House Calendar

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133rd DAY OF THE ADJOURNED SESSION

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Favorable with Amendment

S. 208

An act relating to standards for law enforcement identification

Rep. Dolan of Essex Junction, for the Committee on Judiciary, recommends that the House propose to the Senate that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 20 V.S.A. § 2373 is added to read:

§ 2373. STATEWIDE MODEL POLICY; LAW ENFORCEMENT IDENTIFICATION STANDARDS

(a) As used in this section:

(1) "Facial covering" means any opaque mask, garment, disguise, or other item that conceals or obscures the facial identity of an individual, including a balaclava, gaiter mask, ski mask, and other similar types of facial coverings.

(2) "Law enforcement agency" has the same meaning as in section 2351a of this title.

(3) "Law enforcement officer" has the same meaning as in section 2351a of this title.

(b) On or before July 1, 2027, the Law Enforcement Advisory Board shall establish a model statewide policy governing the standards for law enforcement identification and the wearing of facial coverings applicable to law enforcement officers to ensure consistent statewide application of the standards.

(c) On or before October 1, 2027, every law enforcement agency shall adopt a policy consistent with the model statewide policy developed by the Law Enforcement Advisory Board pursuant to subsection (b) of this section. If a law enforcement agency or law enforcement officer who is not employed by a law enforcement agency fails to adopt a policy pursuant to this section, the agency or officer shall be deemed to have adopted the model statewide policy developed by the Law Enforcement Advisory Board.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 6-5-0)

Amendment to be offered by Reps. Berbeco of Winooski and McGill of Bridport to S. 208

That the report of the Committee on Judiciary be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 20 V.S.A. § 2373 is added to read:

§ 2373. STANDARDS FOR LAW ENFORCEMENT IDENTIFICATION

(a) Legislative intent. It is the intent of the General Assembly to exercise the power of Vermont, as recognized by the 10th Amendment to the U.S. Constitution, to protect the health, safety, and welfare of its residents and law enforcement officers present in the State by codifying standards for law enforcement identification.

(b) Definitions. As used in this section:

(1) "Facial covering" means any opaque mask, garment, disguise, or other item that conceals or obscures the facial identity of an individual, including a balaclava, gaiter mask, ski mask, and other similar types of facial coverings.

(2) "Law enforcement agency" has the same meaning as in section 2351a of this title.

(3) "Law enforcement officer" has the same meaning as in section 2351a of this title and includes any officer of a federal law enforcement agency or any person acting on behalf of a local, state, or federal law enforcement agency.

(c) Identification requirements.

(1) A law enforcement officer shall be clearly identified when interacting directly with the public in the performance of the officer's duties by:

(A) the officer's name or the officer's unique radio or badge number visibly displayed on the officer's person; and

(B) the officer's agency or the initials of the officer's agency visibly displayed on the officer's person.

(2) A law enforcement officer shall verbally disclose, in a clear and audible manner, the officer's name and the official name of the officer's

agency when detaining or arresting an individual as soon as it is practical and safe to do so.

(3) Notwithstanding subdivision (1) of this subsection, an officer is not required to be clearly identified in the following circumstances:

(A) during active undercover or plainclothes operations, including official duties requiring anonymity, such as to interview, surveil, infiltrate, or otherwise investigate criminal activity;

(B) while wearing personal protective equipment for crime scene processing or exposure to hazardous materials;

(C) while responding to exigent circumstances, either on or off duty, including situations involving imminent danger to persons or property, the escape of a perpetrator, or the destruction of evidence;

(D) while performing tactical team responsibilities when assigned to a tactical team unit;

(E) while engaging in executive protective operations where the display of identification would compromise the safety, anonymity, or tactical effectiveness of the protection detail; and

(F) during meetings and interviews with victims and witnesses.

(d) Facial covering requirements.

(1) A law enforcement officer shall not wear any facial covering while interacting directly with the public in the performance of the officer's duties.

(2) Notwithstanding subdivision (1) of this subsection, a law enforcement officer may wear:

(A) a respirator or medical-grade mask worn with the intent to prevent the transmission of airborne diseases;

(B) a facial covering designed to protect against exposure to smoke, fire, projectiles, or retinal weapons;

(C) a facial covering necessary to perform duties during a water rescue operation;

(D) a facial covering related to protection against exposure to biological or chemical agents during an incident where these agents are likely to be present;

(E) a facial covering designed to protect against exposure to adverse weather conditions, taking into account the actual temperature, windchill, humidity, and length of time of the exposure;

(F) a head or face covering if worn as an approved reasonable accommodation under federal or State disability or religious discrimination laws;

(G) a facial covering designed to protect tactical unit officers from physical harm;

(H) a disguise worn by officers engaged in undercover drug interdiction assignments; and

(I) a disguise worn by officers participating in active undercover investigations relating to child sexual exploitation or human trafficking.

(e) Statewide policy. On or before July 1, 2027, the Law Enforcement Advisory Board shall establish a model statewide policy governing the standards for law enforcement identification and the wearing of facial coverings applicable to law enforcement officers to ensure consistent statewide application of the standards.

(f) Policy adoption. On or before October 1, 2027, every law enforcement agency shall adopt a policy consistent with the model statewide policy developed by the Law Enforcement Advisory Board pursuant to subsection (e) of this section. If a law enforcement agency or law enforcement officer who is not employed by a law enforcement agency fails to adopt a policy pursuant to this section, the agency or officer shall be deemed to have adopted the model statewide policy developed by the Law Enforcement Advisory Board.

(g) Penalty.

(1) A law enforcement officer who violates subsection (c) or (d) of this section shall be:

(A) for a first offense, assessed a civil penalty of not more than $1,000.00; and

(B) for a second offense or a subsequent offense, assessed a civil penalty of not more than $2,500.00.

(2) This subsection shall not apply to a law enforcement officer if the officer's employing law enforcement agency has adopted and publicly posted a written policy consistent with the requirements of this section and that provides for administrative action to be taken for violations of subsections (c) and (d) of this section.

Sec. 2. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

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

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

* * *

(37) Violations of 20 V.S.A. § 2373(c) and (d), relating to standards for law enforcement identification.

* * *

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

S. 212

An act relating to potable water supply and wastewater system connections

Rep. North of Ferrisburgh, for the Committee on Environment, recommends that the House propose to the Senate that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 10 V.S.A. § 1971 is amended to read:

§ 1971. PURPOSE

It is the purpose of this chapter to:

(1) establish a comprehensive program to regulate the construction, replacement, modification, and operation of potable water supplies and wastewater systems in the State in order to protect human health and the environment, including potable water supplies, surface water, and groundwater;

* * *

(6) allow ~~delegation of the permitting program created by this chapter to municipalities demonstrating the capacity to administer the chapter~~ review of potable water supply and wastewater system connections pursuant to general permits adopted under this chapter.

Sec. 2. 10 V.S.A. § 1972 is amended to read:

§ 1972. DEFINITIONS

~~For the purposes of~~ As used in this chapter:

* * *

(6) "Potable water supply" means the source, treatment, and conveyance equipment used to provide water used or intended to be used for human consumption, including drinking, washing, bathing, the preparation of food, or laundering. This definition includes a service connection to a public water system of any size. This definition does not include any internal piping or plumbing, except for mechanical systems, such as pump stations and storage tanks or lavatories, that are located inside a building or structure and that are integral to the operation of a potable water system. This definition also does not include a potable water supply that is subject to regulation under chapter 56 of this title.

* * *

(10) "Wastewater system" means any piping, pumping, treatment, or disposal system used for the conveyance and treatment of sanitary waste or used water, including carriage water, shower and wash water, and process wastewater. This definition does not include any internal piping or plumbing, except for mechanical systems, such as pump stations and storage tanks or toilets, that are located inside a building or structure and that are integral to the operation of a wastewater system. This definition also does not include wastewater systems that are used exclusively for the treatment and disposal of animal manure. In this chapter, "wastewater system" refers to a soil-based disposal system of less than 6,500 gallons per day, or a ~~sewerage~~ sanitary sewer collection system connection of any size.

Sec. 3. 10 V.S.A. § 1973 is amended to read:

§ 1973. PERMITS

(a) Except as provided in this section and sections 1974 and 1978 of this title, a person shall obtain a permit from the Secretary before:

* * *

(7) making a new or modified connection to a new or existing potable water supply or wastewater system; or

* * *

(f)~~(1)~~ The Secretary shall give deference to a certification by a licensed designer with respect to the engineering design or judgment exercised by the designer in order to minimize Agency review of certified designs. Nothing in this section shall limit the responsibility of the licensed designer to comply with all standards and rules, or the authority of the Secretary to review and comment on design aspects of an application or to enforce Agency rules with respect to the design or the design certification.

~~(2) The Secretary shall issue a permit for a new or modified connection to a water main and a sewer main or indirect discharge system from a building or structure in a designated downtown development district upon submission of an application under subsection (b) of this section that consists solely of the certification of a licensed designer, in accordance with subsection (d) of this section, and a letter from the owner of the water main and sewer main or indirect discharge system allocating the capacity needed to accommodate the new or modified connection. However, this subdivision (2) shall not apply if the Secretary finds one of the following:~~

~~(A) The Secretary has prohibited the system that submitted the allocation letter from issuing new allocation letters due to a lack of capacity.~~

~~(B) As a result of an audit of the application performed on a random basis or in response to a complaint, the system is not designed in accordance with the rules adopted under this chapter.~~

* * *

(k)(1) The Secretary shall adopt a general permit for both potable water supply and wastewater system connections that require a permit under this chapter. Under the general permit, the Secretary may give deference to applications for connections certified by a licensed designer. The Secretary shall publish a manual providing guidance to licensed designers implementing the general permit for potable water supply or wastewater system connections. The manual shall include guidance for determining or defining the capacity of a public water system or pollution abatement facility for purposes of approving a potable water supply or wastewater system connection.

(2) The Secretary may adopt a general permit under this chapter for the subdivision of land when no building, structure, or campground exists on or is proposed for the property at the time of subdivision.

(3) The Secretary may adopt a general permit under this chapter for boundary line adjustments for improved or unimproved lots.

(4) The Secretary may adopt a general permit for the permitting under this chapter of potable water supply systems with a design flow of less than 1,000 gallons per day when there is no requirement for any variance, hydrogeologic analysis, or yield testing of a potable water source.

(5) The Secretary may adopt a general permit for the permitting under this chapter of wastewater systems that:

(A) have a design flow of less than 1,000 gallons per day; and

(B) do not require a variance, a hydrogeologic analysis, or innovative or alternative technologies unless such technologies are allowed by the Secretary.

Sec. 4. 10 V.S.A. § 1976 is amended to read:

§ 1976. DELEGATION OF CONNECTION PERMITTING AUTHORITY TO MUNICIPALITIES

(a)(1) ~~The Secretary may delegate to a municipality authority to:~~

~~(A) implement all sections of this chapter, except for sections 1975 and 1978 of this title; or~~

~~(B) implement permitting under this chapter for the subdivision of land, a building or structure, or a campground when the subdivision, building or structure, or campground is served by sewerage connections and water service lines, provided that:~~

~~(i) the lot, building or structure, or campground utilizes both a sanitary sewer service line and a water service line; and~~

~~(ii) the water main and sanitary sewer collection line that the water service line and sanitary sewer service line are connected to are owned and controlled by the delegated municipality.~~

~~(2) If a municipality submits a written request for delegation of this chapter, the Secretary shall delegate authority to the municipality to implement and administer provisions of this chapter, the rules adopted under this chapter, and the enforcement provisions of chapter 201 of this title relating to this chapter, provided that the Secretary is satisfied that the municipality:~~

~~(A) has established a process for accepting, reviewing, and processing applications and issuing permits, that shall adhere to the rules established by the Secretary for potable water supplies and wastewater systems, including permits, by rule, for sewerage connections;~~

~~(B) has hired, appointed, or retained on contract, or will hire, appoint, or retain on contract, a licensed designer to perform technical work that must be done by a municipality under this section to grant permits;~~

~~(C) will take timely and appropriate enforcement actions pursuant to the authority of chapter 201 of this title;~~

~~(D) commits to reporting annually to the Secretary on a form and date determined by the Secretary;~~

~~(E) will only issue permits for water service lines and sanitary sewer service lines when there is adequate capacity in the public water supply system source, wastewater treatment facility, or indirect discharge system; and~~

~~(F) will comply with all other requirements of the rules adopted under section 1978 of this title~~ The Secretary may delegate to a municipality authority to conduct technical review of proposed projects that include both municipal potable water supply and municipal wastewater system connections that require a permit under this chapter, provided that the water main and sanitary sewer collection line that the water service line and sanitary sewer service line are connected to are owned and controlled by the delegated municipality. A municipality that is delegated authority under this section shall incorporate the requirements of the Secretary's general permit for potable water supply and wastewater system connections into a municipal connection approval, including deference to applications for connections certified by a licensed designer.

(2) If a municipality submits a request for delegation of authority under this subsection, the Secretary shall delegate authority to the municipality to implement and administer the provisions of this chapter governing municipal potable water supply and wastewater system connections, provided that the municipality:

(A) is qualified to perform the technical review as determined by the Secretary;

(B) receives authorization from the municipal legislative body to administer a program for review of potable water supply and wastewater system connections;

(C) meets any other requirement for the delegation program as adopted by the Secretary in writing;

(D) shall only issue permits for water service lines and sanitary sewer service lines when there is adequate capacity in the public water system, wastewater treatment facility, or indirect discharge system;

(E) submits required documentation of the permitted project as determined by the Secretary; and

(F) complies with the requirements for connection and all requirements of the Agency's rules adopted under section 1978 of this title.

* * *

(f) The Secretary may review municipal implementation of this section on a random basis, or in response to a complaint, or on ~~his or her~~ the Secretary's

own motion. This review may include consideration of the municipal implementation itself, as well as consideration of the practices, testing procedures employed, systems designed, system designs approved, installation procedures used, and any work associated with the performance of these tasks.

Sec. 5. 3 V.S.A. § 2822 is amended to read:

§ 2822. BUDGET AND REPORT; POWERS

* * *

(i) The Secretary shall not process an application for which the applicable fee has not been paid unless the Secretary specifies that the fee may be paid at a different time or unless the person applying for the permit is exempt from the permit fee requirements pursuant to 32 V.S.A. § 710. Municipalities shall be exempt from the payment of fees under this section except for those fees prescribed in subdivisions (j)(1), (7), (8), (14), and (15) of this section for which a municipality may recover its costs by charging a user fee to those who use the permitted services. Municipalities shall pay fees prescribed in subdivisions (j)(2), (10), (11), (12), and (26) of this section, except that a municipality shall also be exempt from those fees for stormwater systems prescribed in subdivisions (j)(2)(A)(iii)(I), (II), or (IV) and (j)(2)(B)(iv)(I), (II), or (V) of this section for which a municipality has assumed full legal responsibility under 10 V.S.A. § 1264. Municipalities that conduct a technical review or approval of a potable water supply or wastewater system connection permitted under 10 V.S.A. § 1976 within the municipality may charge a fee for the cost of municipal services, provided that the municipality shall pay an administrative processing fee of $100.00 for submission to the Secretary of Natural Resources of documentation of the municipally permitted project.

(j) In accordance with subsection (i) of this section, the following fees are established for permits, licenses, certifications, approvals, registrations, orders, and other actions taken by the Agency of Natural Resources.

* * *

(4) For potable water supply and wastewater permits issued under 10 V.S.A. chapter 64. Projects under this subdivision include: a wastewater system, including a sewerage connection; and a potable water supply, including a connection to a public water supply:

(A) Original applications, or major amendments for a project that is not a potable water supply or wastewater system connection with the following proposed design flows. In calculating the fee, the highest proposed design flow whether wastewater or water shall be used:

(i) design flows 560 gpd or less: $306.25 per application;

(ii) design flows greater than 560 and less than or equal to 2,000 gpd: $870.00 per application;

(iii) design flows greater than 2,000 and less than or equal to 6,500 gpd: $3,000.00 per application;

(iv) design flows greater than 6,500 and less than or equal to 10,000 gpd: $7,500.00 per application; or

(v) design flows greater than 10,000 gpd: $13,500.00 per application.

(B) Minor amendments: $150.00.

(C) Minor projects: $270.00.

As used in this subdivision (j)(4)(C), "minor project" means a project that meets the following: there is an increase in design flow but no construction is required; there is no increase in design flow but construction is required, excluding replacement potable water supplies and wastewater systems; or there is no increase in design flow and no construction is required, excluding applications that contain designs that require technical review.

(D) ~~Notwithstanding the other provisions of this subdivision, when a project is located in a Vermont neighborhood, as designated under 24 V.S.A. chapter 76A, the fee shall be no more than $50.00 in situations in which the application has received an allocation for sewer capacity from an approved municipal system. This limitation shall not apply in the case of fees charged as part of a duly delegated municipal program.~~ [Repealed.]

(E) Original applications or major amendments for coverage under a potable water supply and wastewater system connection general permit issued under 10 V.S.A. § 1973(k)(1), the following fee according to the highest proposed design flow of wastewater or water for the connection:

(i) design flows below 2,000 gpd: $250.00 per application;

(ii) design flows of between 2,000 gpd and 6,500 gpd: $2,500.00 per application; or

(iii) design flows greater than 6,500 gpd: $5,000.00 per application.

* * *

Sec. 6. IMPLEMENTATION; REPEAL OF EXEMPTIONS IN RULE

(a) On or before December 1, 2027, the Secretary of Natural Resources shall publish the general permit and manual required under 10 V.S.A.

§ 1973(k)(1) for potable water supply or wastewater system connections.

(b) Beginning on January 1, 2028, the Secretary of Natural Resources shall begin to accept certifications of the connections of potable water supplies and wastewater systems under the general permit required by 10 V.S.A. § 1973(k)(1).

(c)(1) The following provisions of the Department of Environmental Conservation's Wastewater System and Potable Water Supply Rules shall be repealed on January 1, 2028:

(A) subdivisions 1-304(15) and (16) (modification of design flows of a wastewater system or potable water supply serving an existing building or structure);

(B) subdivision 1-603(2) (related to full delegation of permitting to municipalities); and

(C) subdivisions 1-603(8), (9), and (10) (related to recordkeeping by fully delegated municipalities).

(2) References in chapter 6 of the Department of Environmental Conservation's Wastewater System and Potable Water Supply Rules related to full delegation to municipalities of permitting potable water and wastewater system connections are no longer applicable or enforceable due to the repeal of statutory authority for full delegation.

Sec. 7. 10 V.S.A. § 1263 is amended to read:

§ 1263. DISCHARGE PERMITS

(a) Any person who intends to discharge waste into the waters of the State or who intends to discharge into an injection well or who intends to discharge into any publicly owned treatment works any waste that interferes with, passes through without treatment, or is otherwise incompatible with that works or would have a substantial adverse effect on that works or on water quality, or is required to apply for a CAFO permit, shall make application to the Secretary for a discharge permit. Application shall be made on a form prescribed by the Secretary. An applicant shall pay an application fee in accordance with 3 V.S.A. § 2822.

