and dismiss the complaint. A defendant shall not have the right to cure in a subsequent action brought by the plaintiff for termination under 9 V.S.A. § 4467(a).

(2) Upon receipt of an answer to a complaint based on a termination under 9 V.S.A. § 4467(a) or (b)(1), the court shall set a final hearing date not later than 60 days after the date of service of the complaint absent good cause.

§ 4864. DEFAULT

If the defendant fails to provide a written answer as provided in this subchapter, the plaintiff shall be entitled to possession of the premises. The plaintiff shall file a motion for possession based on the default and shall include an affidavit that provides proof of service on the defendant. The court shall decide on the motion within five days after the filing by the plaintiff absent good cause.

§ 4865. SHOW CAUSE HEARING

(a) If the complaint is based on a termination under 9 V.S.A. § 4467(b)(2), the court shall set a show cause hearing within 10 days after an answer is filed by the defendant absent good cause. If the defendant fails to appear, the plaintiff shall be awarded possession of the premises.

(b) At the show cause hearing, the defendant shall provide a rebuttal to the facts supporting the termination claims brought by the plaintiff.

(c)(1) Parties may rely on affidavit evidence during the show cause hearing made under the pains and penalties of perjury. If the defendant makes a showing that live testimony is required or upon the court's own determination, a final hearing may be ordered.

(2) In the event a final hearing is ordered to resolve the complaint, a final hearing shall be set within 21 days after the date of the show cause hearing.

§ 4866. COSTS; JUDGMENT FOR PLAINTIFF; POSSESSION

If the court finds the plaintiff is entitled to possession, whether by default or after a final hearing, the plaintiff shall have a judgment for possession and rents due, if applicable, including damages and costs, and when a written rental agreement so provides, the court may award reasonable attorney's fees. A writ of possession shall issue on the date of judgment and shall direct any sheriff to serve the writ upon the defendant and, not earlier than 14 days after the writ is served, put the plaintiff in possession.

§ 4867. PROPERTY OF TENANT REMAINING ON PREMISES AFTER EVICTION

A landlord may dispose of any personal property remaining in a dwelling unit or leased premises without notice or liability to the tenant or owner of the personal property upon the landlord being legally restored to possession of the dwelling unit or leased premises pursuant to this subchapter.

§ 4868. TRESPASS ORDERS

After being legally restored to possession of the dwelling unit or leased premises pursuant to this chapter, the plaintiff may issue the defendant an order against trespass for the entire premises subject to the ejectment action in accordance with 13 V.S.A. § 3705.

* * * Trespass * * *

Sec. 4. PURPOSE

The purpose of Sec. 5 of this act is to overrule the Vermont Supreme Court's decision in *State v. Dixon*, 169 Vt. 15 (1999), and allow the landlord of a dwelling unit to obtain a no trespass order prohibiting the tenant's invitees or licensees from entering the dwelling unit's common areas if the invitee or licensee subject to the order has violated the terms of the lease agreement.

Sec. 5. 13 V.S.A. § 3705 is amended to read:

§ 3705. UNLAWFUL TRESPASS

(a)(1) A person shall be imprisoned for not more than three months or fined not more than $500.00, or both, if, without legal authority or the consent of the person in lawful possession, the person enters or remains on any land or in any place as to which notice against trespass is given by:

* * *

(g)(1) Notwithstanding subsection (a) of this section or any provision of law to the contrary, a landlord of a dwelling unit may cause to be served an order against trespass that prohibits a tenant's invitees or licensees from trespassing in the dwelling unit or any of the dwelling unit's common areas if:

(A) the tenant responsible for the invitee or licensee consents to the order;

(B) the invitee or licensee subject to the order has violated the terms of the dwelling unit's lease agreement; or

(C) the invitee or licensee has violated a State or federal law while on the premises of the dwelling unit.

(2) Notwithstanding any other provision of law, a person who is served an order against trespass issued pursuant to subdivision (1) of this subsection has a limited right to appeal the order by bringing a small claims action against the landlord under 12 V.S.A. chapter 187 within seven days after the order is served. The decision of the court in the small claims action shall be final and not subject to appeal.

(3) As used in this subsection:

(A) "Dwelling unit" means a building or the part of a building that is used as a home, residence, or sleeping place by one or more persons who maintain a household.

(B) "Tenant" means a person entitled under a rental agreement to occupy a residential dwelling unit to the exclusion of others.

* * * Ejectment Records * * *

Sec. 6. 12 V.S.A. chapter 169, subchapter 5 is added to read:

Subchapter 5. Confidentiality of Ejectment Records

§ 4871. DEFINITIONS

As used in this subchapter:

(1) "Confidential" means to limit access only to those persons who are authorized by law or court order to view the record.

(2) "Consumer reporting agency" has the same meaning as in 15 U.S.C. § 1681a(f).

(3) "Ejectment record" means recorded information pertaining to an ejectment case that is in the possession, custody, or control of a court or was in the possession of a court.

(4) "Landlord" has the same meaning as in 9 V.S.A. § 4451(4).

(5) "Record" means any recorded information made or received pursuant to law or in connection with the transaction of any official business by a court, including all evidence received by the court in a case.

(6) "Removal of confidentiality" means to restore an ejectment record to the level of public access a public court record enjoys by removing any physical and electronic separation imposed on the ejectment record when it was confidential.

(7) "Tenant" has the same meaning as in 9 V.S.A. § 4451(10).

(8) "Tenant screening report" means any written, oral, or other communication prepared by a consumer reporting agency that includes information about an individual's rental history for the purpose of serving as a factor in establishing the individual's eligibility for housing.