* * *

(k)(1) The Secretary may enter into an agreement with the owner of a POTW to delegate to the owner of the POTW authority under this title to regulate pretreatment discharges to the POTW. An agreement entered into by the Secretary under this subsection shall authorize the owner of the POTW to regulate and enforce pretreatment discharges to the POTW consistent with the

authority set forth in 40 C.F.R. Part 40, including the establishment of applicable civil, criminal, or administrative penalties for the violation of pretreatment standards or requirements. The owner of a POTW that the Secretary enters into an agreement with under this subsection may, as part of the agreement, set application fees and other fees necessary for the regulation of a pretreatment discharge to the POTW. The Environmental Division shall have the same jurisdiction to review the actions of the owner of the POTW delegated pretreatment authority by an agreement under this subsection and to hear appeals as the Environmental Division's jurisdiction over the Secretary's actions. The jurisdiction of the Environmental Division shall be construed broadly with respect to review of the actions of an owner of a POTW delegated pretreatment authority under this subsection.

(2) As used in this subsection:

(A) "Pretreatment" means the reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to or in lieu of discharging or otherwise introducing pollutants into a POTW. Pretreatment includes those processes or technologies authorized under 40 C.F.R. § 403.3(s).

(B) "Pretreatment discharge" means the introduction of pollutants into a POTW from any nondomestic source regulated under 33 U.S.C. § 1317(b), (c), or (d).

(C) "Publicly owned treatment works" or "POTW" has the same meaning as in 40 C.F.R. § 403.3(q).

Sec. 8. CONTINGENT EFFECTIVE DATE

Sec. 7 (municipal pretreatment authority) shall take effect upon the U.S. Environmental Protection Agency notifying the Secretary of Natural Resources that the Agency of Natural Resources is authorized to enter into a memorandum of understanding with a municipality to administer a pretreatment program under the Modification to National Pollutant Discharge Elimination System Memorandum of Agreement Between the State of Vermont and the U.S. Environmental Protection Agency, Region 1, March 16, 1982, or other agreement between the U.S. Environmental Protection Agency and the Agency of Natural Resources. The Secretary of Natural Resources shall notify the Clerk of the House of Representatives and the Secretary of the Senate when the U.S. Environmental Protection Agency authorizes municipal administration of a pretreatment program.

Sec. 9. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 11-0-0)

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

First: In Sec. 8, contingent effective date, in the first sentence, after "to enter into" and before "with a municipality" by striking out "a memorandum of understanding" and inserting in lieu thereof "an agreement"

Second: By striking out Sec. 9, effective date, in its entirety and inserting in lieu thereof a new Sec. 9 to read as follows:

Sec. 9. EFFECTIVE DATES

This act shall take effect on passage, except that 3 V.S.A. § 2822(j)(4)(D) in Sec. 5 (repeal of fee cap for potable water supply and wastewater system permits located in designated areas) shall take effect July 1, 2026.

(Committee Vote: 10-0-1)

Amendment to be offered by Rep. Olson of Starksboro to S. 212

That the report of the Committee on Environment be amended as follows:

First: In Sec. 1, 10 V.S.A. § 1971, by striking out subdivision (1) in its entirety and inserting in lieu thereof a new subdivision (1) to read as follows:

(1) establish a comprehensive program to regulate the construction, replacement, modification, and operation of potable water supplies and wastewater systems in the State in order to ~~protect~~ encourage construction of housing and foster economic development while also protecting human health and the environment, including potable water supplies, surface water, and groundwater;

Second: By striking out Sec. 3, 10 V.S.A. § 1973, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. 10 V.S.A. § 1973 is amended to read:

§ 1973. PERMITS

(a) Except as provided in this section and sections 1974 and 1978 of this title, a person shall obtain a permit from the Secretary before:

(1) subdividing land;

(2) creating or modifying a campground in a manner that affects a potable water supply or wastewater system or the requirements for providing potable water and wastewater disposal;

(3) constructing, replacing, or modifying a potable water supply or wastewater system;

(4) using or operating a failed supply or failed system;

(5) constructing a new building or structure;

(6) modifying an existing building or structure in a manner that increases the design flow or modifies other operational requirements of a potable water supply or wastewater system, provided that when the use of an existing, permitted potable water supply used for a public benefit, such as a school, child or elder care, or government use, is altered for use for another public benefit with a similar number of users, the Secretary shall not require redesign of the supply or require additional capacity for the supply;

(7) making a new or modified connection to a new or existing potable water supply or wastewater system; or

(8) changing the use of a building or structure in a manner that increases the design flows or modifies other operational requirements of a potable water supply or wastewater system.

* * *

(f)(1) The Secretary shall give deference to a certification by a licensed designer with respect to the engineering design or judgment exercised by the designer in order to minimize Agency review of certified designs. Nothing in this section shall limit the responsibility of the licensed designer to comply with all standards and rules, or the authority of the Secretary to review and comment on design aspects of an application or to enforce Agency rules with respect to the design or the design certification. This section shall allow the Secretary to issue a permit under this chapter based on the certification by a licensed designer of record drawings or the design of a wastewater system or potable water supply without individual review of each certification by the Secretary.

(2) ~~The Secretary shall issue a permit for a new or modified connection to a water main and a sewer main or indirect discharge system from a building or structure in a designated downtown development district upon submission of an application under subsection (b) of this section that consists solely of the certification of a licensed designer, in accordance with subsection (d) of this section, and a letter from the owner of the water main and sewer main or indirect discharge system allocating the capacity needed to accommodate the new or modified connection. However, this subdivision (2) shall not apply if the Secretary finds one of the following:~~

~~(A) The Secretary has prohibited the system that submitted the allocation letter from issuing new allocation letters due to a lack of capacity.~~

~~(B) As a result of an audit of the application performed on a random basis or in response to a complaint, the system is not designed in accordance with the rules adopted under this chapter~~ When the Secretary issues a permit for a new or modified connection to an existing permitted indirect discharge system, the approval of the connection shall not require reissuance, reevaluation, or modification of the existing permitted indirect discharge system permit.

* * *

(k)(1) The Secretary shall adopt a general permit for both potable water supply and wastewater system connections that require a permit under this chapter. Under the general permit, the Secretary may give deference to applications for connections certified by a licensed designer. The Secretary shall publish a manual providing guidance to licensed designers implementing the general permit for potable water supply or wastewater system connections. The manual shall include guidance for determining or defining the capacity of a public water system or pollution abatement facility for purposes of approving a potable water supply or wastewater system connection.

(2) The Secretary may adopt a general permit under this chapter for the subdivision of land when no building, structure, or campground exists on or is proposed for the property at the time of subdivision.

(3) The Secretary may adopt a general permit under this chapter for boundary line adjustments for improved or unimproved lots.

(4) The Secretary may adopt a general permit for the permitting under this chapter of potable water supply systems with a design flow of less than 1,000 gallons per day when there is no requirement for any variance, hydrogeologic analysis, or yield testing of a potable water source.

(5) The Secretary may adopt a general permit for the permitting under this chapter of wastewater systems that:

(A) have a design flow of less than 1,000 gallons per day; and

(B) do not require a variance, a hydrogeologic analysis, or innovative or alternative technologies unless such technologies are allowed by the Secretary.

(l) When issuing a permit for an indirect discharge system, the Secretary shall require an easement or other permanent legal access only to the indirect discharge system and the disposal area. An easement or other permanent legal

access shall not be required prior to issuance of the permit for every potential service connection from a building or structure to the indirect discharge system.

Third: By inserting three new sections to be Secs. 4a–4c to read as follows:

Sec. 4a. 10 V.S.A. § 1978 is amended to read:

§ 1978. RULES

(a) The Secretary shall adopt rules, in accordance with 3 V.S.A. chapter 25, necessary for the administration of this chapter. These rules shall include the following:

(1) Performance standards for wastewater systems, including standards for the maximum application rates for the sizing of a leachfield for a wastewater system based on soil texture and soil structure.

(2) Design flow standards for potable water supplies and wastewater systems, including:

(A) design standards for the construction of wastewater systems underneath land used for parking, car parks, or other similar paved surfaces;

(B) design flows specific to systems serving compact housing, small homes, or community systems serving small homes;

(C) reduced capacity requirements for wastewater systems using water-saving devices based on the number of living units served by the system; and

(D) design flow requirements for community-based wastewater systems that replace on-site wastewater systems that reflect the actual flow for living units served.

(3) Design requirements, including isolation distances, provided that for wastewater systems that include a leachfield in a mound, the rules shall allow any fill material that meets ASTM International specification C-33 or type 2 soil standards.

(4) Monitoring and reporting requirements.

(5) Soils and hydrogeologic requirements.

(6) Operation and maintenance requirements appropriate to the complexity of the system.

* * *

(16) Performance standards, design requirements, and design flow standards for compact wastewater systems that use advanced filtration

technologies, such as aerobic treatment units, biofilters, compact leachfields, or drip irrigation. Any standards adopted for compact wastewater systems shall allow for importation of materials into the State for the design and installation of the compact wastewater system.

(b) The Secretary may, by rule, establish permitting exemptions upon a determination that those exemptions are consistent with the purposes of this chapter, and are necessary for the appropriate implementation of this chapter.

(c) ~~The Secretary shall first adopt rules under this section no later than July 30, 2002.~~ [Repealed.]

(d) The Secretary shall not adopt rules under this chapter that allow wastewater systems that serve lots created after June 13, 2002, to be constructed on ground with a maximum slope in excess of 20 percent. This limitation shall not apply to replacement wastewater systems.

(e)(1) The Secretary shall periodically review and, if necessary, revise the rules adopted under this chapter to ensure that the technical standards remain current with the known and proven technologies regarding potable water supplies and wastewater systems.

(2) The Secretary shall seek advice from a Technical Advisory Committee in carrying out the mandate of this subdivision. The Governor shall appoint the members of the Committee and ensure that there is at least one representative of the following entities on the Committee: professional engineers, site technicians, well drillers, hydrogeologists, town officials with jurisdiction over potable water supplies and wastewater systems, water quality specialists, technical staff of the Agency of Natural Resources, and technical staff of the Department of Health. Administrative support for the Advisory Committee shall be provided by the Secretary of Natural Resources.

(3) The Technical Advisory Committee shall provide annual reports, starting on January 15, 2003, to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions. The reports shall include information on the following topics: the implementation of this chapter and the rules adopted under this chapter; the number and type of alternative or innovative systems approved for general use, approved for use as a pilot project, and approved for experimental use; the functional status of alternative or innovative systems approved for use as a pilot project or approved for experimental use; the number of permit applications received during the preceding calendar year; the number of permits issued during the preceding calendar year; and the number of permit applications denied during the preceding calendar year, together with a summary of the basis of denial.

* * *

(f) The Secretary may adopt emergency rules as necessary to assure that the implementation of this chapter does not have an undue adverse effect upon the marketability of title to real estate.

Sec. 4b. 10 V.S.A. § 1983 is added to read:

§ 1983. ISOLATION DISTANCES

(a) The minimum horizontal isolation distance between all components of a wastewater system and a potable water supply, including a public water source, shall be 75 feet unless, based on the specific site conditions, the Secretary determines that a greater isolation distance or larger isolation zone is necessary to:

(1) prevent the potential subsurface flow of effluent from impacting a potable water supply;

(2) prevent the potable water supply from impacting the performance of a wastewater system; or

(3) protect human health and the environment from a threat or potential threat of contamination posed by the construction techniques or materials used in the wastewater system or the potable water supply.

(b) The maximum horizontal isolation distance or isolation zone that the Secretary can approve under subsection (a) of this section is 200 feet.

Sec. 4c. TRANSITION; IMPLEMENTATION; EFFECTIVE DATE

(a) The Secretary of Natural Resources shall consult with the Technical Advisory Committee regarding the rulemaking required under 10 V.S.A. § 1978 in Sec. 4a of this act on or before October 1, 2026.

(b) On or before January 1, 2028, the Secretary of Natural Resources shall amend the Department of Environmental Conservation's Wastewater System and Potable Water Supply Rules in order to ensure consistency with the requirements of this act, including the required rulemaking under 10 V.S.A. § 1978.

(c) Potable water supply and wastewater system permits shall be issued under the Department of Environmental Conservation's current Wastewater System and Potable Water Supply Rules until the rules are amended for consistency with the requirements of this act or until July 1, 2027, whichever occurs first.

Fourth: By inserting five new sections to be Secs. 4d–4h to read as follows:

Sec. 4d. 10 V.S.A. § 913 is amended to read:

§ 913. PROHIBITION

(a) Except for allowed uses adopted by the Department by rule, no person shall conduct or allow to be conducted an activity in a significant wetland or buffer zone of a significant wetland except in compliance with a permit, conditional use determination, or order issued by the Secretary.

(b) A permit shall not be required under this section for:

(1) any activity that occurred before the effective date of this section unless the activity occurred within:

(A) an area identified as a wetland on the Vermont significant wetlands inventory maps;

(B) a wetland that was contiguous to an area identified as a wetland on the Vermont significant wetlands inventory maps; or

(C) the buffer zone of a wetland referred to in subdivision (A) or (B) of this subdivision (1); and

(2) any construction within a wetland that is identified on the Vermont significant wetlands inventory maps or within the buffer zone of such a wetland, provided that the construction was completed prior to February 23, 1992, and no action for which a permit is required under the rules of the Department was taken or caused to be taken on or after February 23, 1992.

(c) Notwithstanding the requirement under subsection (b) of this section for a permit to conduct an activity in a wetland or wetland buffer zone, no permit shall be required under this section for the siting of a leachfield in the buffer zone of a Class II wetland when the leachfield is part of a wastewater system permitted by the Secretary of Natural Resources under chapter 64 of this title.

Sec. 4e. 10 V.S.A. § 1263(f) is amended to read:

(f)(1) Existing indirect discharges to the waters of the State from on-site disposal of sewage shall comply with and be subject to the provisions of this chapter, and shall obtain the required permit, ~~no~~ not later than July 1, 1991. Notwithstanding the requirements of subsections 1259(d) and (e) of this title, the Secretary shall grant a permit for an existing indirect discharge to the waters of the State for on-site disposal of sewage unless ~~he or she~~ the Secretary finds that the discharge violates the water quality standards. Existing indirect discharges from on-site sewage disposal systems of less than 6,500 gpd capacity shall not require a permit.

(2) Notwithstanding the requirements of chapter 170 of this title, prior to issuing a permit under this chapter for a new indirect discharge, the Secretary shall provide notice to the public of a draft permit and a comment period of not more than 15 days. After the conclusion of the comment period, the Secretary shall allow any person to request a public hearing on the draft permit for a period of not more than 15 days.

Sec. 4f. 10 V.S.A. § 6081 is amended to read:

§ 6081. PERMITS REQUIRED; EXEMPTIONS

* * *

(ee) No permit or permit amendment is required for the construction of improvements for water or wastewater infrastructure serving a village and downtown center.

Sec. 4g. 32 V.S.A. § 3752(5) is amended to read:

(5)(A) "Development" means, for the purposes of determining whether a land use change tax is to be assessed under section 3757 of this chapter, the construction of any building, road, or other structure, or any mining, excavation, or landfill activity.

(B) "Development" also means the subdivision of a parcel of land into two or more parcels, regardless of whether a change in use actually occurs, where one or more of the resulting parcels contains less than 25 acres each; but if subdivision is solely the result of a transfer to one or more of a spouse, ex-spouse in a divorce settlement, parent, grandparent, child, grandchild, niece, nephew, or sibling of the transferor, or to the surviving spouse of any of the foregoing, then "development" shall not apply to any portion of the newly created parcel or parcels that qualify for enrollment and for which, within 30 days following the transfer, each transferee or transferor applies for reenrollment in the Use Value Appraisal Program.

* * *

(G) The term "development" does not include the construction on or development of enrolled land for the purpose of permitting a potable water supply or wastewater system under 10 V.S.A. chapter 64 to be used for residential housing.

Sec. 4h. 32 V.S.A. § 9603 is amended to read:

§ 9603. EXEMPTIONS

The following transfers are exempt from the tax imposed by this chapter:

* * *

(29) Transfers of easements required for the permitting of a potable water supply or wastewater system under 10 V.S.A. chapter 64.

Fifth: By striking out Sec. 9, effective date, and inserting in lieu thereof a new Sec. 9 to read as follows:

Sec. 9. EFFECTIVE DATES

(a) This section and Secs. 1–4 (potable water supply and wastewater systems permits) and Secs. 7 and 8 (pretreatment discharge) shall take effect on passage.

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

Amendment to be offered by Rep. Greer of Bennington to S. 212

That the report of the Committee on Environment be amended by inserting a new section to be Sec. 4a to read as follows:

Sec. 4a. TECHNICAL ADVISORY COMMITTEE REPORT ON EXTENSION OF ISOLATION DISTANCES ONTO NEIGHBORING PROPERTY

(a) The Secretary of Natural Resources shall reconvene the Technical Advisory Committee (TAC) created under 10 V.S.A. § 1978(e) to review authority under State statute and rule that allows the isolation distances for potable water supplies and wastewater systems to extend onto neighboring property. The TAC shall:

(1) summarize the purpose of allowing isolation distances for potable water supplies and wastewater systems to extend onto neighboring property and how isolation distances can limit the use of or encumber neighboring property;

(2) evaluate whether State law should continue to allow isolation distances for potable water supplies and wastewater systems to extend onto neighboring property;

(3) if the TAC concludes that State law should continue to allow isolation distances for potable water supplies and wastewater systems to extend onto neighboring property, provide:

(A) the basis for the conclusion;

(B) an explanation of why alternatives that do not encumber the property of others would not be feasible; and

(C) a recommendation on whether owners of potable water supplies or wastewater systems that encumber neighboring property with isolation

distances should be required to compensate the owner of the encumbered property for lost value or for the use of the encumbered property; and

(4) if the TAC concludes that State law should not continue to allow isolation distances for potable water supplies and wastewater systems to extend onto neighboring property, recommend:

(A) how State statute or rules should be amended to eliminate authority for isolation distances to extend onto neighboring property; and

(B) whether and how existing permits that allow extension of isolation distances onto neighboring property can be amended to remove authority for isolation distances to extend onto neighboring property.

(b) On or before January 1, 2027, the TAC shall submit a report of its findings under subsection (a) of this section to the House Committee on Environment and the Senate Committee on Natural Resources and Energy.

Amendment to be offered by Reps. Tagliavia of Corinth, Greer of Bennington, and Lipsky of Stowe to S. 212

That the report of the Committee on Environment be amended by inserting a new section to be Sec. 3a to read as follows:

Sec. 3a. 10 V.S.A. § 1974 is amended to read:

§ 1974. EXEMPTIONS

Notwithstanding any other requirements of this chapter, the following projects and actions are exempt:

* * *

(9) A potable water supply or wastewater system permitted under this chapter shall not require a permit amendment under this chapter or a permit under section 913 of this title when, after the issuance of the permit under this chapter, the Secretary determines that the supply or system is located in a previously unmapped or undelineated Class II wetland. The exemption under this subdivision also shall apply to the structure served by the potable water supply or wastewater system permitted under this chapter

Senate Proposal of Amendment

H. 921

An act relating to alcoholic beverages

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

First: In Sec. 2, 7 V.S.A. § 224, in subdivision (c)(1), following "not more than" by striking out "10" and inserting in lieu thereof the word "five"

Second: In Sec. 6, 7 V.S.A. § 271, after the period at the end of subsection (g), by inserting "A licensed manufacturer of malt beverages shall retain copies of records of distribution and sales made pursuant to this subsection. Annually, on or before January 15, a licensed manufacturer shall report to the Division in a manner and form required by the Commissioner the total amount of malt beverages distributed pursuant to this subsection during the preceding 12 months."

Third: By striking out Sec. 7, 7 V.S.A. § 271 in its entirety and inserting in lieu thereof a new Sec. 7 to read as follows:

Sec. 7. [Deleted.]

Fourth: By adding two new sections to be Secs. 11 and 12 and a reader assistance heading to read as follows:

* * * Caterer's License * * *

Sec. 11. 7 V.S.A. § 2 is amended to read:

§ 2. DEFINITIONS

As used in this title:

* * *

(5) "Caterer's license" means a license issued by the Board of Liquor and Lottery authorizing the holder of a first-class license or first- and third-class licenses to serve alcoholic beverages at a function ~~located on premises other than those occupied by a first-, first- and third-, or second-class licensee to sell alcoholic beverages~~ pursuant to section 241 of this title.

* * *

Sec. 12. 7 V.S.A. § 241 is amended to read:

§ 241. CATERER'S LICENSE; COMMERCIAL CATERING LICENSE

(a) The Board of Liquor and Lottery may issue a caterer's license or a commercial catering license to a person who holds a first-class license or first- and third-class licenses. The holder of a caterer's license is authorized to serve alcoholic beverages at a function located on premises other than those occupied by another first-, first- and third-, or second-class licensee to sell alcoholic beverages. The holder of a caterer's license may host not more than five functions per calendar year located on the license holder's own first-, first- and third-, or second-class licensed premises.

* * *

Fifth: By renumbering Sec. 11, effective dates, to be Sec. 13 and in subsection (b) of the new Sec. 13 by striking out the sentence "Sec. 7 shall take effect on July 1, 2028." and inserting in lieu thereof "[Deleted.]"

Sixth: In Sec. 13, effective dates, in subsection (a), following "This section and Secs. 9" by striking out "and 10 (deleting 2026 sunset of special venue serving permits for retail establishments)" and inserting in lieu thereof "through 12"

H. 944

An act relating to the fiscal year 2027 Transportation Program and miscellaneous changes to laws related to transportation

The Senate proposes to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Legislative Findings * * *

Sec. 1. LEGISLATIVE FINDINGS

The General Assembly finds that:

(1) State fiscal year 2025 Transportation Fund revenues came in nearly $7,400,000.00 below the revenue forecast.

(2) In July 2025, the revenue forecast for the Transportation Fund was downgraded for State fiscal years 2026–2030 because of reductions in the projected revenues from the purchase and use tax and Department of Motor Vehicles fees.

(3) Revenues from the taxes on gasoline and diesel fuel are projected to gradually decrease in State fiscal years 2026–2030. That trend is expected to continue because of improving vehicle fuel efficiency among all vehicles and increasing adoption of electric vehicles.

(4) The July 2025 consensus revenue forecast estimates a 1.33 percent compound annual growth rate in Transportation Fund revenues between 2026 and 2030, which is far below recent inflation levels.

(5) In contrast with the slow growth in Transportation Fund revenues, the National Highway Construction Cost Index increased by approximately 62 percent between 2020 and 2025.

(6) In addition to rising construction costs, salaries and benefits have also increased significantly in recent years, creating significant ongoing cost pressure on the Transportation Fund.

(7) To address budget shortfalls in the past year, the Agency has been forced to eliminate 62 permanent positions.

(8) Continuing deficits in the Transportation Fund threaten the State's ability to provide the required match for federal funds, which make up more than half of the State's annual transportation budget.

(9) Municipalities face the same cost pressures as the State. However, State aid for town highways has only increased by 2.7 percent, which places increasing pressure on chronically underfunded town highway programs and puts pressure on the property tax.

(10) If Vermont is unable to keep up with the maintenance and capital needs of its transportation system, the infrastructure will continue to deteriorate, and restoring the system to a state of good repair will cost significantly more.

(11) Prompt legislative action is necessary to ensure the future health and stability of the Transportation Fund and to enable the Agency of Transportation to keep Vermont's transportation system in a state of good repair.

* * * Transportation Program Adopted as Amended; Definitions * * *

Sec. 2. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) Adoption. The Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program appended to the Agency of Transportation's proposed fiscal year 2027 budget, as amended by this act, is adopted to the extent federal, State, and local funds are available.

(b) Definitions. As used in this act, unless otherwise indicated:

(1) "Agency" means the Agency of Transportation.

(2) "Candidate project" means a project approved by the General Assembly that is not anticipated to have significant preliminary engineering expenditures or right-of-way expenditures, or both, during the budget year and for which construction funding is not anticipated within a predictable time frame.

(3) "Development and evaluation (D&E) project" means a project approved by the General Assembly that is anticipated to have preliminary engineering expenditures or right-of-way expenditures, or both, during the budget year and that the Agency is committed to delivering to construction on a timeline driven by priority and available funding.

(4) "Electric vehicle supply equipment (EVSE)" and "electric vehicle supply equipment available to the public" have the same meanings as in 30 V.S.A. § 201.

(5) "Front-of-book project" means a project approved by the General Assembly that is anticipated to have construction expenditures during the budget year or the following three years, or both, with expected expenditures shown over four years.

(6) "Plug-in electric vehicle (PEV)," "plug-in hybrid electric vehicle (PHEV)," and "battery electric vehicle (BEV)" have the same meanings as in 23 V.S.A. § 4(85).

(7) "Secretary" means the Secretary of Transportation.

(8) "TIB funds" means monies deposited in the Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

(9) The table heading "As Proposed" means the Proposed Transportation Program referenced in subsection (a) of this section; the table heading "As Amended" means the amendments as made by this act; the table heading "Change" means the difference obtained by subtracting the "As Proposed" figure from the "As Amended" figure; the term "change" or "changes" in the text refer to the project- and program-specific amendments, the aggregate sum of which equals the net "Change" in the applicable table heading; and "State" in any tables amending authorizations indicates that the source of funds is State monies in the Transportation Fund, unless otherwise specified.

* * * Summary of Transportation Investments * * *

Sec. 3. FISCAL YEAR 2027 TRANSPORTATION INVESTMENTS INTENDED TO REDUCE TRANSPORTATION-RELATED GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL USE, AND SAVE VERMONT HOUSEHOLDS MONEY

This act includes the State's fiscal year 2027 transportation investments intended to reduce transportation-related greenhouse gas emissions, reduce fossil fuel use, and save Vermont households money in furtherance of the policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive Energy Plan and the Vermont Climate Action Plan and to satisfy the Executive and Legislative Branches' commitments to the Paris Agreement climate goals. In fiscal year 2027, these efforts will include the following:

(1) Park and Ride Program. This act provides for a fiscal year expenditure of $1,976,211.00, which will fund three park and ride projects.

(2) Bike and Pedestrian Facilities Program. This act provides for a fiscal year expenditure, including local match, of $24,576,873.00, which will fund 34 bike and pedestrian construction projects; 18 bike and pedestrian design, right-of-way, or design and right-of way projects for construction in future fiscal years; and eight scoping studies. The construction projects include the creation, improvement, and rehabilitation of walkways, sidewalks, shared-use paths, bike paths, and cycling lanes. Projects are funded in Arlington, Bennington, Bethel, Brattleboro, Burke, Burlington, Castleton, Chester, Danville, Essex Town, Fairfax, Greensboro, Guilford, Hartford, Huntington, Hyde Park, Irasburg, Jamaica, Johnson, Lunenburg, Middlebury, Montpelier, Moretown, Morristown, Newfane, Newport City, Northfield, Pownal, Royalton, Rutland City, Rutland Town, Sheldon, South Burlington, Springfield, St. Albans City, Swanton, Wallingford, Warren, Waterbury, West Rutland, Williston, Wilmington, and Wolcott. This act also provides funding for:

(A) some of Local Motion's operation costs to run the bike ferry on the Colchester Causeway, which is part of the Island Line Trail;

(B) grant awards for State-aid construction projects;

(C) projects funded through the Safe Routes to School Program; and

(D) community grants along the Lamoille Valley Rail Trail (LVRT).

(3) Transportation Alternatives Program. This act provides for a fiscal year expenditure of $4,514,362.00, including local funds, which will fund 22 transportation alternatives construction projects; 28 transportation alternatives design, right-of-way, or design and right-of-way projects; and one scoping study. Of these 51 projects, 18 involve environmental mitigation related to clean water or stormwater concerns, or both clean water and stormwater concerns, and 30 involve bicycle and pedestrian facilities. Projects are funded in Athens, Bennington, Bethel, Brandon, Brattleboro, Bristol, Burke, Burlington, Derby, Enosburg Falls, Fairlee, Ferrisburgh, Glover, Guilford, Hinesburg, Hyde Park, Jericho, Londonderry, Ludlow, Lyndon, Montgomery, Newark, Putney, Rockingham, Rutland City, Shoreham, South Burlington, Springfield, Swanton, Warren, Weathersfield, Williston, Wilmington, and Windham.

(4) Public Transit Program. This act provides for a fiscal year expenditure of $57,855,144.00 for public transit uses throughout the State. Included in the authorization are:

(A) Go! Vermont, with an authorization of $380,000.00. This authorization supports transportation demand management (TDM) strategies,

including the State's Trip Planner and commuter services, to promote the use of carpools and vanpools.

(B) Mobility and Transportation Innovations (MTI) Grant Program, with an authorization of $315,000.00 in federal funds. This authorization continues to support projects that improve both mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, and reduce greenhouse gas emissions.

(5) Rail Program. This act provides for a fiscal year expenditure of $60,289,410.00, including local funds and $34,688,907.00 in federal funds, for intercity passenger rail service, including funding for the Ethan Allen Express and Vermonter Amtrak services, and rail infrastructure that supports freight rail as well. Moving freight by rail instead of trucks lowers greenhouse gas emissions by up to 75 percent, on average.

* * * Paving * * *

Sec. 4. PAVING; STATEWIDE DISTRICT LEVELING

(a) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for Paving, authorized spending is amended as follows:

FY27	As Proposed	As Amended	Change
Other	1,150,000	1,150,000	0
PE	2,183,194	2,183,194	0
Const.	144,812,226	146,512,226	1,700,000
Total	148,145,420	149,845,420	1,700,000
Sources of funds			
State	24,400,007	25,100,007	1,700,000
Federal	123,732,179	123,732,179	0
Local	13,235	13,235	0
Total	148,145,420	149,845,420	1,700,000

(b) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for Paving, authorized spending for STATEWIDE District Leveling TBD is amended as follows:

FY27	As Proposed	As Amended	Change
Const.	7,000,000	8,700,000	1,700,000

Total	7,000,000	8,700,000	1,700,000
Sources of funds			
State	7,000,000	8,700,000	1,700,000
Total	7,000,000	8,700,000	1,700,000

(c) It is the intent of the General Assembly to direct the maximum amount of funding to the State highway system. Consistent with this intent, within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for Paving, any unobligated amounts or carryforward resulting from project delays or cost overruns or underruns shall be directed to State highway paving projects.

* * * State Highway Bridges * * *

Sec. 5. STATE HIGHWAY BRIDGES

(a) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending is amended as follows:

FY27	As Proposed	As Amended	Change
PE	4,143,897	4,143,897	0
ROW	414,000	414,000	0
Const.	78,935,408	78,935,408	0
Other	1,400,000	1,400,000	0
Total	84,893,305	84,893,305	0
Sources of funds			
State	2,873,295	1,123,295	-1,750,000
TIB	6,180,851	7,930,851	1,750,000
Federal	67,312,444	67,312,444	0
Local/Other	1,247,049	1,247,049	0
Inter Unit	7,279,666	7,279,666	0
Total	84,893,305	84,893,305	0

(b) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending for SHAFTSBURY STP 014-1(6) is amended as follows:

FY27	As Proposed	As Amended	Change

PE	14,678	14,678	0
Const.	2,600,000	2,600,000	0
Total	2,614,678	2,614,678	0
Sources of funds			
State	521,000	0	-521,000
TIB	1,936	522,936	521,000
Federal	2,091,742	2,091,742	0
Total	2,614,678	2,614,678	0

(c) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending for SUNDERLAND BM20102 is amended as follows:

FY27	As Proposed	As Amended	Change
PE	85,287	85,287	0
Const.	2,000,000	2,000,000	0
Total	2,085,287	2,085,287	0
Sources of funds			
State	415,057	0	-415,057
TIB	2,000	417,057	415,057
Federal	1,668,230	1,668,230	0
Total	2,085,287	2,085,287	0

(d) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending for SUNDERLAND NH CULV 122 is amended as follows:

FY27	As Proposed	As Amended	Change
PE	53,182	53,182	0
Const.	2,000,000	2,000,000	0
Total	2,053,182	2,053,182	0
Sources of funds			
State	408,636	141,686	-266,950
TIB	2,000	268,950	266,950

Federal	1,642,546	1,642,546	0
Total	2,053,182	2,053,182	0

(e) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending for TOPSHAM BF 031-1(13) is amended as follows:

FY27	As Proposed	As Amended	Change
PE	10,000	10,000	0
ROW	1,000	1,000	0
Const.	2,733,967	2,733,967	0
Total	2,744,967	2,744,967	0
Sources of funds			
State	546,993	0	-546,993
TIB	2,000	548,993	546,993
Federal	2,195,974	2,195,974	0
Total	2,744,967	2,744,967	0

Sec. 6. [Deleted.]

Sec. 7. [Deleted.]

Sec. 8. [Deleted.]

Sec. 9. [Deleted.]

Sec. 10. [Deleted.]

Sec. 11. [Deleted.]

Sec. 12. [Deleted.]

* * * Authority to Issue Transportation Infrastructure Bonds * * *

Sec. 13. AUTHORITY TO ISSUE TRANSPORTATION INFRASTRUCTURE BONDS; FISCAL YEARS 2028–2032

(a) The State Treasurer is authorized to issue transportation infrastructure bonds pursuant to 32 V.S.A. § 972 for State fiscal years 2028–2032 in an amount approved by the General Assembly.

(b) For State fiscal years 2028–2032, the Capital Debt Affordability Advisory Committee (CDAAC) shall annually report to the House and Senate Committees on Transportation on or before September 30 of the preceding

fiscal year an estimate of the maximum amount of transportation infrastructure bonds that prudently may be authorized for the next fiscal year.

(c) The Treasurer, in consultation with the CDAAC, shall review annually any requested issuance of transportation infrastructure bonds pursuant to 32 V.S.A. § 1001 as part of its net State tax-supported debt analysis provided to the Governor and the General Assembly.

Sec. 14. 2028 PROPOSED TRANSPORTATION PROGRAM; TRANSPORTATION INFRASTRUCTURE BOND PROPOSAL; REPORT

(a) The Agency of Transportation shall, when preparing the 2028 Transportation Program, prepare both:

(1) a Transportation Program proposal that includes the use of transportation infrastructure bond proceeds to fund eligible projects pursuant to 32 V.S.A. § 972(d); and

(2) a Transportation Program proposal that does not include the use of transportation infrastructure bond proceeds.

(b)(1) The Agency of Transportation shall, in consultation with the State Treasurer and at the same time as the Agency submits the proposed State fiscal year 2028 Transportation Program to the General Assembly, submit a written report to the House and Senate Committees on Transportation that identifies projects proposed for the State fiscal year 2028 Transportation Program that are eligible to be funded with the proceeds from the issuance of transportation infrastructure bonds pursuant to the provisions of 32 V.S.A. § 972(d).

(2) The report shall include:

(A) an analysis comparing the present value of the estimated cost to pay for the identified projects using transportation infrastructure bond proceeds to the cost to pay for the projects on a pay-as-you-go basis; and

(B) a comparison of the projects' schedules if funded with transportation infrastructure bonds to the projects' schedules if funded on a pay-as-you-go basis.

* * * Mileage-Based User Fee * * *

Sec. 15. FINDINGS AND INTENT

(a) Findings. The General Assembly finds that:

(1) Vermont adopted its first tax on gasoline in 1923.

(2) In 1923, the most common motor vehicle in the Unites States was the Ford Model T, whose annual production peaked at more than 2,000,000 new vehicles that year.

(3) Because of the limited variety of mass-produced vehicles available when it was adopted, the gasoline tax, and the later-adopted diesel fuel tax, served as use fees that required drivers of light-duty motor vehicles to contribute to the State's Transportation Fund in an amount that reflected the amount of miles that each vehicle was driven on Vermont's surface transportation system.

(4) Since 1923, the variety of mass-produced light-duty motor vehicles available to consumers has expanded greatly, resulting in a wide variety of internal combustion engine and vehicle types and designs with significant differences in vehicle fuel efficiency.

(5) Improvements in fuel efficiency among light-duty motor vehicles and the increasing adoption of hybrid, plug-in hybrid, and battery electric vehicles (BEVs) is leading to reduced fuel consumption among newer vehicles.

(6) BEVs do not require gasoline and diesel fuel, and the $89.00 annual infrastructure fee paid by owners and lessees of BEVs registered in Vermont is less than the average amount of fuel taxes collected in relation to a light-duty motor vehicle with an internal combustion engine.

(7) As a result of differences in fuel consumption between different types and ages of light-duty motor vehicles, the current system for funding Vermont's surface transportation system through fuel taxes has become inequitable when the impacts of each vehicle on the transportation system are considered.

(8) In contrast to the current system, a mileage-based user fee imposes a per-mile fee for usage of the State's highways and ensures that owners and lessees of motor vehicles contribute to the Transportation Fund in an equitable manner.

(9) Vermont's taxes on gasoline and on diesel fuel were last increased in 2014, and the federal taxes on gasoline and on diesel fuel were last increased in 1993.

(10) Reduced fuel consumption and unchanged gasoline and diesel tax rates have resulted in stagnant fuel tax revenues that have not kept pace with inflation or the needs of Vermont's transportation system.

(11) In addition to Vermont's stagnant fuel tax revenues, Vermont's demographic constraints and changes in vehicle ownership and usage have limited the growth of fee revenues to the Transportation Fund.

(12) The July 2025 consensus revenue forecast estimates a 1.33 percent compound annual growth rate in Transportation Fund revenues between 2026 and 2030.

(13) In comparison, highway construction costs, as measured by the National Highway Construction Cost Index, have increased by 62 percent, nationally, since 2020.

(b) Intent. It is the intent of the General Assembly to:

(1) implement a mileage-based user fee for BEVs, which will replace the existing infrastructure fee beginning on January 1, 2027, to ensure that owners and lessees of BEVs contribute to the Transportation Fund in an amount that reflects the annual miles traveled by each vehicle;

(2) ensure that owners and lessees of all light-duty motor vehicles contribute to the Transportation Fund in an amount that reflects the annual miles traveled by each vehicle by expanding the mileage-based user fee to fuel-efficient light-duty motor vehicles, such as plug-in hybrids, hybrids, and vehicles with efficient internal combustion engines on or before January 1, 2029, and to all light-duty motor vehicles on or before January 1, 2031; and

(3) develop and implement the mileage-based user fee in a manner that does not discourage ownership and use of BEVs and fuel-efficient vehicles, consistent with the intent of the Global Warming Solutions Act and the State's Climate Action Plan.

Sec. 16. 23 V.S.A. chapter 43 is added to read:

CHAPTER 43. MILEAGE-BASED USER FEE

§ 4301. 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 covered vehicle is driven during a mileage reporting period.

(3) "Covered vehicle" means a battery electric vehicle pleasure car.

(4) "Mileage-based user fee" or "MBUF" means the fee charged for the annual vehicle miles traveled by a covered vehicle pursuant to section 4302 of this chapter.

(5) "Mileage-based user fee rate" means the per-mile usage fee charged to the owner or lessee of a covered vehicle pursuant to section 4302 of this chapter.

(6) "Mileage reporting period" means:

(A) the time period between required annual inspections;

(B) the time period between an initial odometer reading related to the purchase of a covered vehicle or beginning of a lease of a covered vehicle and an annual inspection; or

(C) the time period between the most recent annual inspection and a terminating event.