(9) "Termination notice" means any notice given under 9 V.S.A. § 4467.

§ 4872. CONFIDENTIALITY OF RECORD UPON FILING

All records of a newly filed ejectment complaint shall be confidential. The ejectment record shall be designated as confidential upon filing and shall remain confidential except pursuant to section 4873 of this title.

§ 4873. REMOVAL OF CONFIDENTIALITY OF EJECTMENT RECORDS

If the court of jurisdiction in an ejectment case issues a final or default judgment in favor of the landlord where a finding has been made of nonpayment of rent pursuant to 9 V.S.A. § 4467(a) or breach of rental agreement pursuant to 9 V.S.A. § 4467(b), the court shall remove confidentiality for the ejectment record after 30 days unless the court orders continued confidentiality.

§ 4874. EFFECT OF CONFIDENTIALITY; PROHIBITIONS

(a) A person who is asked about the person's ejectment history may answer that there is no prior ejectment if the record is confidential.

(b)(1) A consumer reporting agency shall check Vermont court ejectment records to determine whether they are confidential before including them in a tenant screening report.

(2) A consumer reporting agency shall not include any ejectment record in a tenant screening report if the court record is confidential or if the consumer reporting agency has been directly notified that the record is confidential.

(c) Any tenant who suffers injury as a result of a violation of subsection (b) of this section may bring an action for injunctive relief, actual damages, or statutory damages of up to $1,000.00 per violation, costs, and reasonable attorney's fees.

§ 4875. ACCESS TO CONFIDENTIAL RECORDS

(a) The court of jurisdiction in an ejectment case shall make the confidential ejectment record available to each of the following persons for purposes of litigating, adjudicating, joining, appealing, or otherwise facilitating the ejectment case:

(1) each party to the ejectment case;

(2) the judge and court staff of jurisdiction; and

(3) each attorney representing a party to the ejectment case.

(b) In addition to access provided pursuant to subsection (a) of this section, the court of jurisdiction shall make a confidential ejectment record available to any person with a valid court order authorizing access to the ejectment record.

* * * Positive Rental Payment Pilot Program * * *

Sec. 7. POSITIVE RENTAL PAYMENT CREDIT REPORTING PILOT

(a) Definitions. As used in this section:

(1) "Contractor" means the third-party vendor that the State Treasurer's Office contracts with to administer the pilot program described in this section.

(2) "Dwelling unit" has the same meaning as in 9 V.S.A. § 4451(3).

(3) "Participant property owner" means a landlord that has agreed in writing to participate in the pilot program and has satisfied the requirements described in subsection (c) of this section.

(4) "Participant tenant" means a tenant who has elected to participate in the pilot program and whose landlord is a participant property owner.

(5) "Rental payment information" means information concerning a participant tenant's timely payment of rent. "Rent payment information" does not include information concerning a participant tenant's payment or nonpayment of fees.

(b) Pilot program creation.

(1) The State Treasurer shall create and implement a two-year positive rental payment credit reporting pilot program to facilitate the reporting of rent payment information from participant tenants to consumer reporting agencies.

(2) On or before May 1, 2027, the State Treasurer shall contract with a third party to administer a positive rental payment credit reporting pilot program and facilitate the transmission of rent reporting information from a participant property owner to a consumer reporting agency. The third-party administrator shall be required to:

(A) enter into an agreement with one or more participant property owners in the State in accordance with the requirements of this section for participation in the pilot program;

(B) ensure that information to a credit reporting agency includes only rent payment information after the date on which the participant tenant elected to participate in the pilot program;

(C) develop and implement a process for removal of participant tenants for failure to comply with program requirements, including failure to make timely rental payments;

(D) establish a standard form for a participant tenant to use to elect to participate or cease participation in the pilot program, which shall include a statement that the tenant's participation is voluntary and that a participant may cease participating in the pilot program at any time and for any reason by providing notice to the participant's landlord and that the tenant may be removed from the program for failure to comply with program requirements, including failure to make timely rental payments; and

(E) offer an optional financial education course for participant tenants.

(c) Pilot program agreements. A participant property owner shall agree in writing:

(1) to participate in the pilot program for the duration of the pilot program;

(2) not to charge a participant tenant for participation in the pilot program;

(3) to comply with the requirements of the pilot program;

(4) to provide information as required by the State Treasurer concerning the implementation of the pilot program; and

(5) to assist in the recruitment of tenants to participate in the pilot program.

(d) Pilot program participants. On or before June 1, 2027, the contractor shall, in coordination with the State Treasurer, recruit not more than 10 participant property owners and, to the extent practicable, not fewer than 100 participant tenants to participate in the pilot program. The contractor shall seek to select participant tenants from populations that are underserved and underrepresented in home ownership. The contractor shall also seek to recruit participant landlords who offer:

(1) a variety of types of dwelling units for rent, including dwelling units of various sizes;

(2) dwelling units for rent that are located in geographically diverse areas of the State; and

(3) at least five dwelling units for rent.

(e) Termination. The State Treasurer may terminate the pilot program at any time in the Treasurer's sole discretion or terminate participation of a participant property owner for failure to comply with the requirements of the pilot program.

(f) Reports.