(7) "Terminating event" means any of the following:

(A) the registration of a covered vehicle that had been registered in Vermont in a different state;

(B) a change in ownership or lesseeship of a covered vehicle; or

(C) the termination of a covered vehicle's registration in Vermont.

§ 4302. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION; PAYMENT; EXEMPTIONS

(a) Assessment and payment of mileage-based user fee (MBUF).

(1) Options for payment of MBUF. The owner or lessee of a covered vehicle may elect to pay the MBUF according to one of the following options:

(A) annual payment of the MBUF as a lump sum following the conclusion of each mileage reporting period as set forth in subdivision (2) of this subsection (a);

(B) pay-as-you-go installment payments of the MBUF during a mileage reporting period as set forth in subdivision (3) of this subsection (a), provided that the Commissioner, in the Commissioner's sole discretion, elects to make a pay-as-you-go option available;

(C) estimated payments of the MBUF in annual, quarterly, or monthly installments as set forth in subdivision (4) of this subsection (a); or

(D) a flat rate of $178.00.

(2) Annual mileage-based user fee payment option.

(A) For an owner or lessee who opts to pay the MBUF as a lump sum at the end of each mileage reporting period, the Commissioner shall, within 14 days after the conclusion of the covered vehicle's mileage reporting period, calculate the amount of the MBUF pursuant to subsection (d) of this section and mail an assessment of the amount to the owner or lessee.

(B) The owner or lessee shall remit the amount due to the Commissioner on or before the sooner of:

(i) the next required registration renewal for the covered vehicle;

(ii) the termination of the covered vehicle's Vermont registration; or

(iii) the sale of the covered vehicle or termination of the lease of the covered vehicle, as appropriate.

(3) Pay-as-you-go option.

(A) Owners and lessees who opt into the pay-as-you-go mileage-based user fee option shall report the mileage shown on the odometer of the owner's or lessee's covered vehicle at times and in a manner required by the Commissioner.

(B) As soon as practicable after receiving each report, the Commissioner shall calculate pursuant to subsection (d) of this section the applicable MBUF due for the covered vehicle and mail to the owner or lessee a statement of the amount of the mileage-based user fee assessed.

(C) The owner or lessee of the covered vehicle shall remit the full amount due to the Commissioner within not more than 30 days after the assessment is mailed.

(D) At the end of each mileage reporting period, the amount paid by the owner or lessee shall be reconciled against the actual mileage driven as set forth in subdivision (5) of this subsection.

(4) Estimated payment option.

(A) An owner or lessee who elects to make estimated payments shall be assessed upon registration of the covered vehicle, or registration renewal, an estimated mileage-based user fee equal to the rate established pursuant to subsection (e) of this section multiplied by the average annual vehicle miles traveled by pleasure cars registered in Vermont.

(B) The owner or lessee shall either:

(i) pay the estimated MBUF as a lump sum not more than 45 days after the date of registration or registration renewal; or

(ii) enter into an agreement with the Commissioner to pay the estimated amount in monthly or quarterly installments.

(C) At the end of each mileage reporting period, the amount paid by the owner or lessee shall be reconciled against the actual mileage driven as set forth in subdivision (5) of this subsection.

(5) Reconciliation of mileage for pay-as-you-go and estimated payment options.

(A) At the conclusion of each mileage reporting period for a covered vehicle whose owner or lessee has elected either the pay-as-you-go or the estimated payment option, the Commissioner shall determine if the amount of the MBUF for the actual miles traveled by the covered vehicle during the mileage reporting period is greater than or less than the amount of the payments made by the owner or lessee during that period.

(B) If the actual MBUF is less than the amount paid, the owner or lessee of the covered vehicle shall receive a credit equal to the difference between the amount paid and the actual amount, which shall be applied to reduce the amount of future fees due from the owner or lessee for the covered vehicle pursuant to this subsection (a).

(C) If the actual MBUF is more than the amount paid, the owner or lessee of the covered vehicle shall be assessed an amount equal to the difference between the actual MBUF and the amount paid, which shall be added to the next amount due from the owner or lessee pursuant to this subsection (a).

(6) Flat-rate option.

(A) The Commissioner shall send an owner or lessee who elects the flat-rate option an assessment for the flat fee due at the conclusion of each mileage reporting period. The owner or lessee shall remit the amount due to the Commissioner on or before the sooner of:

(i) the next required registration renewal for the covered vehicle;

(ii) the termination of the covered vehicle's Vermont registration; or

(iii) the sale of the covered vehicle or termination of the lease of the covered vehicle, as appropriate.

(B) An owner or lessee enrolled in the flat-rate option shall not be required to report vehicle mileage to the Commissioner pursuant to the provisions of this chapter. Nothing in this subdivision (6)(B) shall be construed to exempt an owner or lessee enrolled in the flat-rate option from any other requirements in State law related to vehicle inspections or odometer disclosures.

(b) Newly registered vehicles. The owner or lessee of a newly registered covered vehicle shall pay the MBUF during the initial year of registration pursuant to:

(1) the pay-as-you-go option set forth in subdivision (a)(3) of this section;

(2) the estimated payment option set forth in subdivision (a)(4) of this section; or

(3) the flat-rate option set forth in subdivision (a)(6) of this section.

(c) Election of different payment option. An owner or lessee of a covered vehicle may select a different option for payment of the MBUF pursuant to subsection (a) of this section by providing notice to the Commissioner in the time and manner prescribed by the Commissioner.

(d) Calculation of the mileage-based user fee.

(1) The Commissioner shall calculate the mileage-based user fee of each covered vehicle by multiplying the miles traveled by the covered vehicle during the applicable period by the rate established pursuant to subsection (e) of this section. The number of miles traveled shall be equal to:

(A) for a mileage reporting period, the difference between the mileage shown on the covered vehicle's odometer at the end of the mileage reporting period and the mileage shown on the covered vehicle's odometer at the beginning of the mileage reporting period; and

(B) for a report filed by an owner or lessee as part of the pay-as-you-go mileage-based user fee program pursuant to subdivision (a)(3) of this section, the difference between the mileage reported by the owner or lessee and the most recent prior mileage reported for the covered vehicle.

(2) Notwithstanding any provision of subdivision (1) of this subsection to the contrary, the mileage-based user fee assessed for a mileage reporting period shall not exceed $178.00.

(e) Mileage-based user fee rate. The mileage-based user fee rate shall be $0.014 per mile traveled by a covered vehicle during its mileage reporting period.

(f) Exemptions. The mileage-based user fee assessed pursuant to this section shall not apply to:

(1) covered vehicles owned or operated by the government of the United States;

(2) covered vehicles owned or operated by the State of Vermont; or

(3) covered vehicles that are used for short-term rentals.

(g) 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.

(h) 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.

(i) Refunds. Notwithstanding subdivision (a)(5)(B) of this section, upon occurrence of a terminating event, the Commissioner shall issue a refund to the owner or lessee of a covered vehicle for any amounts paid by the owner or lessee that are in excess of the amount due pursuant to this chapter.

§ 4303. REPORTS

(a) Upon completion of an inspection of a covered vehicle pursuant to section 1222 of this title, an inspection mechanic shall report the mileage shown on the covered vehicle'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 covered vehicle shall report the mileage shown on the covered vehicle's odometer at the time of the terminating event to the Department in the time and manner required by the Commissioner.

§ 4304. FAILURE TO FILE REPORT OR OBTAIN INSPECTION; DEFAULT RATE

(a) The Commissioner shall charge the owner or lessee of a covered vehicle a default rate of $178.00 if the Commissioner is unable to determine the annual vehicle miles traveled for the owner's or lessee's covered vehicle because the owner or lessee:

(1) failed to file a report required by section 4303 of this chapter within a reasonable period of time after the report is due;

(2) failed to have the covered vehicle inspected as required pursuant to section 1222 of this title within a reasonable period of time after the inspection is due at either the commencement or conclusion of a mileage reporting period; or

(3) failed to have the covered vehicle inspected at any time during or within a reasonable time after the conclusion of a mileage reporting period.

(b)(1) The default amount required pursuant to subsection (a) of this section shall be assessed when the owner or lessee of the covered vehicle next renews the vehicle's registration following the mileage reporting period.

(2) After being assessed the default amount pursuant to this subsection, the owner or lessee of the covered vehicle may obtain an inspection within 90 days after the date on which the vehicle's registration is renewed. If the covered vehicle's mileage is such that the mileage-based user fee would have been less than the default amount, the owner or lessee shall receive a credit for the difference that is applied to reduce the amount of the next mileage-based user fee due for the covered vehicle.

§ 4305. REGISTRATION; SUSPENSION OR REFUSAL

(a) Suspension of registration. The Commissioner may suspend or refuse to renew the registration of a covered vehicle 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 covered vehicle:

(1) failed to file a report required pursuant to section 4303 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 of any 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 covered vehicle with not less than 15 days' notice of the intent to suspend or not to renew the registration of the covered vehicle 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.

§ 4306. 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; and

(3) contract with an account manager to administer and manage the mileage-based user fee.

§ 4307. 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 4302(h) 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 4302(h) 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.

Sec. 17. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

* * *

(c) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual ~~EV~~ infrastructure fee for a pleasure car that is a plug-in hybrid electric vehicle, as defined in subdivision ~~4(85)(B)~~ (4)(85)(B) of this title, equal to one-half the amount of the annual fee collected in

subsection (a) of this section, or a biennial ~~EV~~ infrastructure fee equal to the annual fee collected in subsection (a) of this section.

(d) The annual and biennial ~~EV~~ infrastructure fees collected in subsection (c) of this section shall be ~~allocated to~~ deposited in the Transportation Fund ~~for programs administered by the Agency of Commerce and Community Development to increase Vermonters' access to level 1 and 2 electric vehicle supply equipment (EVSE) charging ports at workplaces or multiunit dwellings, or both~~.

Sec. 18. MILEAGE-BASED USER FEE; INITIAL TRANSITION

(a) Notwithstanding any provision of 23 V.S.A. § 4302 to the contrary, during calendar years 2027 and 2028, the owner or lessee of a covered vehicle shall pay the mileage-based user fee for the covered vehicle's first mileage reporting period as provided pursuant to the provisions of either subsection (b) or (c) of this section.

(b)(1)(A) For a covered vehicle that has a valid Vermont registration on December 31, 2026, the vehicle's initial mileage reporting period shall commence with its first annual inspection occurring on or after January 1, 2027.

(B) For a covered vehicle that is newly registered in Vermont on or after January 1, 2027, the vehicle's initial mileage reporting period shall commence on the date of registration.

(2) For an initial registration or a registration renewal of a covered vehicle that occurs on or after January 1, 2027, and prior to the completion of the initial mileage reporting period, the owner or lessee of the covered vehicle shall pay a one-time road usage charge of $89.00 for a one-year registration or $178.00 for a two-year registration.

(3) At the conclusion of a covered vehicle's initial mileage reporting period, the mileage-based user fee for the vehicle shall be calculated as provided pursuant to the annual mileage-based user fee payment option set forth in 23 V.S.A. § 4302(a)(2).

(4)(A) The amount of the covered vehicle's mileage-based user fee calculated pursuant to subdivision (3) of this subsection shall be reduced by:

(i) the amount of any road usage charge paid pursuant to subdivision (2) of this subsection (b); or

(ii) for a covered vehicle whose owner or lessee did not pay the road usage charge pursuant to subdivision (2) of this subsection (b) but paid the EV infrastructure fee required pursuant to 23 V.S.A. § 361 at the most

recent registration or registration renewal of the vehicle prior to January 1, 2027, an amount equal to the amount of the EV infrastructure fee paid at the most recent registration.

(B) Any amounts remaining after the initial mileage-based user fee has been paid shall be carried forward and applied as a credit to reduce the amount of future mileage-based user fees due in relation to the covered vehicle.

(c) As an alternative to paying the mileage-based user fee as set forth in subsection (b) of this section, the owner or lessee of a covered vehicle may elect to pay a flat fee of $178.00 for the initial mileage reporting period. The provisions of 23 V.S.A. § 4302(a)(6) shall apply to an owner or lessee who elects to pay a flat fee pursuant to this subsection.

(d) As used in this section, "covered vehicle" has the same meaning as in 23 V.S.A. § 4301.

Sec. 19. OUTREACH AND EDUCATION; USER EXPERIENCE; REPORT

(a) The Agency of Transportation and the Department of Motor Vehicles shall develop and implement a public outreach, education, and communications strategy regarding the mileage-based user fee program established pursuant to 23 V.S.A. chapter 43 to build public awareness and understanding of the program and to solicit public feedback regarding the program. The strategy shall include the following:

(1) printed materials, web-based materials, mailings, and local media outreach that describes the purpose of the mileage-based user fee, the transportation funding challenges that the mileage-based user fee is intended to help address, and how the mileage-based user fee will be implemented with respect to battery electric vehicles and, later, other light-duty vehicles;

(2) prior to implementation, direct mailing of informational materials to owners and lessees of battery electric vehicles that are currently registered in Vermont that:

(A) outline the goals and design of the mileage-based user fee;

(B) set forth the timeline for implementation of the mileage-based user fee;

(C) provide information regarding compliance with the mileage-based user fee, including the options that will be available to each owner and lessee; and

(D) provide information on how to obtain additional information regarding the mileage-based user fee, including how to obtain informational

resources provided by the Agency, the availability of user support resources, and how to determine how the mileage-based user fee may apply to a user's specific circumstances;

(3) prior to initial implementation of the mileage-based user fee in January 2027, Agency engagement with owners and lessees of various types of light-duty motor vehicles registered in Vermont to obtain feedback on the design of the user experience for the mileage-based user fee, with particular attention to universal accessibility and specific needs for translated materials and services;

(4) survey and focus group work prior to and following implementation of the mileage-based user fee with owners and lessees whose vehicles are subject to the mileage-based user fee to aid in evaluating the implementation of the initial phase of the mileage-based user fee and in developing recommended programmatic and statutory changes; and

(5) ongoing engagement and collaboration with relevant stakeholders, including the Vermont Vehicle and Automotive Distributors Association and Drive Electric Vermont, to obtain feedback on the mileage-based user fee program and to educate members of the public about the mileage-based user fee and program design.

(b) The Agency and Department shall, on or before September 15, 2026, submit to the Joint Transportation Oversight Committee a report summarizing the public outreach, education, and communications strategy required pursuant to subsection (a) of this section.

Sec. 20. MILEAGE-BASED USER FEE TRANSITION PLAN; REPORT

(a)(1) The Agency of Transportation and the Department of Motor Vehicles, in consultation with the Agency of Digital Services, shall develop a plan to expand the mileage-based user fee (MBUF) program to all light-duty motor vehicles to ensure that each vehicle contributes an amount that bears a direct relation to the estimated demands and impacts that the vehicle places upon public infrastructure, as determined on the basis of vehicle miles traveled.

(2) The plan shall provide that:

(A) plug-in hybrid electric, hybrid electric, and fuel-efficient light-duty motor vehicles shall begin participating in the MBUF program on or before January 1, 2029; and

(B) all light-duty motor vehicles shall begin participating in the MBUF program on or before January 1, 2031.

(3) The plan shall provide methods for ensuring that contributions to the Transportation Fund are proportionate to the number of miles traveled in Vermont by each vehicle, including:

(A) additional payment and mileage tracking options for vehicle owners or lessees to select from, including methods for differentiating between miles traveled in Vermont and miles traveled outside Vermont; and

(B) a system of fuel tax credits for vehicles that use gasoline or diesel fuel based on the vehicle's fuel economy as estimated by the U.S. Environmental Protection Agency to ensure that all covered vehicles contribute to Vermont's transportation system in an equitable manner.

(b) In developing the plan, the Agency and the Department shall:

(1) analyze the amounts paid by vehicles of different engine-fuel types and classifications with respect to the diesel fuel tax pursuant to 23 V.S.A. chapter 27, the gasoline tax pursuant to 23 V.S.A. chapter 28, and the infrastructure fee imposed pursuant to 23 V.S.A. § 361(c), as applicable;

(2) develop a proposed schedule for the inclusion of plug-in hybrid electric, hybrid electric, and fuel-efficient light-duty vehicles in the MBUF program on or before January 1, 2029;

(3) identify any other light-duty vehicles that currently contribute less to the Transportation Fund than they would under the mileage-based user fee for inclusion in the MBUF program on or before January 1, 2029;

(4) consider possible methods to account for and differentiate between in-state and out-of-state vehicle miles traveled by vehicles registered in Vermont and vehicles registered in another state;

(5) examine the potential for integrating alternative mileage reporting methods into the mileage-based user fee program and related costs;

(6) evaluate the potential to include medium- and heavy-duty electric vehicles in the mileage-based user fee program and potential rate designs based on vehicle weights; and

(7) examine the relationship between expansion of the mileage-based user fee program and fuel tax rates, Transportation Fund revenue sustainability, and Vermont's carbon reduction targets.

(c) The Agency and Department shall also track the implementation costs and operating expenses of and revenues generated by the mileage-based user fee for State fiscal years 2027–2031. The Agency and Department shall submit an annual report of these amounts to the House Committees on Transportation and on Ways and Means and the Senate Committees on

Transportation and on Finance on or before each December 31 beginning on December 31, 2027, and continuing until December 31, 2031.

(d)(1) On or before January 31, 2027, the Agency of Transportation and the Department of Motor Vehicles shall submit to the House Committees on Transportation and on Ways and Means and the Senate Committees on Transportation and on Finance an initial plan and recommendation for legislative action to:

(A) incorporate plug-in hybrid electric, hybrid electric, and fuel-efficient light-duty vehicles into the MBUF program;

(B)(i) provide at least two additional options for determining the number of vehicle miles traveled by a covered vehicle, including:

(I) an option that would utilize vehicle systems or an aftermarket device to track vehicle miles traveled; and

(II) an option that would enable vehicle owners and lessees to track and differentiate between miles traveled in Vermont and miles traveled outside Vermont, with the MBUF only applying to miles traveled in Vermont; and

(ii) identify data privacy protections and best practices that should be implemented to protect data obtained from owners and lessees who elect to utilize the options identified pursuant to this subdivision (B);

(C)(i) recommend whether to retain a flat-rate option for the MBUF and, if so, recommend the appropriate amount of the flat fee; and

(ii) recommend how to apply the flat fee to plug-in hybrid, hybrid, and internal combustion engine vehicles, including whether to provide different flat fees based on vehicle type or to provide credits against the amount of the flat fee based on vehicle fuel efficiency;

(D) provide at least one option to enable vehicle owners and lessees to track and differentiate between miles traveled in Vermont and miles traveled outside Vermont, with the MBUF only applying to miles traveled in Vermont; and

(E) recommend a maximum amount by which the mileage-based user fee rate can increase from year to year after all light-duty vehicles are subject to the mileage-based user fee.

(2) On or before July 30, 2028, the Agency shall submit to the Joint Transportation Oversight Committee and the House and Senate Committees on Transportation a draft copy of the final report required to be submitted to the

Federal Highway Administration pursuant to the terms of the Agency's federal Strategic Innovation for Revenue Collection grant.

(3) On or before September 15, 2028, the Agency of Transportation and the Department of Motor Vehicles shall submit to the House Committees on Transportation and on Ways and Means and the Senate Committees on Transportation and on Finance:

(A) a final plan and proposal for legislative action necessary to expand the MBUF program to all light-duty motor vehicles on or before January 1, 2031;

(B) a report of all findings made pursuant to subsection (b) of this section; and

(C) any additional recommendations for legislative action.

(e) As used in this section:

(1) "Fuel-efficient vehicle" means a motor vehicle with an estimated fuel economy of at least 25 miles per gallon according to the U.S. Environmental Protection Agency, a plug-in electric vehicle as defined pursuant to 23 V.S.A. § 4, or a hybrid electric vehicle.

(2) "Light-duty motor vehicle" means any motor vehicle with a gross vehicle weight rating of not more than 10,000 pounds.

* * * Expansion of MBUF to Hybrid Vehicles * * *

Sec. 21. 23 V.S.A. § 4301 is amended to read:

§ 4301. DEFINITIONS

As used in this chapter:

* * *

(3) "Covered vehicle" means a ~~battery electric vehicle~~ PEV or a hybrid electric pleasure car.

(4) "Hybrid electric pleasure car" means a pleasure car that can be powered by an electric motor drawing current from a rechargeable energy storage system but also has an onboard combustion engine.

(5) "Mileage-based user fee" or "MBUF" means the fee charged for the annual vehicle miles traveled by a covered vehicle pursuant to section 4302 of this chapter.

~~(5)~~(6) "Mileage-based user fee rate" means the per-mile usage fee charged to the owner or lessee of a covered vehicle pursuant to section 4302 of this chapter.

~~(6)~~(7) "Mileage reporting period" means:

* * *

(8) "PEV" means a plug-in electric vehicle pleasure car.

~~(7)~~(9) "Terminating event" means any of the following:

* * *

Sec. 22. 23 V.S.A. § 4302 is amended to read:

§ 4302. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION; PAYMENT; EXEMPTIONS

* * *

(d) Calculation of the mileage-based user fee.

(1) The mileage-based user fee for a covered vehicle shall equal the amount of the base mileage-based user fee pursuant to subdivision (2) of this subsection less the amount of the applicable fuel tax credit pursuant to subdivision (3) of this subsection, if any.

(2) The Commissioner shall calculate the base mileage-based user fee of each covered vehicle by multiplying the miles traveled by the covered vehicle during the applicable period by the rate established pursuant to ~~subsection (e)~~ subdivision (e)(1) of this section. The number of miles traveled shall be equal to:

(A) for a mileage reporting period, the difference between the mileage shown on the covered vehicle's odometer at the end of the mileage reporting period and the mileage shown on the covered vehicle's odometer at the beginning of the mileage reporting period; and

(B) for a report filed by an owner or lessee as part of the pay-as-you-go mileage-based user fee program pursuant to subdivision (a)(3) of this section, the difference between the mileage reported by the owner or lessee and the most recent prior mileage reported for the covered vehicle.

~~(2)~~(3) ~~Notwithstanding any provision of subdivision (1) of this subsection to the contrary, the mileage-based user fee assessed for a mileage reporting period shall not exceed $178.00~~ For each covered vehicle, the Commissioner shall deduct the amount of the fuel tax credit determined pursuant to subdivision (e)(2) of this section, if any, from the amount of the mileage-based user fee calculated pursuant to subdivision (1) of this subsection to determine the amount due from the owner or lessee of each covered vehicle pursuant to this section. The Commissioner shall ensure that the combined amount of estimated fuel taxes and the mileage-based user fee paid by the

owner or lessee of a covered vehicle does not exceed the amount of the base mileage-based user fee calculated pursuant to subdivision (2) of this subsection.

(e) Mileage-based user fee rate and fuel tax credits.

(1) The mileage-based user fee rate shall be $0.014 per mile traveled by a covered vehicle during its mileage reporting period.

(2) At the conclusion of each mileage reporting period, the Commissioner shall calculate for all vehicles, except battery electric vehicles, a fuel tax credit by dividing the miles traveled by the vehicle during the mileage reporting period by the vehicle's estimated average combined fuel economy as determined by the U.S. Environmental Protection Agency and multiplying that amount by the applicable tax per gallon on gasoline or diesel fuel pursuant to chapters 27 and 28 of this title.

* * *

Sec. 23. 23 V.S.A. § 4304 is amended to read:

§ 4304. FAILURE TO FILE REPORT OR OBTAIN INSPECTION; DEFAULT RATE

(a) The Commissioner shall charge the owner or lessee of a covered vehicle a default rate of ~~$178.00~~ $375.00 if the Commissioner is unable to determine the annual vehicle miles traveled for the owner's or lessee's covered vehicle because the owner or lessee:

* * *

* * * Repeal of Municipal Equipment and Vehicle Loan Fund Rules * * *

Sec. 24. RULES REGARDING MUNICIPAL HEAVY EQUIPMENT LOAN FUND; REPEAL

The Rules Regarding Municipal Heavy Equipment Loan Fund (CVR 14-053-002) are repealed. The Municipal Equipment and Vehicle Loan Fund, as the successor to the Municipal Heavy Equipment Loan Fund, shall be administered as provided pursuant to 29 V.S.A. § 1601.

* * * Statement of Policy; Highways and Bridges * * *

Sec. 25. 19 V.S.A. § 10c is amended to read:

§ 10c. STATEMENT OF POLICY; HIGHWAYS AND BRIDGES

* * *

(b) For projects that are not on the National Highway System, the Agency shall ~~develop and implement~~ maintain State standards and guidance for

geometric design. ~~Design speeds may be lower than legal speeds.~~ Design speeds lower than legal speeds may be used without the requirement of a formal design exception~~, provided appropriate warnings are posted~~ if appropriate warning signs, signals, and markings are used as provided pursuant to 23 V.S.A. § 1025.

* * *

* * * Agency of Transportation Duties * * *

Sec. 26. 19 V.S.A. § 10 is amended to read:

§ 10. DUTIES

The Agency shall, except where otherwise specifically provided by law:

* * *

(8)(A) Require any contractor or contractors employed in any project of the Agency for construction of a transportation improvement to file in the office of the Secretary a good and sufficient surety bond to the State of Vermont, executed by a surety company authorized to transact business in this State in ~~such~~ the sum ~~as~~ required by the Agency ~~shall direct~~, conditioned for the compliance by the contractor or contractors and their agents and servants, with all matters and things set forth and specified to be by the principal kept, done, and performed at the time and in the manner in the contract between the Agency and the contractor or contractors specified and to pay over, make good, and reimburse the State of Vermont for all loss or losses and damage or damages that the State of Vermont may sustain by reason of failure or default on the part of the contractor or contractors. The Agency is authorized to require any other condition in the bond that may ~~from time to time~~ be necessary. The Secretary ~~at his or her discretion as to~~ may, if the Secretary determines that it is in the best ~~interest~~ interests of the State, accept other good and sufficient surety in lieu of a bond and, in cases involving contracts for ~~$100,000.00~~ $250,000.00 or less, may waive the requirement of a performance bond.

(B) During an emergency event, the Secretary may, in the Secretary's discretion, waive the bonding requirements of this subdivision (8) for immediate, temporary stabilization work related to public safety or State infrastructure. Permanent work shall be subject to the requirements of subdivision (A) of this subdivision (8).

(9)(A) Require any contractor or contractors employed in any project of the Agency for construction of a transportation improvement to file an additional surety bond to the Secretary and the Secretary's successor in office, for the benefit of labor, materialmen, and others, executed by a surety

company authorized to transact business in this State. The surety bond shall be in ~~such~~ the sum ~~as~~ required by the Agency ~~shall direct~~, conditioned for the payment, settlement, liquidation, and discharge of the claims of all creditors for material~~,~~; merchandise~~,~~; labor~~,~~; rent~~,~~; hire of vehicles, power shovels, rollers, concrete mixers, tools, and other appliances~~,~~; professional services~~,~~; premiums~~,~~; and other services used or employed in carrying out the terms of the contract between the contractor and the State ~~and~~. The surety bond shall be further conditioned for the following accruing during the term of performance of the contract: the payment of taxes, both State and municipal, and the payment of unemployment insurance contributions to the Vermont Commissioner of Labor~~; provided, however, in~~.

(B) In order to obtain the benefit of the security, the claimant shall file with the Secretary a sworn statement of the claimant's claim, within 90 days after the final acceptance of the project by the State or within 90 days from the time the taxes or unemployment contributions ~~to the Vermont Commissioner of Labor~~ are due and payable, and, within one year after the filing of the claim, shall bring a petition in the Superior Court in the name of the Secretary, with notice and summons to the principal, surety, and the Secretary, to enforce the claim or intervene in a petition already filed. The Secretary may, if the Secretary determines that it is in the best interests of the State, accept other good and sufficient surety in lieu of a bond and, in cases involving contracts for ~~$100,000.00~~ $250,000.00 or less, may waive the requirement of a surety bond.

(C) During an emergency event, the Secretary may, in the Secretary's discretion, waive the requirements of this subdivision (9) for immediate emergency stabilization work related to public safety or State infrastructure. Permanent work shall be subject to the requirements of subdivision (A) of this subdivision (9).

* * *

* * * Bridge Inspections; Posting; Closure * * *

Sec. 27. 19 V.S.A. § 1514 is added to read:

§ 1514. BRIDGE INSPECTION; POSTING; CLOSURE

(a) Definition. As used in this section, "bridge" means a structure to which the National Bridge Inspection Standards apply pursuant to 23 C.F.R. § 650.303.

(b) Bridge inspections. The Agency shall inspect bridges on State highways and town highways in accordance with the requirements of the National Bridge Inspection Standards.

(c) Municipally maintained bridges.

(1) For a bridge for which a municipality has maintenance responsibility, the Agency shall advise the municipality of its inspection findings and any noted deficiencies.

(2) The Agency shall notify a municipality if a bridge for which the municipality has maintenance responsibility requires posting or closure and, upon receiving notification, the municipality shall post or close the bridge, as appropriate.

(3) If necessary to protect the public from an imminent hazard, the Agency may post or close a bridge for which a municipality has maintenance responsibility.

(4) A municipality shall be responsible for all costs and expenses related to the posting or closure of a bridge for which it has maintenance responsibility, including the costs of any required notifications, procedures, signage or traffic control devices, and barricades.

(d) Agency-maintained bridges.

(1) For any bridge for which the Agency has maintenance responsibility, the Agency shall have the sole responsibility and authority to determine whether the bridge shall be posted or closed, except that a municipality may close an Agency-maintained bridge during an emergency.

(2) If a municipality becomes aware of any deficiencies or structural conditions that could impact the Agency's determination of whether to post or close a bridge, the municipality shall promptly notify the Agency.

(3) The Agency shall be responsible for all costs and expenses associated with posting or closing an Agency-maintained bridge, including any required notifications, procedures, signage or traffic control devices, and barricades.

(e) Enforcement and penalties. In addition to any other penalties provided by law, a person that violates a bridge posting or closure by a municipality or the Agency shall be subject to a civil penalty of not more than $1,000.00.

Sec. 28. 23 V.S.A. § 2302 is amended to read:

§ 2302. TRAFFIC VIOLATION DEFINED

(a) As used in this chapter, "traffic violation" means:

* * *

(11) a violation of subsection 1006b(b) of this title, relating to operation of a prohibited vehicle in Smugglers' Notch; section 1006c of this title, relating to requirements for use of tire chains; or subsections 4120(a) and (b) of this title, relating to violations of an out-of-service order; ~~or~~

(12) a violation of section 4123 of this title, relating to authorizing railroad crossing violations; or

(13) a violation of 19 V.S.A. § 1514, relating to use of a bridge in violation of a posting or closure.

* * *

* * * Public Transit Advisory Council * * *

Sec. 29. 24 V.S.A. § 5084 is amended to read:

§ 5084. PUBLIC TRANSIT ADVISORY COUNCIL

(a) The Public Transit Advisory Council shall be created by the Secretary of Transportation under 19 V.S.A. § 7(f)(5)~~, to~~ and shall consist of the following members:

* * *

(8) a representative of ~~the Community of Vermont Elders~~ AARP Vermont;

(9) ~~a representative of private bus operators and taxi services;~~ [Repealed.]

(10) a representative of Vermont ~~intercity~~ private bus operators;

* * *

* * * Green Mountain Transit Authority * * *

Sec. 30. 24 App. V.S.A. ch. 801, § 7 is amended to read:

§ 7. Annual budget and assessments

(a) On or before February 15 in each year, the Board of Commissioners shall prepare a budget for the Authority for the next fiscal year, which shall include an estimate of the revenue of the Authority from fares and other sources, except membership assessments, and the expenses for the next fiscal year, including debt service, and at such time the Board of Commissioners shall call a meeting of the residents of its members for the purpose of presenting the proposed budget and inviting discussion thereon. The meeting shall be held at a place within the County and shall be warned by a notice published in a newspaper of general circulation in the County at least 15 days prior to the meeting. The notice shall contain a copy of the proposed budget,

and members of the legislative body of each member municipality shall be notified of the meeting by certified mail. The proposed budget may include, in addition to revenues from fares and other sources, anticipated voluntary local match contributions, grants, donations, and other nonassessment revenues that may be offered by a member municipality or another public or private source.

* * *

(f)(1) The Authority shall be permitted to seek and accept voluntary local match contributions.

(2) Notwithstanding the formula for apportionment, the Authority may accept voluntary local match contributions from a member municipality or another public or private source for the purposes of:

(A) meeting federal, State, or other grant matching requirements; and

(B) supporting Authority programs, capital projects, and operations.

(3) A voluntary local match contribution accepted pursuant to this subsection shall be in addition to any assessment required pursuant to this section and shall not reduce, offset, or otherwise modify the assessment apportioned to any member municipality pursuant to the formula for apportionment unless the formula is amended in accordance with the provisions of this section.

* * * Public-Private Partnership Sunset Extension * * *

Sec. 31. 2018 Acts and Resolves No. 158, Sec. 21 as amended by 2023 Acts and Resolves No. 62, Sec. 41 is further amended to read:

Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

19 V.S.A. chapter 26, subchapter 2 shall be repealed on July 1, ~~2026~~ 2029.

* * * Transportation Board * * *

Sec. 32. 19 V.S.A. § 5 is amended to read:

§ 5. TRANSPORTATION BOARD; POWERS AND DUTIES

* * *

(d) Specific duties and responsibilities. The Board shall:

* * *

(7) provide appellate review, when requested in writing by an applicant or permittee, of Agency decisions and rulings regarding private and commercial access to State highway rights-of-way pursuant to the permit process established in section 1111 of this title;

* * *

* * * Transportation Alternatives Grant Program * * *

Sec. 33. 19 V.S.A. § 38 is amended to read:

§ 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

(a), (b) [Repealed.]

(c) The Transportation Alternatives Grant Program is created. The Grant Program shall be administered by the Agency and shall be funded in the amount provided for in 23 U.S.C. § 133(h), less the funds set aside for the Recreational Trails Program. Awards shall be made to eligible entities as defined under 23 U.S.C. § 133(h), and awards under the Grant Program shall be limited to the activities authorized under federal law and shall not exceed ~~$300,000.00~~ $600,000.00 per grant allocation.

* * *

(f)(1) In fiscal year ~~2024~~ 2027 and thereafter, ~~50 percent of Grant Program funds, or such lesser sum if all eligible applications amount to less than 50 percent of Grant Program funds, shall be reserved for municipalities for environmental mitigation projects relating to stormwater and highways, including eligible salt and sand shed projects, and the balance of~~ Grant Program funds shall be awarded for any eligible activity, including environmental mitigation projects relating to stormwater and highways, such as eligible salt and sand shed projects, and infrastructure-related projects and systems that will provide safe routes for nondrivers, and in accordance with the priorities established in subdivision (2) of this subsection.

(2) In evaluating applications for Transportation Alternatives grants, the Agency shall give preferential weighting to sand and salt shed projects and projects involving as a primary feature a bicycle or pedestrian facility. The degree of preferential weighting and the circumstantial factors sufficient to overcome the weighting shall be in the complete discretion of the Agency.

* * *

Sec. 34. 2023 Acts and Resolves No. 62, Sec. 11 is amended to read:

Sec. 11. TRANSPORTATION ALTERNATIVES GRANT PROGRAM AWARDS IN STATE FISCAL YEARS 2024 TO 2027

Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant Program awards in State fiscal years 2024 to ~~2027~~ 2026 shall not exceed $600,000.00 per grant allocation. Notwithstanding 19 V.S.A. § 38(c),

Transportation Alternatives Grant Program awards in State fiscal year 2027 shall not exceed $1,200,000.00 per grant allocation.

* * * Consultation Regarding Municipal Programs * * *

Sec. 35. MUNICIPAL TRANSPORTATION PROGRAMS; ONGOING EVALUATION; IDENTIFICATION OF IMPROVEMENTS

(a) In addition to ongoing work pursuant to 2025 Acts and Resolves No. 43, Sec. 15, the Agency of Transportation, in consultation with the Vermont League of Cities and Towns and the Vermont Association of Planning and Development Agencies, shall:

(1) continue examining the requirements of 19 V.S.A. § 309c, cancellation of locally managed projects, as set forth in 2025 Acts and Resolves No. 43, Sec. 14, to evaluate the obligations, risks, and benefits imposed by the provisions of that section on the State and the local sponsor of a locally managed project and to identify potential changes to the provisions of that section to ensure that State and federal transportation funding resources are appropriately administered;

(2) continue evaluating the State's Town Highway Aid and municipal grant programs administered by the Agency, as set forth in 2025 Acts and Resolves No. 43, Sec. 16, to identify potential efficiencies and improvements related to the administration of Town Highway Aid and municipal grant programs; and

(3)(A) examine the provisions in the Vermont statutes related to the procedures for establishing speed limits; and

(B) identify potential opportunities to simplify and clarify those provisions to assist municipalities in meeting local needs, including safety and context sensitivity.

(b) The Agency shall, on or before January 15, 2027, submit to the House and Senate Committees on Transportation any recommendations for legislative action.

* * * Drive Electric Vermont * * *

Sec. 36. DRIVE ELECTRIC VERMONT; APPROPRIATION

In State fiscal year 2027, the sum of $242,000.00 is appropriated from the Transportation Fund to the Agency of Transportation to support the continuation of the Agency's partnership with Drive Electric Vermont. The monies shall be used for programs and activities that support increased ownership and use of plug-in electric vehicles in the State through:

(1) stakeholder coordination;

(2) consumer education and outreach;

(3) infrastructure development; and

(4) the provision of technical assistance and support to Vermont municipalities and Vermont businesses desiring to electrify their vehicle fleets.

* * * Caledonia County State Airport * * *

Sec. 37. 2023 Acts and Resolves No. 62, Sec. 8 is amended to read:

Sec. 8. SALE OR LEASE OF CALEDONIA COUNTY STATE AIRPORT

(a)(1) The Agency of Transportation is authorized to issue a request for proposals for the purchase or lease of the Caledonia County State Airport, located in the Town of Lyndon, and the Agency shall consult with the Town of Lyndon on any requests for proposals related to the purchase or lease of the Airport prior to the issuance of any requests for proposals related to the purchase or lease of the Airport.

(2) The request for proposal shall include a request for a business plan, which shall, at a minimum, include the prospective purchaser's or lessor's plans for investments in the Airport and the surrounding communities and may include plans for partnerships with secondary and post-secondary institutions in the surrounding communities.

(b) Subject to obtaining any necessary approvals from the U.S. Federal Aviation Administration, the Vermont Secretary of Transportation, as agent for the State, is authorized to convey the Airport property by warranty deed according to the terms of a purchase and sale agreement or through a long-term lease.