(1) On or before November 1, 2028, the State Treasurer shall submit an interim report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs regarding the findings of the pilot program. The report shall include:

(A) the number of participant tenants, including information regarding the demographic makeup of participant tenants, such as race, ethnicity, gender, income, and age, as voluntarily provided by the participant;

(B) the number of participant tenants who ceased participating in the pilot program voluntarily;

(C) the number of participant tenants who were removed from the pilot program and the reasons why;

(D) a breakdown of costs of administering the pilot program, including the monthly costs associated with rent reporting;

(E) a description of challenges faced by the participant property owners and participant tenants during the pilot program;

(F) an analysis of the outcomes of rent reporting on participant tenants' credit scores; and

(G) recommendations for legislative action, including proposed statutory language and an appropriation for associated costs.

(2) On or before November 1, 2029, the State Treasurer shall submit a final report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs regarding the findings of the pilot program. The report shall include an update to the information required in the interim report.

* * * Residential Security Deposit Transition Period * * *

Sec. 8. SECURITY DEPOSIT; TRANSITION PERIOD

Notwithstanding 9 V.S.A. § 4461(a), a landlord may retain a security deposit that exceeds an amount equal to two months' rent, provided that the residential rental agreement was in effect prior to July 1, 2026.

* * * Technical Training * * *

Sec. 9. LANDLORD AND TENANT EDUCATION AND TECHNICAL ASSISTANCE PROGRAM

(a) The Champlain Valley Office of Economic Opportunity (CVOEO) shall provide education and technical assistance to Vermont landlords and tenants regarding their rights, obligations, and remedies for statutory violations under Vermont rental statutes.

(b)(1) Training for tenants shall include training under the Preferred Renter Certification Program or its future equivalent.

(2) For landlords, CVOEO shall develop a curriculum to address any resource and information gaps to increase positive interactions with tenants and improve renter household stability.

(c) Assistance under this program shall include in-person, virtual, and on-demand options.

* * * Appropriations * * *

Sec. 10. APPROPRIATIONS

The following is appropriated from the General Fund in fiscal year 2027:

(1) the sum of $100,000.00 to the State Treasurer for contracting and administrative costs necessary to implement the positive rental payment credit reporting pilot program;

(2) the sum of $600,000.00 to the Department for Children and Families to be granted to the community action agencies to be used to support liaison work with landlords and tenants; and

(3) the sum of $1,200,000.00 to the Department of Housing and Community Development for the following purposes:

(A) $1,000,000.00 granted to the Vermont State Housing Authority for the Rent Arrears Assistance Fund established by 2023 Acts and Resolves No. 47, Sec. 45; and

(B) $200,000.00 granted to the Champlain Valley Office of Economic Opportunity for statewide landlord and tenant education.

* * * Effective Date * * *

Sec. 11. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee Vote: 8-3-0)

Rep. Bluemle of Burlington, for the Committee on Appropriations, recommends that the report of the Committee on General and Housing be amended as follows:

First: In Sec. 7, positive rental payment credit reporting pilot, by adding a new subsection to be subsection (g) to read as follows:

(g) Appropriation contingency. The duty to implement this section is contingent upon an appropriation of funds in fiscal year 2027 from the General Fund for the specific purposes described in this section.

Second: In Sec. 9, landlord and tenant education and technical assistance program, by adding a new subsection to be subsection (d) to read as follows:

(d) The duty to implement this section is contingent upon an appropriation of funds in fiscal year 2027 from the General Fund for the specific purposes described in this section.

Third: By striking out Sec. 10, appropriations, and its reader assistance heading in their entireties and inserting in lieu thereof a new Sec. 10 to read as follows:

Sec. 10. [Deleted.]

(Committee Vote: 9-2-0)

Amendment to be offered by Reps. LaLonde of South Burlington and Burditt of West Rutland to the report of the Committee on General and Housing on H. 772

That the report of the Committee on General and Housing be amended as follows:

First: By striking out Sec. 2, 12 V.S.A. § 663, in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. 12 V.S.A. § 663 is added to read:

§ 663. ALTERNATE SERVICE OF PROCESS; EJECTMENT

When a motion for alternative service of process is filed pursuant to Rule 4(d)(1) of the Vermont Rules of Civil Procedure in an action under 10 V.S.A. chapter 153, 11 V.S.A. chapter 14, or chapter 169 of this title, the court shall rule on the motion promptly.

Second: By striking out Sec. 3, 12 V.S.A. chapter 169, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. 12 V.S.A. chapter 169 is amended to read:

CHAPTER 169. EJECTMENT

* * *

Subchapter 3. Superior Court Ejectment

* * *

§ 4853a. PAYMENT OF RENT INTO COURT; EXPEDITED HEARING

~~[Subsection (a) as amended by 2007, Act No. 125 (Adj. Sess.), § 1.]~~

~~(a) In any action against a tenant for possession, the landlord may file a motion for an order that the tenant pay rent into court. The motion may be filed and served with the complaint or at any time after the complaint has been filed. The motion shall be accompanied by affidavit setting forth particular facts in support of the motion.~~

~~[Subsection (a) as amended by 2007, Act No. 176 (Adj. Sess.), § 51.]~~

(a) In any action against a tenant for possession brought in accordance with this chapter, 9 V.S.A. chapter 137, 10 V.S.A. chapter 153, or 11 V.S.A. chapter 14, the landlord may file a motion for an order that the tenant pay rent into court. The motion may be filed and served with the complaint or at any time after the complaint has been filed. The motion shall be accompanied by affidavit setting forth particular facts in support of the motion.

* * *

(d) If the court finds the tenant is obligated to pay rent and has failed to do so, the court shall order full ~~or partial~~ payment into court of rent as it accrues while the proceeding is pending and rent accrued from the date of filing with the court the complaint for ejectment or the date the summons and complaint for ejectment were served on the tenant pursuant to Rule 3 of the Vermont Rules of Civil Procedure, whichever occurs first.

* * *

(g) The tenant may at any time by motion apply to the court to reduce the amount ordered to be paid into court under this section. The motion for

reduction shall be accompanied by affidavit setting forth particular facts in its support.

* * *

(i) Notwithstanding subsection (d) of this section, the parties may come to an agreement and at any time by motion apply to the court to reduce the amount ordered to be paid into court under this section.

* * *

§ 4854a. PROPERTY OF TENANT REMAINING ON PREMISES AFTER EVICTION

(a) A landlord may dispose of any personal property remaining in a dwelling unit or leased premises without notice or liability to the tenant or owner of the personal property:

(1) ~~15 days after a writ of possession is served pursuant to this chapter or~~ immediately upon the landlord being legally restored to possession of the dwelling unit or leased premises pursuant to this chapter~~, whichever is later~~; or

(2) in the case of an eviction brought pursuant to 10 V.S.A. chapter 153, 40 days after a writ of possession issued for failure to pay rent into court pursuant to subsection 4853a(h) of this title is served or upon the landlord being legally restored to possession of the leased premises by a writ of possession issued for failure to pay rent into court pursuant to subsection 4853a(h) of this title, whichever is later.

(b) Notwithstanding subsection (a) of this section, if the court stays the execution of a writ of possession issued pursuant to this chapter, then a landlord may dispose of any personal property remaining in a dwelling unit or leased premises without notice or liability to the tenant or owner of the personal property ~~one day~~ immediately after the landlord is legally restored to possession of the dwelling unit or leased premises.

* * *

Subchapter 4. Superior Court Ejectment for Nonpayment or Breach

§ 4861. ISSUANCE OF PROCESS BY SUPERIOR JUDGE FOR NONPAYMENT OR BREACH

When the lessee of lands or tenements, either by parole or written lease, or a person holding under the lease, holds possession of the demised premises without right, after the termination of the lease under 9 V.S.A. § 4467(a) or (b), the person entitled to the possession of the premises may have from the

presiding judge of the Superior Court a writ to restore the person to the possession thereof.

§ 4862. MODE AND SERVICE OF PROCESS; TRIAL BY JURY

(a) The process may issue as a summons, requiring the defendant to appear and answer to the complaint of the plaintiff, which shall state that the defendant is in the possession of the lands or tenements in question, with a description thereof, that the tenant holds unlawfully and against the right of the plaintiff. A copy of the rental agreement, if any, and any notice to terminate the defendant's tenancy, including the affidavit required by 9 V.S.A. § 4467(b)(2)(B), shall be attached to the complaint. If the complaint is based on a termination under 9 V.S.A. § 4467(a), the complaint shall include a copy of the rent ledger, if available.

(b) Either party shall have the right to a trial by jury.

§ 4863. ANSWER; HEARING

(a) An answer to a complaint filed under this subchapter shall be accompanied by an affidavit setting forth particular facts in opposition to the complaint.

(b)(1) Upon receipt of an answer to a complaint based on a termination under 9 V.S.A. § 4467(a) or (b), the court shall set a final hearing date not later than 90 days after the filing of the complaint absent good cause.

(2) The timeline in this subsection shall not apply when the plaintiff is in possession of the lands or tenements in question or has received from the court a writ of possession for the lands or tenements.

§ 4864. DEFAULT

If the defendant fails to file an answer in the time provided pursuant to Rule 12 of the Vermont Rules of Civil Procedure, the plaintiff may file a motion for a default judgment in accordance with Rule 55 of the Vermont Rules of Civil Procedure. The court shall rule on the motion promptly.

§ 4865. THREATENING BEHAVIOR; EXPEDITED HEARING

(a)(1) In an action for ejectment based on a termination under 9 V.S.A. § 4467(b)(2), the plaintiff may file a motion for a judgment that the plaintiff is entitled to immediate possession of the premises on the grounds that the defendant's continued occupation of the lands or tenements is threatening the health or safety of other residents, the landlord or the landlord's agent, or neighbors.

(2) The motion may be filed and served with the complaint or at any time after the complaint has been filed. The motion shall be accompanied by an affidavit setting forth particular facts in support of the motion and a copy of the lease agreement.

(b) A hearing on the motion shall be held promptly any time after 10 days' notice to the parties but not later than 21 days after the motion is filed absent good cause.

(c) At any time before the hearing, the defendant may oppose the motion pursuant to Rule 7(b)(6) of the Vermont Rules of Civil Procedure by filing an affidavit, a signed written statement, or a memorandum in opposition to the motion. The affidavit, signed written statement, or memorandum shall set forth particular facts to show that a genuine dispute of fact exists in relation to the motion.

(d)(1) If the defendant fails to appear for the hearing, or to file an affidavit, signed written statement, or memorandum in opposition to the plaintiff's motion, or has failed to file an answer in the time provided pursuant to Rule 12 of the Vermont Rules of Civil Procedure, the plaintiff shall be entitled to judgment by default for immediate possession of the premises.

(2) If the court finds that the defendant's continued occupation of the lands or tenements is a threat to the health or safety of other residents, the landlord or the landlord's agent, or neighbors, the court shall grant the plaintiff's motion and issue judgment in favor of the plaintiff for immediate possession of the premises.

(e) If the court issues judgment in favor of the plaintiff pursuant to subsection (d) of this section, the court shall, on the date judgment is entered, issue a writ of possession directing the sheriff of the county in which the property or a portion thereof is located to serve the writ upon the defendant and, not sooner than five days after the writ is served, to put the plaintiff into possession.