(c) Any such conveyance shall:

(1) include assignment of the State's interest in easements, leases, licenses, and other agreements pertaining to the Airport and the acceptance of the State's obligations under such easements, leases, licenses, and other agreements that requires, at a minimum, that any leases and terms of leases that are in effect at the time of the conveyance of the Airport are fully honored for the balance of the lease term;

(2) ensure that there are investments in the Airport to address current deficiencies and necessary repairs;

(3) ensure that the Airport continues to be a public-use airport and that the public continues to have access to the Airport for general aviation uses in perpetuity;

(4) ~~ensure that the Airport continues to be identified as a public-use airport within the National Plan of Integrated Airport Systems until at least 2050, subject to federal determination;~~

~~(5)~~ include, if the Airport is conveyed through a purchase and sale agreement, a six-month right of first refusal, running from the date that the owner of the Airport provides notice to the State of an intent to sell the Airport, for the State to repurchase the Airport at fair market value before the Airport is resold or transferred to a new owner; and

~~(6)~~(5) include, if the Airport is leased, that the lease cannot be either assigned or the lessor cannot sub-lease all or substantially all of the Airport without the written approval of the Vermont Secretary of Transportation.

(d) The Agency shall not proceed with a sale or lease of the Airport unless:

(1) there is a fair market value offer, as required under 19 V.S.A. § 10k(b) or 26a(a), that meets the requirements of subsection (c) of this section; and

(2) the Town of Lyndon is given the opportunity to review and comment on the final purchase and sale agreement or lease as applicable.

(e) This section shall constitute specific prior approval, including of any sale or lease terms, by the General Assembly for purposes of 5 V.S.A. § 204.

Sec. 38. 2023 Acts and Resolves No. 62, Sec. 9 is amended to read:

Sec. 9. REPEAL OF AUTHORITY FOR SALE OR LEASE OF CALEDONIA COUNTY STATE AIRPORT

Sec. 8 of this act shall be repealed on ~~May 1, 2026~~ November 1, 2027.

* * * Medical Transports * * *

Sec. 39. PUBLIC TRANSIT DEMAND RESPONSE MEDICAL TRANSPORTS; VOLUNTEER DRIVERS; MOBILITY MANAGEMENT; GRANTS

The Agency of Transportation is authorized to utilize amounts appropriated for supplemental nonemergency medical transportation funding in fiscal year 2027 for the purpose of providing grants to public transit agencies to support the recruitment and retention of volunteer drivers and mobility management activities related to nonemergency medical transports.

* * * Real-Time Status of Public EVSE * * *

Sec. 40. 19 V.S.A. § 2901 is amended to read:

§ 2901. DEFINITIONS

As used in this chapter:

* * *

(2) "Charging network provider" means a person that operates the digital communication network that remotely manages the EVSE at a charging station.

(3) "Charging station" means the area in the immediate vicinity of one or more EVSE and includes the EVSE, supporting equipment, parking areas adjacent to the EVSE, and lanes for vehicle ingress and egress. A charging station may comprise only a portion of the property on which it is located.

(4) "Charging station operator" means a person that owns or provides the EVSE and the supporting equipment and facilities at one or more charging stations and is responsible for operating and maintaining the EVSE, supporting equipment, and facilities. A charging station operator may delegate to another person or contract with another person for charging station operation and maintenance.

(5) "Connector" means a device that attaches EVSE to a PEV to transfer electricity from the EVSE to the PEV.

(6) "Direct current fast charger" or "DCFC" means EVSE that enables charging through the delivery of direct current electricity to a PEV's battery.

(7) "Electric bicycle" has the same meaning as in 23 V.S.A. § 4(46)(A).

~~(3)~~(8) "Electric cargo bicycle" means a motor-assisted bicycle, as defined in 23 V.S.A. § 4(45)(B)(i), with an electric motor, as defined under 23 V.S.A. § 4(45)(B)(i)(II), that is specifically designed and constructed for transporting loads, including at least one or more of the following: goods, one or more individuals in addition to the operator, or one or more animals. A motor-assisted bicycle that is not specifically designed and constructed for transporting loads, including a motor-assisted bicycle that is only capable of transporting loads because an accessory rear or front bicycle rack has been installed, is not an electric cargo bicycle.

~~(4)~~(9) "Electric vehicle supply equipment (EVSE)" and "electric vehicle supply equipment available to the public" have the same meanings as in 30 V.S.A. § 201.

(10) "Level 2 EVSE" means EVSE with a single-phase input voltage range from 208 to 277 volts of alternating current (AC) and maximum output current of not more than 80 amperes AC.

(11) "NEVI standards" means the minimum standards and requirements for projects funded under the National Electric Vehicle Infrastructure (NEVI) Formula Program that were published in the Federal Register on February 28, 2023 (88 FR 12752).

~~(5)~~(12) "Plug-in electric vehicle (PEV)," "battery electric vehicle (BEV)," and "plug-in hybrid electric vehicle (PHEV)" have the same meanings as in 23 V.S.A. § 4(85).

(13) "Port" means a system or connecting outlet on EVSE that provides power to charge a PEV, provided that a port may be equipped with more than one connector but shall only use one connector at a time to provide power to a PEV.

(14) "Publicly funded and available charging station" means a charging station that has received, or expects to receive, a grant, loan, or other incentive from a federal or State government source or from funds provided by Vermont retail electricity providers and that is publicly available.

Sec. 41. 19 V.S.A. § 2908 is added to read:

§ 2908. PUBLIC EVSE; REAL-TIME STATUS; AVAILABILITY

(a) Except as provided in subsection (b) of this section, a charging network provider shall, for any networked publicly funded and available charging station in Vermont that is installed or reconditioned on or after September 30, 2026, ensure that the following data fields are made available, free of charge, to third-party software developers via an application programming interface:

(1) a unique charging station name or identifier;

(2) the address of the property where the charging station is located, including street address, city, and ZIP code;

(3) the geographic coordinates in decimal degrees of the exact charging station location;

(4) the charging station operator name;

(5) the charging network provider name;

(6) the charging station status, including whether the station is operational, under construction, planned, or decommissioned;

(7) charging station access information, including:

(A) the charging station access type, such as whether it may be used by the public or is limited to use by commercial vehicles; and

(B) the charging station access days and times, including the hours of operation for the charging station;

(8) charging port information, including:

(A) the number of charging ports;

(B) the unique port identifier for each port;

(C) the connector types available by port;

(D) the charging level by port, such as DCFC or AC Level 2;

(E) the maximum power delivery rating in kilowatts by charging port;

(F) the maximum output voltage by charging port;

(G) accessibility by a vehicle with a trailer by port (yes/no); and

(H) the real-time status by port in terms defined by Open Charge Point Interface 2.2.1; and

(9) pricing and payment information, including:

(A) the pricing structure;

(B) the real-time price to charge at each charging port, in terms defined by Open Charge Point Interface 2.2.1; and

(C) the payment methods accepted at the charging station, including whether credit, debit, or contactless forms of payment are accepted.

(b) The provisions of this section shall apply to a publicly funded and available charging station at all times that a member of the public may use the associated EVSE to charge a PEV.

(c) The provisions of this section may be enforced by:

(1) any State agency or department that provides or administers grants, loans, or other incentives to support the construction or operation of publicly funded and available charging stations; and

(2) the Department of Public Service for publicly funded and available charging stations that have received a grant, loan, or other incentive provided by one or more Vermont retail electricity providers.

(d) A charging network provider may attach reasonable conditions to data use that are designed to protect confidential business information, provided

that the conditions do not prevent third-party software developers from accessing the real-time information required pursuant to subsection (a) of this section.

(e)(1) A State agency or department that provides a grant, loan, or other incentive for the construction or operation of a charging station that is installed or reconditioned on or after September 30, 2026, shall require the recipient to notify the relevant charging network provider that the provisions of this section apply to a charging station.

(2) A retail electricity provider, if it provides a grant, loan, or other incentive for the construction or operation of a charging station that is installed or reconditioned on or after September 30, 2026, shall require the recipient to notify the relevant charging network provider that the provisions of this section apply to the charging station.

(f) As used in this section:

(1) "Real-time" means that the applicable data field must be updated within one minute following a change in the charging port's status.

(2) "Retail electricity provider" has the same meaning as in 30 V.S.A. § 8002.

* * * EVSE Installation in Common Interest Communities * * *

Sec. 42. 27A V.S.A. § 1-204 is amended to read:

§ 1-204. PREEXISTING COMMON INTEREST COMMUNITIES

(a)(1) Unless excepted under section 1-203 of this title, the following sections and subdivisions of this title apply to a common interest community created in this State before January 1, 1999: sections 1-103, 1-105, 1-106, 1-107, 2-103, 2-104, and 2-121, subdivisions ~~3-102(a)(1) through (6)~~ 3-102(a)(1)–(6) and ~~(11) through (16)~~ (11)–(16), and sections 3-111, 3-116, 3-118, 4-109, and 4-117 to the extent necessary to construe the applicable sections. The sections and subdivisions described in this subdivision apply only to events and circumstances occurring after December 31, 1998, and do not invalidate existing provisions of the declarations, bylaws, plats, or plans of those common interest communities.

* * *

(3) Unless excepted under section 1-203 of this title, section 3-125 of this title shall apply to all common interest communities that contain 12 or more units that may be used for residential purposes created in this State on or before January 1, 2011. Section 3-125 applies only to events and circumstances occurring after June 30, 2026, and does not invalidate existing

provisions of the declarations, bylaws, plats, or plans of those common interest communities.

* * *

Sec. 43. 27A V.S.A. § 3-125 is added to read:

§ 3-125. ELECTRIC VEHICLE SUPPLY EQUIPMENT

(a) As used in this section:

(1) "Electric vehicle supply equipment (EVSE)" means a device or system designed and used specifically to transfer electrical energy to a plug-in electric vehicle.

(2) "EVSE owner" means the unit owner who applies to install an EVSE and each successive unit owner associated with the initial application to install the EVSE unless there is a specific change in ownership of the EVSE, in which case the EVSE owner shall be the owner specified in a conveying document memorializing the change in ownership of the EVSE.

(3) "Plug-in electric vehicle" has the same meaning as in 23 V.S.A. § 4(85).

(4) "Reasonable restriction" is a restriction that does not significantly increase the cost of the EVSE or significantly decrease the efficiency or specified performance of the EVSE.

(b)(1) Any covenant, restriction, or condition contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale of any interest in a common interest community, and any provision of a governing document associated with a common interest community, such as a declaration, bylaw, or rule, that either effectively prohibits or unreasonably restricts the installation of EVSE within the boundaries of a unit owner's unit or limited common element or the unit owner's exclusively designated parking space or the use of such EVSE for noncommercial purposes by a unit owner or the occupants of the unit owner's unit or is in conflict with this section is void and unenforceable.

(2) This subsection shall not apply to provisions that impose reasonable restrictions on EVSE. However, it is the policy of the State to promote, encourage, and remove obstacles to the use of plug-in electric vehicles, including access to EVSE at home.

(3) Installation of EVSE shall not be deemed a division or reallocation of a common element and shall not alter the allocated interests of any unit owner.

(c) The association may require the unit owner to:

(1) comply with federal, State, and local health and safety laws, including any applicable building codes or safety standards;

(2) comply with reasonable architectural standards adopted by the association that govern the dimensions, placement, or external appearance of the EVSE, provided that such standards shall not prohibit the installation of such EVSE or substantially increase the costs thereof;

(3) engage the services of a licensed electrician to install the EVSE;

(4) if the EVSE is installed in a common element or limited common element, reimburse the association for the actual costs of any increased insurance premium amount attributable to the EVSE with 14 days after receiving the association's insurance premium invoice; and

(5) comply with any other reasonable restrictions the association may impose.

(d) Notwithstanding any provision to the contrary in the association's governing documents, if the executive board of the association determines that the cumulative or additional use of electricity due to the installation and use of EVSE requires infrastructure improvements to provide a sufficient supply of electricity for the EVSE, the association may assess the cost of the required improvements against the unit of each unit owner that has installed, or will install, EVSE.

(e) If approval is required for the installation or use of EVSE, the application for approval shall be processed and approved by the association in the same manner as an application for approval of an architectural modification to the common interest community and shall not be intentionally avoided or delayed. The approval or denial of an application shall be in writing. If an application is not denied in writing within 60 days from the date of receipt of the application, the application shall be deemed approved, unless that delay is the result of a reasonable request for additional information.

(f) The unit owner and each successive owner of the EVSE shall be responsible for all of the following:

(1) costs for damage to the EVSE, common element, or limited common element resulting from the installation, maintenance, repair, removal, or replacement of the EVSE;

(2) costs for the installation, maintenance, repair, and replacement of the EVSE until the EVSE has been removed and for the restoration of the common element or limited common element after removal;

(3) cost of electricity associated with the EVSE; and

(4) unless the successor owner of the unit agrees in writing to undertake and comply with the unit owner's responsibilities with respect to the EVSE, removing the EVSE prior to the sale and restoring any affected common element or limited common element.

Sec. 44. [Deleted.]

Sec. 45. [Deleted.]

* * * Intelligent Speed Assistance * * *

Sec. 46. INTELLIGENT SPEED ASSISTANCE; IMPLEMENTATION AND COST EVALUATION; REPORT

(a) The Department of Motor Vehicles shall examine the potential to implement and administer an intelligent speed assistance program, including the following issues:

(1) intelligent speed assistance programs that have been or will be implemented in other states and the District of Columbia;

(2) costs for the State to implement an intelligent speed assistance program; and

(3) potential costs to drivers who choose to participate in an intelligent speed assistance program.

(b) On or before January 15, 2027, the Department shall submit a written report to the House and Senate Committees on Transportation regarding its findings and any recommendations for legislative action.

* * * Miscellaneous Transportation Jurisdiction Corrections * * *

Sec. 47. 20 V.S.A. § 3065 is amended to read:

§ 3065. PENALTIES

(a) A person who knowingly violates, or causes to be violated, a provision of sections 3062–3064 of this ~~title, or a regulation made by the Public Utility Commission in pursuance thereof,~~ chapter shall be imprisoned not more than 18 months or fined not more than $2,000.00, or both.

(b) When the death or bodily injury of a person is caused by the explosion of any explosive named in sections 3062–3064 and ~~3091-3092~~ 3091 and 3092 of this ~~title~~ chapter, while the ~~same~~ explosive is being placed upon a vessel or vehicle to be transported in violation ~~hereof~~ of this chapter, or while the ~~same~~ explosive is being so transported, or while the ~~same~~ explosive is being removed from ~~such~~ the vessel or vehicle, the person who knowingly places or

aids or permits the placement of ~~such~~ the explosives upon ~~such~~ the vessel or vehicle to be so transported shall be imprisoned not more than ~~ten~~ 10 years.

Sec. 48. 24 V.S.A. § 5106 is amended to read:

§ 5106. EXEMPTION FROM REGULATION

The public transportation systems and facilities operating under this authority are exempt from any of the regulatory provisions of Title 30, except that the ~~Public Utility Commission~~ Transportation Board may impose any regulatory provisions of Title 30 that it ~~may determine from time to time~~ determines to be necessary.

Sec. 49. 24 App. V.S.A. ch. 801, § 5 is amended to read:

§ 5. EXEMPTION FROM REGULATION

The public transportation systems and facilities operating under this Authority are generally exempt from any of the regulatory provisions of Title 30 of the Vermont Statutes Annotated. However, the ~~Public Utility Commission~~ Transportation Board may impose those regulatory provisions of Title 30 of the Vermont Statutes Annotated that it ~~may determine from time to time~~ determines to be necessary.

Sec. 50. 25 V.S.A. § 241 is amended to read:

§ 241. APPLICATION OF PROVISIONS

This subchapter shall apply to every person~~, partnership, unincorporated association, or corporation~~ that shall drive or float lumber in any stream. The use of any ~~such~~ stream for ~~such~~ that purpose shall constitute an election on the part of ~~such~~ the person~~, partnership, unincorporated association, or corporation~~ to be subject to and bound by the provisions of this subchapter ~~and to be bound thereby~~. This subchapter shall apply to every owner of the land adjoining any stream ~~so~~ that is used for the purpose of driving or floating lumber, unless, within 60 days after an alleged injury, the owner notifies, in writing, the ~~Public Utility Commission~~ Agency of Natural Resources that the provisions of this subchapter are not intended to apply.

Sec. 51. 25 V.S.A. § 242 is amended to read:

§ 242. PETITION TO ~~PUBLIC UTILITY COMMISSION~~ AGENCY OF NATURAL RESOURCES

When damage is done to ~~such~~ the owner by ~~such~~ the lumber in the driving or floating of the ~~same~~ lumber and ~~such~~ the owner and the owner of the lumber do not agree upon the damages, either party may prefer a petition to the ~~Public Utility Commission~~ Agency of Natural Resources setting forth the

injury alleged to be sustained and ~~praying for the~~ seeking redress ~~provided for by~~ pursuant to the provisions of this subchapter.

Sec. 52. 25 V.S.A. § 243 is amended to read:

§ 243. NOTICE AND HEARING; DECISION

Upon due notice to all parties in interest, the ~~Public Utility Commission~~ Agency of Natural Resources shall hear and determine the cause of ~~such~~ the injury to the land or other property adjoining ~~such~~ the stream. When the ~~Commission~~ Agency determines that ~~such~~ the injury was caused by the driving or floating of lumber, it shall fix the compensation to be paid ~~therefor~~, including expense for witnesses and ~~a~~ reasonable ~~attorney fee~~ attorney's fees, and render a decision accordingly, which decision shall be final and a bar to any other action brought for such damages.

Sec. 53. 25 V.S.A. § 244 is amended to read:

§ 244. JUDGMENT ON DECISION

A party in interest may file in the Superior Court for the county in which the inquiry was held a certified copy of the decision of the ~~Commission~~ Agency awarding compensation, whereupon ~~such~~ the court shall render judgment in accordance ~~therewith~~ with the decision and notify the parties ~~thereof~~ of the judgment. ~~Such~~ The judgment shall have the same effect, and all proceedings in relation ~~thereto~~ to the judgment shall ~~thereafter~~ be the same as though ~~such~~ the judgment had been rendered in an action duly heard and determined by ~~such~~ the court, and there shall be no appeal ~~therefrom~~ from the judgment.

Sec. 54. 25 V.S.A. § 245 is amended to read:

§ 245. BOND OF FOREIGN CORPORATION

A foreign corporation, before driving or floating any logs, lumber, or other timber in any stream in this State, shall file in the Office of the Secretary of State for the benefit of the owners of land adjoining any stream used by ~~such~~ the corporation, a good and sufficient bond to be approved by the Secretary and in ~~such~~ a sum ~~as he or she directs~~ the Secretary determines is appropriate. ~~Such~~ The bond shall be given to the Secretary as trustee of the corporation, for each and all of the riparian owners, and shall be conditioned for the payment of all damages and compensation awarded by the ~~Commission~~ Agency and any judgment rendered by any court from which an appeal has not been taken. Upon breach of the condition of ~~such~~ the bond, the Secretary, upon application by a riparian owner whose award by the ~~Commission~~ Agency or judgment remains unpaid for more than 30 days, shall institute proceedings thereon in ~~his or her~~ the Secretary's name as trustee for the benefit of all landowners to

whom ~~such~~ the corporation may be indebted~~, as hereinbefore provided,~~ pursuant to the provisions of this section at the time ~~such~~ the proceedings shall be instituted.