§ 4866. COSTS; JUDGMENT FOR PLAINTIFF; POSSESSION

If the court finds the plaintiff is entitled to possession, the plaintiff shall have a judgment for possession and rents due, if applicable, including damages and costs, and when a written rental agreement so provides, the court may award reasonable attorney's fees. A writ of possession shall issue on the date of judgment and shall direct any sheriff to serve the writ upon the defendant and, not earlier than 14 days after the writ is served, put the plaintiff in possession.

§ 4867. PROPERTY OF TENANT REMAINING ON PREMISES AFTER

EVICTION

A landlord may dispose of any personal property remaining in a dwelling unit or leased premises without notice or liability to the tenant or owner of the personal property upon the landlord being legally restored to possession of the dwelling unit or leased premises pursuant to this subchapter.

§ 4868. TRESPASS ORDERS

After being legally restored to possession of the dwelling unit or leased premises pursuant to this chapter, the plaintiff may issue the defendant an order against trespass for the entire premises subject to the ejectment action in accordance with 13 V.S.A. § 3705.

Third: In Sec. 5, 13 V.S.A. § 3705, by striking out subdivision (g)(2) in its entirety and by renumbering the remaining subdivision to be numerically correct.

Fourth: By striking out Sec. 6, 12 V.S.A. chapter 169, subchapter 5, and its reader assistance heading in their entireties and inserting in lieu thereof a new Sec. 6 to read as follows:

Sec. 6. [Deleted.]

H. 935

An act relating to emergency management

(Rep. Hango of Berkshire will speak for the Committee on Government Operations and Military Affairs.**)**

Rep. Feltus of Lyndon, for the Committee on Appropriations, recommends that the bill be amended as follows:

First: By striking out Sec. 12, Department of Public Safety; Public Safety Communications Task Force; authorization for ongoing expenditure of funds, in its entirety and inserting in lieu thereof a new Sec. 12 to read as follows:

Sec. 12. DEPARTMENT OF PUBLIC SAFETY; PUBLIC SAFETY COMMUNICATIONS TASK FORCE; AUTHORIZATION FOR ONGOING EXPENDITURE OF FUNDS

(a) The General Assembly authorizes the use of monies appropriated or held in reserve pursuant 2022 Acts and Resolves No. 185, Sec. B.1100, as amended by 2023 Acts and Resolves No. 78, Sec. C.115 and 2023 Acts and Resolves No. 87, Sec. 49, for the Department of Public Safety to procure and implement a multidisciplinary computer-aided dispatch system for public safety communications, subject to the following:

(1) $2,250,000.00 shall be available for immediate costs associated with establishing the multidisciplinary computer-aided dispatch system and five years of software licensing fees, provided that the Department issues requests for proposal and signs contracts for services on or before January 1, 2027;

(2) $190,000.00 shall be immediately available for cybersecurity, expanded use of Rapid SOS, and geographic information systems; and

(3) $4,500,000.00 shall be available incrementally over three years to:

(A) implement and expand the Land Mobile Radio network to include a Statewide conceptual design;

(B) detail designs for one or more proof of concept projects and initially implement pilot projects; and

(C) build out or improve 10 or more Land Mobile Radio sites, including equipment and antenna deployment at existing chosen sites.

(b) Notwithstanding any provisions of 2023 Acts and Resolves No. 78, Sec. C.114 to the contrary, the Public Safety Communications Task Force shall continue in existence until February 15, 2027. The Task Force shall meet as necessary to advise the Department of Public Safety on executing the Task Force recommendations and final design plan. Notwithstanding 2023 Acts and Resolves No. 78, Sec. C.114(d)(3), members of the Task Force shall be entitled to per diem compensation and reimbursement of expenses permitted under 32 V.S.A. § 1010. These payments shall be made from monies appropriated to the Department of Public Safety.

(c) The Department of Public Safety shall submit written reports to the House Committees on Appropriations and on Government Operations and Military Affairs and the Senate Committees on Appropriations and Government Operations concerning the expenditure of monies pursuant to this section. The Department shall submit the written reports on or before May 1, 2027, January 15, 2028, and January 15, 2029, concerning the expenditures made during each respective reporting period.

(d) After the end of the three-year period described in subdivision (a)(3) of this section, the Department of Public Safety may submit a request to the General Assembly to authorize the use of any remaining monies from the appropriations appropriated or held in reserve pursuant 2022 Acts and Resolves No. 185, Sec. B.1100, as amended by 2023 Acts and Resolves No. 78, Sec. C.115 and 2023 Acts and Resolves No. 87, Sec. 49. Any remaining monies shall not be used by the Department unless authorized by the General Assembly.

Second: By striking out Sec. 13, appropriations, and its reader assistance heading, in their entireties and inserting in lieu thereof new reader assistance headings and three new sections to be Secs. 13, 13a, and 13b to read as follows:

* * * Vermont Language Justice Project;
Emergency and All-Hazards Media * * *

Sec. 13. EMERGENCY AND ALL HAZARDS MEDIA; LANGUAGE ACCESS

The Agency of Administration shall support the creation of State emergency and all-hazards response and preparedness media in 15 languages, including English and American Sign Language, through the Vermont Language Justice Project.

* * * Programs Contingent on Availability of Agency Funds * * *

Sec. 13a. PROGRAMS CONTINGENT ON AVAILABILITY OF AGENCY FUNDS

The duty to implement Secs. 2 (Technical Rescue Grant Program) and 13 (emergency and all hazards media; language access) of this act is contingent upon the availability of sufficient funds within the Department of Public Safety and the Agency of Administration to support the programs.

* * * Appropriation * * *

Sec. 13b. APPROPRIATION

The sum of $500,000.00 is appropriated from the General Fund to the Department of Public Safety in fiscal year 2027 for the Ready Response Grant Program administered by the Division of Emergency Management.

(Committee Vote: 11-0-0)

H. 944

An act relating to the fiscal year 2027 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 that the bill be amended as follows:

First: By striking out Sec. 14, 32 V.S.A. § 3709, PILOT Special Fund, and Sec. 15, 19 V.S.A. § 306, appropriation; State aid for town highways, and the

associated reader assistance heading in their entireties and inserting in lieu thereof two new Secs. 14 and 15 to read as follows:

Sec. 14. [Deleted.]

Sec. 15. [Deleted.]

Second: By striking out Sec. 19, 23 V.S.A. chapter 43, mileage-based user fee, and inserting in lieu thereof a new Sec. 19 to read as follows:

Sec. 19. 23 V.S.A. chapter 43 is added to read:

CHAPTER 43. ROAD USAGE CHARGES

Subchapter 1. Mileage-Based User Fee

§ 4301. PURPOSE

The purpose of this chapter is to impose a mileage-based user fee for battery electric vehicle pleasure cars to ensure that battery electric vehicles contribute to the Transportation Fund in an amount that reflects the annual miles traveled by each vehicle.

§ 4302. DEFINITIONS

As used in this chapter:

(1) "Account manager" means a person that the Agency of Transportation or Department of Motor Vehicles contracts with to administer and manage the mileage-based user fee.

(2) "Annual vehicle miles traveled" means the total number of miles that a BEV is driven during the mileage reporting period.

(3) "BEV" means a battery electric vehicle pleasure car.

(4) "Mileage-based user fee" means the fee charged for the annual vehicle miles traveled by a BEV pursuant to section 4303 of this chapter.

(5) "Mileage-based user fee rate" means the per-mile usage fee charged to the owner or lessee of a BEV pursuant to section 4303 of this chapter.

(6) "Mileage reporting period" means:

(A) the time period between annual inspections; or

(B) the time period between the most recent annual inspection and a terminating event.

(7) "Terminating event" means any of the following:

(A) the registering of a BEV that had been registered in Vermont in a different state;

(B) a change in ownership or lesseeship of a BEV; or

(C) the termination of a BEV's registration.

§ 4303. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION; PAYMENT; EXEMPTIONS

(a) Annual mileage-based user fee.

(1) The Commissioner shall, for each BEV registered in Vermont, calculate pursuant to subsection (b) of this section a mileage-based user fee within 14 days after the conclusion of the BEV's mileage reporting period.

(2) As soon as practicable after calculating the amount of the mileage-based user fee due for a BEV, the Commissioner shall mail to the registered owner or lessee of the BEV a statement of the amount of the mileage-based user fee assessed pursuant to this section.

(3) Not more than 45 days after a mileage-based user fee assessment is mailed pursuant to subdivision (2) of this subsection, the owner or lessee of the BEV shall:

(A) remit the full amount of the mileage-based user fee to the Commissioner; or

(B) enter into an agreement with the Commissioner to pay the amount of the mileage-based user fee in quarterly or monthly installments.

(b) Calculation of the mileage-based user fee. The Commissioner shall calculate the mileage-based user fee of each BEV by multiplying the miles traveled by the BEV during the applicable period by the rate established pursuant to subsection (c) of this section. The number of miles traveled for a mileage reporting period shall be equal to the difference between the mileage shown on the BEV's odometer at the end of the mileage reporting period and the mileage shown on the BEV's odometer at the beginning of the mileage reporting period.

(c) Mileage-based user fee rate. The mileage-based user fee rate shall be $0.014 per mile traveled by a BEV during its mileage reporting period.

(d) Exemptions. The mileage-based user fee assessed pursuant to this section shall not apply to:

(1) BEVs owned or operated by the government of the United States;

(2) BEVs that are owned or operated by the State; and

(3) BEVs that are used in short-term rentals.

(e) Fee in addition to other fees and taxes. A mileage-based user fee assessed pursuant to this section shall be in addition to any other fees and taxes imposed by this title.

(f) Review of amount assessed. A person may, within 45 days after an assessment is mailed pursuant to subsection (a) of this section, appeal the amount of the assessment to the Commissioner. The Commissioner shall establish procedures for filing and hearing appeals pursuant to this subsection that are consistent with the provisions of sections 105–107 of this title. The procedures shall include a process by which an appellant can resolve the dispute prior to the issuance of a final administrative decision on the appeal.

(g) Refunds. Upon occurrence of a terminating event, the Commissioner shall issue a refund to the owner or lessee of a BEV for any amounts paid by the owner or lessee that are in excess of the amount due pursuant to this chapter.

§ 4304. REPORTS

(a) Upon completion of an inspection of a BEV pursuant to section 1222 of this title, an inspection mechanic shall report the mileage shown on the BEV's odometer to the Department in the manner required by the Commissioner.

(b) Upon the occurrence of a terminating event, the owner or lessee of a BEV shall report the mileage shown on the BEV's odometer at the time of the terminating event to the Department in the time and manner required by the Commissioner.