Sec. 55. 32 V.S.A. § 8394 is amended to read:

§ 8394. PETITION AND HEARING FOR RELIEF FROM TAXES

Upon the written petition of any railroad corporation operating a railroad located in whole or in part within this State, setting forth that the financial condition of ~~such~~ the corporation is such that the payment of any taxes assessed against it under the provisions of this chapter would imperil the continued operation of ~~such~~ the railroad and would be detrimental to the general good of the State, the ~~Public Utility Commission~~ Commissioner of Taxes shall fix a time and place for a hearing ~~thereon~~ on the petition and give

Sec. 56. VEHICLE HISTORY INFORMATION; REPORT

(a) The Commissioner of Motor Vehicles, in consultation with the Attorney General, the Vermont Vehicle and Automotive Distributors Association, the Alliance for Automotive Innovation, and other interested stakeholders, shall examine the use and reliability of vehicle history reports utilized in relation to the purchase and sale of used motor vehicles in Vermont. The report shall address:

(1) how information provided in vehicle history reports is gathered and disseminated;

(2) the accuracy of vehicle history information provided in vehicle history reports;

(3) the frequency with which complaints regarding the accuracy of vehicle history reports are submitted to the State;

(4) the frequency and potential causes of inaccurate or incomplete vehicle history information being provided in vehicle history reports;

(5) potential causes for inaccurate or incomplete vehicle history information being included in vehicle history reports; and

(6) potential legislative or regulatory actions that could reduce the occurrence of inaccurate or incomplete vehicle history information appearing in vehicle history reports.

(b) On or before December 15, 2026, the Commissioner shall submit a written report to the House and Senate Committees on Transportation regarding their findings pursuant to subsection (a) of this section and any recommendations for legislative action.

(c) As used in this section:

(1) "Vehicle history information" includes the following related to a motor vehicle:

(A) accident or damage information;

(B) the number of previous owners;

(C) information regarding service or maintenance history, including diagnostic information generated while performing service or maintenance;

(D) odometer readings; and

(E) title information.

(2) "Vehicle history report" means any written or electronic communication of vehicle history information made by a vehicle history report provider that is made available to consumers.

(3) "Vehicle history report provider" means an entity that generates vehicle history reports from a vehicle history database that are provided directly to consumers. "Vehicle history report provider" does not include a dealer that obtains a vehicle history report from a third party that is not an affiliate of the dealer and that then communicates the vehicle history report without altering the vehicle history information in the report.

* * * Effective Dates * * *

Sec. 57. EFFECTIVE DATES

(a) Sec. 11 (purchase and use tax payments to Education Fund) shall take effect on July 1, 2027.

(b) Sec. 12 (repeal of purchase and use tax payments to Education Fund) shall take effect on July 1, 2031.

(c) Secs. 16 (mileage-based user fee), 17 (infrastructure fee for PHEVs), and 18 (transition to mileage-based user fee) shall take effect on January 1, 2027.

(d) Sec. 21 (expansion of mileage-based user fee to hybrid vehicles), Sec. 22 (addition of fuel tax credit), and Sec. 23 (increase in default mileage-based user fee rate) shall take effect on January 1, 2029.

(e) The remaining sections shall take effect on July 1, 2026.

New Business

Favorable

S. 214

An act relating to the provision of prekindergarten education in geographically isolated school districts

Rep. Quimby of Lyndon, for the Committee on Education, recommends that the bill ought to pass in concurrence.

(Committee Vote: 10-0-1)

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

(Committee Vote: 9-1-1)

Rep. Kascenska of Burke, for the Committee on Appropriations, recommends that the bill ought to pass in concurrence.

(Committee Vote: 10-0-1)

Senate Proposal of Amendment

H. 171

An act relating to criminal justice agency protocols for an officer-involved shooting

The Senate proposes to the House to amend the bill in Sec. 1, officer-involved shooting protocol, in subdivision (c)(5), after "independent assessments" by inserting "and the role of victim advocates"

H. 577

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

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

First: In Sec. 1, 18 V.S.A. chapter 91, subchapter 7, in section 4691, by striking out subsection (e) in its entirety and inserting in lieu thereof a new subsection (e) to read as follows:

(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 impact, if any, of the Program on the viability of Vermont's pharmacies.

Second: In Sec. 3a, 32 V.S.A. § 111, in subsection (b), in the second sentence, following "Drug Discount", by inserting "Card" preceding "Program"

H. 588

An act relating to professions and occupations regulated by the Office of Professional Regulation

The Senate proposes to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * General Powers * * *

Sec. 1. 3 V.S.A. § 123 is amended to read:

§ 123. DUTIES OF OFFICE

(a) The Office shall provide administrative, secretarial, financial, investigatory, inspection, and legal services to the boards. The services provided by the Office shall include:

* * *

(2) Issuing, recording, renewing, and reinstating all licenses as ordered by the boards, an appellate officer, the Director, an administrative law officer, or a court.

(3) Revoking, rescinding, or suspending licenses as ordered by the boards, the Director, an administrative law officer, or a court.

* * *

(14) Adopting rules to establish a program to serve as an alternative to the disciplinary process for regulated professionals with substance use disorders or other professional practice issues as designated by the boards or Director.

* * *

Sec. 2. 3 V.S.A. § 129 is amended to read:

§ 129. POWERS OF BOARDS OR OF DIRECTOR IN ADVISOR PROFESSIONS; DISCIPLINE ~~PROCESS~~ AND RESCISSION PROCESSES

* * *

(d) A board or the Director shall notify parties, in writing, of their right to appeal final decisions of the board. A board or the Director shall also notify complainants in writing of the result of any disciplinary investigation made with reference to a complaint brought by them to the board or Director. When a disciplinary investigation results in a stipulation filed with the ~~board~~ docket clerk, the board or the Director shall provide the complainant with a copy of the stipulation and notice of the stipulation review scheduled before the board or hearing authority. The complainant shall have the right to be heard at the stipulation review.

* * *

(j) Hearings involving denials or rescissions of licensure or disciplinary matters concerning persons in professions that have advisor appointees shall be heard by an administrative law officer appointed by the Secretary of State.

* * *

Sec. 3. 3 V.S.A. § 129c is added to read:

§ 129c. RESCISSIONS

(a) The Director may rescind a license or compact privilege issued by the Office of Professional Regulation under the following circumstances:

(1) it is discovered that an administrative mistake has occurred resulting in the erroneous issuance of the license;

(2) payment is not remitted for any application fee pursuant to section 125 of this title; or

(3) if, for a compact license or privilege:

(A) either:

(i) this State or the compact license or privilege holder's home state of licensure ceases participating in the relevant licensing compact; or

(ii) the compact license or privilege holder ceases to hold an unencumbered home-state license; and

(B) the compact license or privilege holder does not obtain a full Vermont license within 30 days.

(b) The rescission process shall be as set forth in this subsection.

(1) License active for less than 30 days.

(A) If the individual's license has been active for less than 30 days, the Director shall initially rescind the license for any reason enumerated in subsection (a) of this section.

(B) The individual shall be immediately notified of the rescission, the reason for rescission, and procedural rights.

(C) The individual shall be provided an opportunity to have the rescission reviewed by either an administrative law officer or the relevant board. In any review, the Director shall have the burden of proving the rescission is merited. Any review shall commence not later than 30 days after the rescission, and a decision in any review shall be rendered within 40 days following the rescission. The decision shall either reverse the Director's rescission, in which case the license shall be immediately reinstated, or affirm the Director's rescission and be deemed a final decision of the administrative law officer or board.

(D) In the event of an administrative law officer or board affirming the Director's rescission, the individual shall be provided notice and the ability to appeal the Director's rescission in accordance with section 130a of this title; however, the individual shall have the burden of proving the rescission is not merited.

(2) License active for 30 days or more.

(A) If the individual's license has been active for 30 days or more, and the Director determines there is a reason for rescission as enumerated in subsection (a) of this section, the Director shall provide notice to the individual that, after 30 days from issuing the notice, the Director intends to rescind the individual's license. The notice shall also include the reason for rescission and the individual's procedural rights.

(B) The individual shall be provided an opportunity to have a hearing to determine the merits of a rescission. The individual shall have 30 days from when the Director's notice was issued to indicate if the individual elects to have a hearing. In the event the individual either elects not to have a hearing or declines to answer within the allotted 30 days, Director shall rescind the individual's license and the individual shall be foreclosed from appealing the decision pursuant to subdivision (D) of this subdivision (b)(2). In the event the individual elects to have a hearing, any rescission shall be stayed until a hearing decision is rendered.

(C) Any hearing shall be held in accordance with section 129 of this title and the resulting decision shall either affirm or reverse the Director's rescission of the individual license.

(D) In the event of a hearing decision finding that the Director's rescission of the individual's license is merited, the individual shall be provided notice and the ability to appeal the Director's rescission in

accordance with section 130a of this title; however, the individual shall have the burden of proving the rescission is not merited.

(c) A rescission of a license shall not be recorded as an adverse action taken against the individual or any other misconduct or unprofessional conduct for purposes of the individual's other currently held licenses or future licensure applications.

(d) Upon becoming aware of the State either withdrawing from any licensure compact described in Title 26 or when a licensure compact described in Title 26 becomes no longer binding on the State, the Office of Professional Regulation shall notify as soon as practicable all affected licensees practicing in the State. An individual's license may not be rescinded if the Office fails to provide the notice.

Sec. 4. 3 V.S.A. § 128 is amended to read:

§ 128. DISCIPLINARY ACTION TO BE REPORTED TO THE OFFICE

(a)(1) Any hospital, clinic, community mental health center, or other health care institution in which a licensee performs professional services shall report to the Office, along with supporting information and evidence, any disciplinary action taken by it or its staff that limits or conditions the licensee's privilege to practice or leads to suspension or expulsion from the institution.

* * *

(3) This section shall ~~not~~ apply to cases of resignation, separation from service, or changes in privileges that are ~~unrelated~~ related to:

(A) a disciplinary or adverse action;

(B) an adverse action report to the National Practitioner Data Bank;

(C) an unexpected adverse outcome in the care or treatment of a patient;

(D) misconduct or allegations of misconduct;

(E) the initiation or process of an action to limit, condition, or suspend a licensee's privilege to practice in an institution;

(F) an action to expel the licensee from an institution; or

(G) any other action that could lead to an outcome described in subdivisions (A) through (F) of this subdivision (3).

* * *

Sec. 5. 3 V.S.A. § 129a is amended to read:

§ 129a. UNPROFESSIONAL CONDUCT

(a) In addition to any other provision of law, the following conduct by a licensee constitutes unprofessional conduct. When that conduct is by an applicant or person who later becomes an applicant, it may constitute grounds for denial of a license or other disciplinary action. Any one of the following items or any combination of items, whether the conduct at issue was committed within or outside the State, shall constitute unprofessional conduct:

(1) Fraudulent or deceptive procurement or use of a license or attempted fraudulent or deceptive procurement or use of a license by making or causing to be made a false, fraudulent, or forged statement or representation.

* * *

(g) Notwithstanding the provisions of this section or any other law to the contrary, the Director may adopt rules permitting a licensee to enter, at the Director's discretion, into a program serving as an alternative to the disciplinary process for regulated professionals with substance use disorders or other professional practice issues as designated by the boards or Director.

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

§ 129b. BOARD MEMBER AND ADVISOR APPOINTMENTS

(a) Notwithstanding any provision of law to the contrary relating to terms of office and appointments for members of boards attached to the Office of Professional Regulation, all board members appointed by the Governor shall be the age of majority, appointed for staggered five-year terms, and ~~shall~~ serve at the pleasure of the Governor. Appointments under this section shall not be subject to the advice and consent of the Senate. The Governor may remove any member of a board as provided in section 2004 of this title. Vacancies created other than by expiration of a term shall be filled in the same manner that the initial appointment was made for the unexpired portion of the term. Terms shall begin on January 1 of the year of appointment and run through December 31 of the last year of the term. The Governor may request nominations from any source but shall not be bound to select board members from among the persons nominated. As provided in section 2004 of this title, board members shall hold office and serve until a successor has been appointed.

* * *

Sec. 7. 3 V.S.A. § 137 is amended to read:

§ 137. UNIFORM PROCESS FOR FOREIGN CREDENTIAL VERIFICATION

* * *

(d) The provisions relating to ~~preliminary~~ license denials set forth in subsection 129(e) of this subchapter shall apply to a license application that is ~~preliminarily~~ denied for nonequivalence under this section.

* * * Accountants * * *

Sec. 8. 26 V.S.A. § 13 is amended to read:

§ 13. DEFINITIONS

As used in this chapter:

* * *

(7) ~~"Good character" means fiscal integrity, and a lack of any history of acts involving dishonesty, false statements, or fraud.~~ [Repealed.]

* * *

(11) "Principal place of business" means the office location designated by the licensee for the purposes of ~~substantial equivalency~~ mobility and reciprocity.

* * *

Sec. 9. 26 V.S.A. § 71a is amended to read:

§ 71a. LICENSE BY EXAMINATION

(a) ~~A license~~ To qualify for licensure as a ~~"certified public accountant" shall be granted by the Board to any person~~ certified public accountant, an applicant must:

(1) ~~who is of good character;~~

~~(2) who completes~~ complete any one of the following requirements for education and experience:

(A) a postbaccalaureate degree from a college or university recognized by the Board with a concentration in accounting or an equivalent and one year of experience in public accounting, meeting the requirements prescribed by Board rule;

(B) 150 or more semester hours of college credit at a college or university recognized by the Board, including a baccalaureate degree and a

minimum of 42 semester hours of accounting, auditing, and related subjects as the Board determines to be appropriate, and one year of experience in public accounting, meeting the requirements prescribed by Board rule ~~or other experience or employment that the Board in its discretion considers substantially equivalent~~; ~~and~~ or

(C) a baccalaureate degree from a college or university recognized by the Board with a concentration in accounting or an equivalent and two years of experience in public accounting, meeting the requirements prescribed by Board rule; and

~~(3)~~(2) ~~who has passed~~ pass the examination required under subsection (b) of this section.

(b) The Board shall administer an examination using a nationally recognized uniform certified public accountants' examination and advisory grading service.

(c) An applicant who has not yet completed a baccalaureate degree may sit for the exam upon the completion of 120 semester hours at an institution recognized by the Board, including a minimum of 30 semester hours of accounting, auditing, and related subjects as the Board determines to be appropriate.

Sec. 10. 26 V.S.A. § 74c is amended to read:

§ 74c. ~~SUBSTANTIAL EQUIVALENCY~~ MOBILITY

(a) An individual whose principal place of business is not in this State shall ~~be presumed to have qualifications substantially equivalent to this State's requirements and shall~~ have the privileges of licensure of this State, without the need to obtain a license under section 72b of this title, if the individual:

(1) holds a valid license as a certified public accountant from ~~a~~ any state ~~the Board determines has licensure requirements substantially equivalent to the requirements of the AICPA/NASBA Uniform Accountancy Act~~; ~~or~~ and

(2) ~~holds a valid license as a certified public accountant from any state, and the individual obtains verification from the NASBA National Qualification Appraisal Service that the individual's qualifications are substantially equivalent to the licensure requirements of the AICPA/NASBA Uniform Accountancy Act. An individual who passed the uniform CPA examination and holds a valid license issued by any state prior to January 1, 2012 shall be exempt from the education requirements of subdivision 5(c)(2) of the Uniform Accountancy Act for purposes of this section.~~ has passed the uniform CPA examination and has met any one of the following requirements for education and experience in accordance with rules adopted by the Board:

(A) a post-baccalaureate degree from a college or university with a concentration in accounting or an equivalent and one year of experience in public accounting;

(B) 150 or more semester hours of college credit at a college or university, including a baccalaureate degree and a minimum of 42 semester hours of accounting, auditing, and related subjects, and one year of experience in public accounting; or

(C) a baccalaureate degree from a college or university with a concentration in accounting or an equivalent and two years of experience in public accounting.

* * *

(g) An individual whose principal place of business is not in this State, who holds a valid active license as a certified public accountant from any state, and who, as of December 31, 2024, had practice privileges in this State under this section shall continue to have all the privileges of licensees in this State without the need to obtain a license under section 71a of this title, pursuant to all other requirements of this chapter.

* * * Dentists * * *

Sec. 11. 26 V.S.A. § 603 is added to read:

§ 603. LIMITED ACADEMIC DENTIST LICENSE

(a) Scope of dentist practice. A limited academic dentist license is a credential that authorizes the practice of dentistry only:

(1) at a teaching facility operated by a dental program that is accredited by the American Dental Association's Commission on Dental Accreditation to grant doctoral degrees in dental medicine or dental surgery; and

(2) under the general supervision of a dentist who is fully licensed in good standing in Vermont.

(b) Eligibility. To qualify for a limited academic dentist license, an applicant must:

(1) be appointed as a full-time dental instructor of an accredited dental program;

(2) hold a dental degree sufficient for licensure by examination under section 601 of this title; and

(3) complete any courses in emergency office procedures or cardiopulmonary resuscitation required for a licensed dentist.

(c) Specialties unavailable. A limited academic dentist license holder who is not otherwise licensed as a dentist in this State is ineligible for sedation and general anesthesia specialties.

(d) Notification of termination required. A limited academic dentist license holder must notify the Office within 48 hours after any termination as a full-time dental instructor. Continued practice after termination constitutes unauthorized practice under 3 V.S.A. § 127.

(e) Renewal. For license renewal, a limited academic dentist license holder must:

(1) meet all renewal requirements set forth in subsections 661(a)–(d) for a licensed dentist, except no fee is required; and

(2) continue to be a full-time dental instructor of an accredited dental program.

Sec. 12. 26 V.S.A. § 662 is amended to read:

§ 662. FEES

(a) Applicants and persons regulated under this chapter shall pay the following fees:

(1) Application

(A) Dentist $285.00

(B) Limited academic dentist $0.00

(C) Dental therapist $215.00

~~(C)~~(D) Dental hygienist $200.00

~~(D)~~(E) Dental assistant $80.00

(2) Biennial renewal

(A) Dentist $655.00

(B) Limited academic dentist $0.00

(C) Dental therapist $310.00

~~(C)~~(D) Dental hygienist $245.00

~~(D)~~(E) Dental assistant $105.00

(b) The licensing fee for a dentist, dental therapist, or dental hygienist or the registration fee for a dental assistant who is otherwise eligible for licensure or registration and whose practice in this State will be limited to providing pro

bono services at a free or reduced-fee clinic or similar setting approved by the Board shall be waived.

* * * Funeral Services * * *

Sec. 13. 26 V.S.A. § 1211 is amended to read:

§ 1211. DEFINITIONS

(a) As used in this chapter, unless a contrary meaning is required by the context:

* * *

(6) "Practice of funeral service" means arranging, directing, or providing for the care, preparation, or disposition of dead human bodies for a fee or other compensation. This includes:

(A) meeting with the public to select a method of disposition or funeral observance and merchandise;

(B) entering into contracts, either at-need or pre-need, for the provision of dispositions, funeral observances, and merchandise;

(C) arranging, directing, or performing the removal or transportation of a dead human body;

(D) securing or filing certificates, permits, forms, or other documents;

(E) supervising or arranging a funeral, memorial, viewing, or graveside observance; ~~and~~

(F) holding oneself out to be a licensed funeral director by using the words or terms "funeral director," "mortician," "undertaker," or any other words, terms, title, or picture that, when considered in context, would imply that such person is engaged in the practice of funeral service or is a licensed funeral director; and

(G) providing for the disposition of dead human bodies by cremation, alkaline hydrolysis, or natural organic reduction.