§ 4305. FAILURE TO PAY FEE WHEN DUE; INTEREST

(a) Any person who fails to pay the mileage-based user fee when due shall owe, in addition to the mileage-based user fee, interest calculated at one and one-half percent per month on the amount of the mileage-based user fee that remains unpaid. The maximum amount of interest that may accrue pursuant to this subsection shall not exceed 18 percent of the amount of the unpaid fee.

(b)(1) An individual may request at any time that the Commissioner waive some or all of the amount of the overdue fee or interest due, or both, pursuant to subsection (a) of this section.

(2) The Commissioner may, upon receiving a request pursuant to subdivision (1) of this subsection or on the Commissioner's own motion, waive some or all of the amount of the overdue fee and interest required pursuant to subsection (a) of this section if the Commissioner determines that good cause existed for the delay in payment or that requiring repayment would constitute an economic hardship.

§ 4306. FAILURE TO FILE REPORT; PENALTY RATE

If the Commissioner is unable to determine the annual vehicle miles traveled for a BEV because a person failed to file a report required by section 4304 of this chapter or failed to have the BEV inspected as required pursuant to section 1222 of this title within a reasonable period of time after the report or inspection is due, the Commissioner shall calculate the mileage-based user fee for the BEV based on the 98th percentile of the miles traveled by BEVs registered in Vermont during mileage reporting periods ending in the preceding calendar year.

§ 4307. REGISTRATION; SUSPENSION OR REFUSAL

(a) Suspension of registration. The Commissioner may suspend or refuse to renew the registration of a BEV if the Commissioner determines, following notice and an opportunity for a hearing as provided pursuant to subsection (b) of this section, that the owner or lessee of the BEV:

(1) failed to file a report required pursuant to section 4304 of this chapter;

(2) filed a report containing an intentional misrepresentation, misstatement, or omission of material information required by this chapter; or

(3) is delinquent at the time of renewal in the payment amount due pursuant to the provisions of this chapter.

(b) Notice and opportunity for hearing. The Commissioner shall provide the owner or lessee of a BEV with not less than 15 days' notice of the intent to suspend or not to renew the registration of the BEV pursuant to the provisions of this section. The owner or lessee shall be provided with the opportunity for a hearing and shall be permitted to be represented by counsel at the hearing.

§ 4308. POWERS OF THE COMMISSIONER

(a) General authority. The Commissioner shall have the authority to administer and enforce the provisions of this chapter.

(b) Additional powers. In addition to any powers or authority specifically granted to the Commissioner pursuant to the provisions of this chapter, the Commissioner may do the following:

(1) Adopt rules pursuant to 3 V.S.A. chapter 25 as the Commissioner determines necessary to administer and enforce the provisions of this chapter.

(2) Prescribe forms appropriate to the purposes of this chapter.

(3) Contract with an account manager to administer and manage the mileage-based user fee.

§ 4309. APPEALS; JUDICIAL REVIEW

(a) Administrative appeal. An aggrieved person may appeal any final decision, order, or finding of the Commissioner under this chapter within not more than 45 days after the decision is issued or the order or finding is made. The Commissioner shall establish procedures for filing and hearing appeals pursuant to this subsection that are consistent with the provisions of sections 105–107 of this title.

(b) Appeal to superior court. Following a final decision on an appeal pursuant to subsection (a) of this section or subsection 4303(f) of this chapter, the appellant may appeal the decision pursuant to Rule 74 of the Vermont Rules of Civil Procedure. The appeal shall be to the Washington Superior Court or, in the discretion of the appellant, to the Superior Court in the county where the appellant resides or has a principal place of business.

(c) Exclusivity of remedies. The appeals provided by this section and subsection 4303(f) of this chapter shall be the exclusive remedies available to any person for review of an assessment, decision, or order or finding of the Commissioner under this chapter.

Subchapter 2. BEV Rental Vehicle Road Usage Charge

§ 4321. BEV RENTAL VEHICLE ROAD USAGE CHARGE

(a) For any BEV pleasure car subject to use tax imposed pursuant to 32 V.S.A. § 8903(d), there is imposed on each rental transaction for a BEV a road usage charge equal to one percent of the rental charge, which shall be collected by the rental company from the renter and remitted to the Commissioner. Amounts collected pursuant to this section shall be deposited in the Transportation Fund.

(b) As used in this section, rental charge has the same meaning as in 32 V.S.A. § 8903(d).

Third: By striking out Sec. 21, mileage-based user fee; transition, in its entirety and inserting in lieu thereof a new Sec. 21 to read as follows:

Sec. 21. MILEAGE BASED USER FEE; TRANSITION

BEV pleasure cars that are registered in Vermont on December 31, 2026, shall transition to the mileage-based user fee established pursuant to 23 V.S.A. chapter 43, subchapter 1 as follows:

(1) The initial mileage reporting period for each BEV shall commence on its first annual inspection occurring on or after January 1, 2027.

(2) If the initial mileage reporting period for a BEV begins before the BEV is required to renew its registration, the BEV shall receive a credit equal to $89.00 towards the amount of the mileage-based user fee due pursuant to 23 V.S.A. § 4303 for the initial mileage reporting period.

Fourth: By striking out Sec. 22, allocation of fiscal year 2027 mileage-based user fee revenues, in its entirety and inserting in lieu thereof two new sections to be Secs. 22 and 23 to read as follows:

Sec. 22. MILEAGE-BASED USER FEE; PAY-AS-YOU-GO OPTION; IMPLEMENTATION PLAN; REPORT

On or before February 15, 2027, the Secretary of Transportation shall submit a written report to the House Committees on Transportation and on Ways and Means and the Senate Committees on Transportation and on Finance regarding the potential for offering a pay-as-you-go option for the mileage-based user fee established pursuant to 23 V.S.A. chapter 43, subchapter 1. The report shall provide a plan for implementation of a pay-as-you-go program as well as detailed information regarding:

(1) anticipated staffing, administration, and information technology necessary to implement and operate a pay-as-you-go program;

(2) anticipated costs related to the implementation and operation of a pay-as-you-go program; and

(3) legislative language necessary to enable a pay-as-you-go program.

Sec. 23. TRANSFER

(a) Notwithstanding any provision of 19 V.S.A. § 11f to the contrary, in State fiscal year 2027, the amount of $2,200,000.00 is transferred from the Transportation Infrastructure Bond Fund to the Transportation Fund.

(b) Of the amount transferred, $1,700,000.00 shall be allocated in State fiscal year 2027 to general State aid for town highways pursuant to 19 V.S.A. § 306(a). The amount allocated pursuant to this subsection shall be appropriated for class 1, 2, and 3 town highways and shall be apportioned, distributed, and used in the same manner as provided pursuant to 19 V.S.A. § 306(a)(3). The amount allocated pursuant to this subsection shall not decrease the amount appropriated pursuant to 19 V.S.A. § 306(a)(1) or be subject to the annual inflationary adjustment provided for in 19 V.S.A. § 306(a)(1) and (2).

and by renumbering the remaining sections to be numerically correct.

(Committee Vote: 9-1-1)

Rep. Kascenska of Burke, for the Committee on Appropriations, recommends that the bill ought to pass when amended as recommended by the Committee on Ways and Means.

(Committee Vote: 11-0-0)

Favorable

H. 933

An act relating to miscellaneous administrative and policy changes to the tax laws

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

Rep. Nigro of Bennington, for the Committee on Appropriations, recommends that the bill ought to pass.

(Committee Vote: 11-0-0)

H. 938

An act relating to establishing the Vermont Homelessness Response Continuum

(Rep. Maguire of Rutland City will speak for the Committee on Human Services.**)**

Rep. Bluemle of Burlington, for the Committee on Appropriations, recommends that the bill ought to pass.

(Committee Vote: 10-1-0)

H. 949

An act relating to homestead property tax yields, the nonhomestead property tax rate, and technical changes to education finance

(Rep. Kornheiser of Brattleboro will speak for the Committee on Ways and Means.**)**

Rep. Nigro of Bennington, for the Committee on Appropriations, recommends that the bill ought to pass.

(Committee Vote: 9-2-0)

Amendment to be offered by Rep. Kornheiser of Brattleboro to H. 949

That the bill be amended by striking out Sec. 4, Education Fund refund; City of Barre TIF district; tax increment; FY 2021–2024, in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

Sec. 4. EDUCATION FUND REFUND; CITY OF BARRE TIF DISTRICT; TAX INCREMENT; FY 2021–FY 2024

Notwithstanding 16 V.S.A. § 4025, the sum of $150,576.00 is appropriated from the Education Fund to the Department of Taxes in fiscal year 2027 for a payment to the City of Barre to compensate the City for overpayments of education property taxes in fiscal years 2021–2024 due to insufficient retention of tax increment from the City's tax increment financing district fund.

For Informational Purposes

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 13, 2026**, 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 13, 2026**.

(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 20, 2026**, 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 or email 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 communicate 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 sign-out sheet will also be included.
4. Please submit a final sponsor list (with all sponsors listed) to Counselor Chernick by paper *or* electronically, but not both.
5. The final list of sponsors needs to be submitted, by email *or* on a paper sign-out sheet, to Counselor Chernick **not later than 1:00 p.m. the Wednesday of the week prior** to the H.C.R.'s appearance on the Consent Calendar.
6. The Office of Legislative Counsel will then send your H.C.R. to the House Clerk's Office for incorporation into the Consent Calendar and House Calendar Addendum for the following week.
7. The week that your H.C.R. is on the Consent Calendar, any presentation copies that you requested will be mailed or available for pickup on Friday, after the House and Senate adjourn, which is when your H.C.R. is adopted pursuant to Joint Rules.

8. Your H.C.R. can be ceremonially read during a House session once it is adopted, meaning it must have been adopted through the House Consent Calendar not later than the week prior to your requested ceremonial reading date. Contact Second Assistant Clerk Courtney Reckord to confirm your requested ceremonial reading date.

9. A Note: If there is a **specific date, week, or month that your resolution must be read** (e.g. to designate a specified period of time or to recognize a group on a certain day), please inform Second Assistant Clerk Courtney Reckord as soon as possible, so she can reserve that date in advance. You do not need to have the resolution drafted by then.

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 #3273: $29,303,666.00 to the Public Service Department, Office of Economic Opportunity from the U.S. Department of Energy. The Home Energy Rebate Program funds will be used to weatherize low-income homes. The first-year distribution is $14,133.00 with subsequent yearly awards through May 31, 2029, for a total of $29,303,666.00. *[Received March 9, 2026]*

JFO #3274: $50,000.00 to the Vermont Secretary of State's office from the Vermont Community Foundation. Funds are for the Local Civic Journalism program to support the State of Vermont Local Journalism Awards. This award expands the Local Journalism grants in the FY26 Secretary of State's budget. *[Received March 16, 2026]*

JFO #3275: $250,000.00 to the Vermont Police Academy, Criminal Justice Training Council from the U.S. Department of Justice, Office of Community Oriented Policing Services. Funds to support curriculum development of de-escalation of volatile and high-risk situations. *[Received March 16, 2026]*