* * *

(c) Notwithstanding this section, owners of a disposition facility and their personnel may engage in the listed activities in subdivision (a)(6) of this section only to the extent such functions are necessary to the performance of their duties. Specifically, personnel at a disposition facility may:

(1) provide for the disposition of dead human bodies by cremation, alkaline hydrolysis, or natural organic reduction and meet with the public to arrange ~~and provide~~ for the disposition;

(2) enter into contracts, without taking prepaid funds, for the ~~provision of dispositions~~ disposition by cremation, alkaline hydrolysis, or natural organic reduction;

(3) arrange, direct, or perform the removal or transportation of a dead human body, provided that removals are performed by licensed removal personnel; and

(4) secure and file certificates, permits, forms, or other documents.

* * * Nursing; Advanced Practice Registered Nurses * * *

Sec. 14. 26 V.S.A. § 1614 is amended to read:

§ 1614. APRN RENEWAL

An APRN license renewal application shall include:

(1) documentation of ~~completion of the APRN practice requirement;~~

~~(2) possession of~~ a current certification by a national APRN specialty certifying organization; and

~~(3)~~(2) a current collaborative provider agreement if required for transition to practice.

* * * Pharmacists * * *

Sec. 14a. 26 V.S.A. § 2023 is amended to read:

§ 2023. CLINICAL PHARMACY; PRESCRIBING AND TESTING

(a) In accordance with applicable rules adopted by the Board, a pharmacist may engage in the practice of clinical pharmacy, including prescribing as set forth in subsection (b) of this section, provided that a pharmacist shall not:

* * *

(3) initiate antibiotic therapy, except pursuant to a collaborative practice agreement or state protocol.

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

* * *

(2) State protocol.

(A) A pharmacist may prescribe, order, or administer in a manner consistent with valid State protocols that are approved by the Commissioner of

Health after consultation with the Director of Professional Regulation and the Board and the ability for public comment:

* * *

(x) emergency prescribing of albuterol or glucagon while contemporaneously contacting emergency services;

~~(xi) tests for COVID-19 for individuals by entities holding a Certificate of Waiver pursuant to the Clinical Laboratory Amendments of 1988 (42 U.S.C. § 263a). If a test for COVID-19, prescribed, ordered, or administered by a pharmacist in accordance with this section and the resulting State protocol incidentally detects influenza or human respiratory syncytial virus, a pharmacist shall advise the individual tested that the results indicate influenza or human respiratory syncytial virus infection and recommend to the individual to seek further care from an appropriate health care provider;~~

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

~~(xiii)~~(xi) emergency contraception;

(xii) tests waived under 42 C.F.R. § 493.15 for COVID-19, influenza, and streptococcal pharyngitis and subsequent drug treatment; and

(xiii) medications for the prevention of human immunodeficiency virus, including those for pre-exposure and post-exposure prophylaxis.

* * *

Sec. 14b. 26 V.S.A. § 2022 is amended to read:

§ 2022. DEFINITIONS

As used in this chapter:

* * *

(14) "Pharmacy technician" means an individual who, only while assisting and under the supervision of a licensed pharmacist, performs tasks relative to dispensing prescription drugs, administering immunizations, and performing tests for COVID-19, influenza, and streptococcal pharyngitis. Pharmacy technicians shall administer immunizations and perform authorized tests ~~for COVID-19~~ in compliance and accordance with section 2042a of this title.

* * *

Sec. 14c. 26 V.S.A. § 2042a is amended to read:

§ 2042a. PHARMACY TECHNICIANS; QUALIFICATIONS FOR REGISTRATION

* * *

(e) Pharmacy technicians performing authorized ~~COVID-19~~ tests shall do so only:

(1) when a licensed pharmacist who is trained to perform authorized ~~COVID-19~~ tests is present and able to assist with the test, as needed; and

(2) in accordance with a State protocol adopted under subdivision 2023(b)(2)(A)~~(x)~~ of this title or pursuant to a standing order of the Commissioner of Health~~; and~~

~~(3) in accordance with rules adopted by the Board~~.

(f) The Board may adopt rules regarding the administration of immunizations and the performance of authorized ~~COVID-19~~ tests by pharmacy technicians.

* * * Psychologists * * *

Sec. 15. TEMPORARY PSYCHOLOGIST LICENSURE EDUCATIONAL SUPPLEMENTATION

(a) Notwithstanding the provisions of 26 V.S.A. chapter 55, 3 V.S.A. chapter 25, or any contrary rule, the Director of the Office of Professional Regulation may develop and implement temporary policies permitting supplementation of a master's or doctoral degree, pursuant to 26 V.S.A. § 3011a(a)(2), for the licensing of psychologists.

(b) Policies adopted pursuant to this section shall be:

(1) developed in consultation with the Board of Psychological Examiners and the Vermont Psychological Association;

(2) consistent with 26 V.S.A. chapter 57; and

(3) made available to the public.

(c) The Director's powers granted pursuant to this section and any temporary policies adopted pursuant to this section shall be in effect only until either July 1, 2029, or when the Board of Psychological Examiners adopts permanent rules regarding supplementation of a master's or doctoral degree, pursuant to 26 V.S.A. § 3011a(a)(2), for the licensing of psychologists, whichever occurs first.

(d) On or before July 1, 2029, the Board shall adopt updated rules regarding the supplementation of a master's or doctoral degree, pursuant to 26 V.S.A. § 3011a(a)(2), for the licensing of psychologists.

* * * Midwives * * *

Sec. 16. 26 V.S.A. chapter 85 is amended to read:

CHAPTER 85. MIDWIVES

* * *

§ 4185. DIRECTOR; DUTIES

* * *

~~(c)(1) The Director shall appoint an advisory committee to study and report to the Director and to the Commissioner of Health on matters relating to midwifery, including recommendations if necessary for revisions to the administrative rules. The Committee shall focus on improving communication and collaboration among birth providers.~~

~~(2) The Committee shall be composed of at least six members: three midwives licensed under this chapter, two physicians licensed by the Board of Medical Practice or the Board of Osteopathic Physicians and Surgeons, and one advanced practice registered nurse midwife licensed by the Board of Nursing.~~

~~(3) Members of the Committee shall be entitled to compensation at the rate provided in 32 V.S.A. § 1010.~~

* * *

§ 4187. RENEWALS

(a)(1) ~~Biennially, the Director shall forward a renewal form to each licensed midwife~~ A license shall be renewed every two years upon the filing of a renewal application, payment of the required fee, and proof of compliance with renewal requirements. The completed ~~form~~ renewal application shall include verification that during the preceding two years, the licensed midwife has:

(A) completed 20 hours of continuing education approved by the Director by rule;

(B) participated in at least four peer reviews;

(C) ~~submitted individual practice data;~~

~~(D)~~ maintained current cardiopulmonary resuscitation certification; ~~and~~

~~(E)~~(D) filed a timely certificate of birth for each birth at which ~~he or she~~ the licensee was the attending midwife, as required by law; and

(E) maintained current certification by the North American Registry of Midwives.

(2) Upon receipt of the completed form and of the renewal fee, the Director shall issue a renewal license to applicants who qualify under this section.

(b) The Director shall renew a license that has lapsed for a period of three years or less upon receipt of the renewal fee and late renewal penalty, the reinstatement fee, and an application for renewal that shows that the person still meets the eligibility requirements of this chapter and that all the requirements for renewal, including continuing education, have been satisfied. A person shall not be required to pay renewal fees for lapsed years.

(c) The Director may adopt rules to assure that an applicant whose license has lapsed for a period greater than three years may be eligible for licensing, but such rules shall not establish requirements greater than the eligibility requirements of this chapter.

(d) The Director may, as a condition of license renewal, require that licensed midwives submit individual practice data to the Office or its designee. The required data may include information such as client demographics, complications of labor and delivery, breastfeeding and postpartum health, and such other information as the Director may require.

* * * Speech-Language Pathologist Assistants; Sunrise Report * * *

Sec. 17. OFFICE OF PROFESSIONAL REGULATION; SUNRISE REVIEW REPORT; SPEECH-LANGUAGE PATHOLOGIST ASSISTANTS

On or before November 15, 2026, the Office of Professional Regulation, in consultation with speech language pathologists, speech-language pathology assistants, and other interested stakeholders, shall submit to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations a written report, in accordance with 26 V.S.A. chapter 57, on the advised nature of regulation and suggested level of credentialling for speech-language pathologist assistants practicing in the State. In so doing, OPR shall take into consideration its sunrise report completed in 2015.

* * * Massage Therapists, Bodyworkers, and Touch Professionals * * *

Sec. 18. 26 V.S.A. chapter 105 is amended to read:

CHAPTER 105. MASSAGE THERAPISTS, BODYWORKERS, AND TOUCH PROFESSIONALS

Subchapter 1. General Provisions

§ 5401. DEFINITIONS

As used in this chapter:

* * *

(2)~~(A)~~ "Establishment" means any ~~place of business that~~ location:

~~(i)~~(A) ~~offers the practice of massage or the practice of bodywork or where the practice of massage or the practice of bodywork is conducted on the premises of the business~~ where the practice of massage or the practice of bodywork is regularly engaged in; or

~~(ii)~~(B) that represents itself to the public by any title or description of services incorporating the words "touch professional," "bodywork," "massage," "massage therapy," "massage therapist," "massage practitioner," "massagist," "masseur," "masseuse," "energy work," or other words identified by the Director in rules.

~~(B) A "place of business" includes any office, clinic, facility, salon, spa, or other location not otherwise exempted under section 5404 of this chapter where a person or persons engage in the practice of massage or the practice of bodywork.~~

* * *

§ 5403. UNAUTHORIZED PRACTICE

Any individual who owns or operates an unregistered establishment or who engages in the practice of massage or the practice of bodywork without a registration from the Office shall be subject to the penalties provided in 3 V.S.A. § 127 ~~(unauthorized practice)~~.

§ 5404. EXEMPTIONS

* * *

(c) Nothing in this chapter shall prohibit a massage therapist, bodyworker, or touch professional from engaging in or offering the practice of massage or the practice of bodywork at a location that is not ~~an~~ a registered establishment~~,~~ if:

(1) ~~so long as prior to engaging in that practice at that location,~~ the ~~registrant~~ massage therapist and ~~his or her~~ the client agree in advance that the location is acceptable; and

(2) the location is not an establishment as defined in subdivision 5401(2) of this title.

(d) Establishment registration is not required for a location where the practice of massage or the practice of bodywork is provided solely by:

(1) persons exempt from registration; or

(2) a single massage therapist, bodyworker, or touch professional.

* * *

§ 5411. DUTIES OF THE DIRECTOR

* * *

(b) Rules.

(1) The Director shall adopt rules requiring a massage therapist, bodyworker, or touch professional to disclose to each new client before the first treatment the following information:

(A) the professional qualifications and experience of the registrant;

(B) actions that constitute unprofessional conduct;

(C) the method for filing a complaint against a registrant; and

(D) the method for making a consumer inquiry with the Office.

(2) The Director shall adopt rules regarding the display of:

(A) the registrations of employed or contracted massage therapists, bodyworkers, or touch professionals at an establishment; and

(B) information regarding unprofessional conduct and filing complaints with the Office.

(3) The rules described in this subsection shall include provisions relating to the manner in which the information disclosed shall be distributed or displayed and a requirement that a massage therapist, bodyworker, or touch professional and ~~his or her~~ the client sign an acknowledgement that the information was disclosed.

(4) The Director may adopt other rules as necessary to perform ~~his or her~~ the Director's duties under this chapter.

(5) The Director may adopt rules limiting the applicability of this chapter as applied to establishments operated within private homes.

* * *

§ 5423. ESTABLISHMENTS; DESIGNEE AND INSPECTION

(a) An establishment shall ~~designate a massage therapist, bodyworker, or touch professional to be responsible for ensuring the establishment complies with the requirements of this chapter and the rules adopted by the Director~~ register with the Office of Professional Regulation. The operation of an establishment without registration shall constitute unauthorized practice under 3 V.S.A. § 127.

(b) An establishment is responsible for ensuring its lawful operation, regardless of whether the establishment's owner is on-site or has personal knowledge of its operations. The Office may prosecute an establishment for unprofessional conduct or unauthorized practice occurring at the establishment.

(c) The Director may require that an application for establishment registration include:

(1) the management and ownership of the business;

(2) the name, location, and licensing history of any past or present massage establishment under the same management or ownership;

(3) the location and ownership of the establishment's premises;

(4) proof of business registration with the Secretary of State; and

(5) other information required by the Director in rule.

(d) The Director may deny an establishment registration of a location where unprofessional conduct, as defined in subdivision 5427(2) or (3) of this title, has previously occurred, even if under different ownership or management. A denial on this basis shall follow the same procedures as a denial for unprofessional conduct under 3 V.S.A. § 129.

(e) A person authorized by the Director may enter any establishment for the purpose of inspection ~~when a complaint has been filed with the Office regarding the practice of massage or the practice of bodywork at that establishment~~. The Director may require an establishment to undergo inspection prior to registration. A fee shall not be charged for any inspection under this subsection.

* * *

§ 5425. FEES

(a) Applicants and persons regulated under this chapter shall pay those fees set forth in 3 V.S.A. § 125(b).

(b) An establishment where the practice of massage or the practice of bodywork is provided by only two massage therapists, bodyworkers, or touch professionals shall pay reduced fees set forth in 3 V.S.A. § 125(b).

§ 5426. DISPLAY OF REGISTRATION

~~A massage therapist, bodyworker, or touch professional shall conspicuously display his or her registration in any establishment where the registrant is engaged in the practice of massage or the practice of bodywork~~ An establishment must conspicuously display the registrations of:

(1) the establishment; and

(2) any massage therapist, bodyworker, or touch professional engaged in the practice of massage or the practice of bodywork in the establishment.

§ 5427. UNPROFESSIONAL CONDUCT

Unprofessional conduct means the conduct set forth in 3 V.S.A. § 129a and the following:

(1) engaging in activities in violation of 13 V.S.A. § 2605 (voyeurism);

(2) engaging ~~in a sexual act~~ with a client in sexual conduct as defined in 13 V.S.A. § 2821:

(A) at an establishment; or

(B) while engaging in, offering to engage in, or purporting to engage in the practice of massage or the practice of bodywork;

(3) meeting a client at an establishment for the purpose of sexual conduct;

~~(3)~~(4) conviction of a crime committed while engaged in the practice of massage or the practice of bodywork;

~~(4)~~(5) performing massage or bodywork that the massage therapist, bodyworker, or touch professional knows or has reason to know has not been authorized by a client or the client's legal representative; ~~and~~

~~(5)~~(6) engaging in conduct of a character likely to deceive, defraud, or harm the public; and

(7) engaging in the practice of massage or the practice of bodywork at an unregistered establishment.

Sec. 18a. 3 V.S.A. § 125 is amended to read:

§ 125. FEES

(a) In addition to the fees otherwise authorized by law, a board or advisor profession may charge the following fees:

(1) Verification of license, $30.00.

(2) An examination fee established by the Secretary, which shall be not greater than the costs associated with examinations.

(3) Reinstatement fees for expired licenses pursuant to section 127 (unauthorized practice) of this title.

(4) Continuing, qualifying, or prelicensing education course approval:

(A) Provider, $100.00.

(B) Individual, $25.00.

(5) A preapplication criminal background determination, $25.00.

(6) Limited temporary license or work permit, $60.00.

(7) Apprenticeship application, $50.00.

(8) Specialty or endorsement to existing license application, $100.00.

(9) Disciplinary action surcharge, $250.00.

(b) Unless otherwise provided by law, the following fees shall apply to all professions regulated by the Director in consultation with advisor appointees under Title 26:

(1) Application for registration, $100.00, except application for:

* * *

(D) Massage therapist, bodyworker, or touch professional, $90.00.

(E) Massage establishment qualifying for a reduced fee under 26 V.S.A. § 5425(b), $50.00.

(2) Application for licensure or certification, $115.00, except application for:

* * *

(M) ~~Massage therapist, bodyworker, or touch professional, $90.00.~~ [Repealed.]

* * *

(4) Biennial renewal, $275.00, except biennial renewal for:

* * *

(Y) Massage establishment qualifying for a reduced fee under 26 V.S.A. § 5425(b), $75.00.

(5) ~~Limited temporary license or work permit, $60.00.~~ [Repealed.]

(6) Radiologic evaluation, $125.00.

(7) Annual renewal for appraisal management company registration, $345.00.

(8) Real estate appraiser trainee, $115.00.

(9) ~~Apprenticeship application, $50.00.~~ [Repealed.]

(10) ~~Specialty or endorsement to existing license application, $100.00.~~ [Repealed.]

(11) ~~Disciplinary action surcharge, $250.00.~~ [Repealed.]

* * *

Sec. 19. 13 V.S.A. § 2638 is amended to read:

§ 2638. IMMUNITY FROM LIABILITY

(a) As used in this section:

(1) "Human trafficking" has the same meaning as in section 2651 of this title.

(2) "Prostitution" has the same meaning as in section 2631 of this title.

(b) A person who, in good faith and in a timely manner, reports to law enforcement that the person is a victim of or a witness to a crime that arose from the person's involvement in prostitution or human trafficking shall not be cited, arrested, or prosecuted for a violation of the following offenses:

(1) section 2632 of this title (prostitution);

(2) section 2601a of this title (prohibited conduct);

(3) 18 V.S.A. § 4230(a)(1)–(3) (cannabis possession);

(4) 18 V.S.A. § 4231(a)(1) and (2) (cocaine possession);

(5) 18 V.S.A. § 4232(a)(1) and (2) (LSD possession);

(6) 18 V.S.A. § 4233(a)(1) and (2) (heroin possession);

(7) 18 V.S.A. § 4234(a)(1) and (2) (depressant, stimulant, and narcotic drugs possession);

(8) 18 V.S.A. § 4234a(a)(1) and (2) (methamphetamine possession);

(9) 18 V.S.A. § 4235(b)(1) (hallucinogenic drugs possession); ~~and~~

(10) 18 V.S.A. § 4235a(a)(1) (Ecstasy possession); and

(11) 26 V.S.A. § 5403 (unauthorized practice of massage or bodywork).

* * *

* * * Board of Medical Practice * * *

Sec. 19a. 26 V.S.A. § 1353 is amended to read:

§ 1353. POWERS AND DUTIES OF THE BOARD

The Board shall have the following powers and duties to:

* * *

(8)(A) Inquire into the criminal history backgrounds of applicants for licensure and for biennial license renewal for ~~all professionals licensed or certified by the Board. In obtaining these background checks, the Board may inquire directly of the Vermont Crime Information Center, the Federal Bureau of Investigation, the National Crime Information Center, or other holders of official criminal record information, and may arrange for these inquiries to be made by a commercial service~~ any Board-issued credential, including a license, certification, or registration for the following professions:

(i) medical doctors licensed pursuant to chapter 23 of this title;

(ii) podiatrists licensed pursuant to chapter 7 of this title;

(iii) anesthesiologist assistants licensed pursuant to chapter 29 of this title;

(iv) physician assistants licensed pursuant to chapter 31 of this title; and

(v) radiologist assistants licensed pursuant to chapter 52 of this title.

(B) Prior to acting on an initial or renewal application, the Board may obtain with respect to the applicant a Vermont criminal history record, an out-of-state criminal history record, and a criminal history record from the Federal Bureau of Investigation. Federal Bureau of Investigation background checks shall be fingerprint-supported, and fingerprints so obtained may be retained on file and used to notify the Board of future triggering events. Each applicant shall consent to the release of criminal history records to the Board on forms developed by the Vermont Crime Information Center.

(C) An applicant or licensee shall bear any cost of obtaining a required criminal history background check. Applicants subject to background checks shall be notified that a check is required, whether fingerprints will be

retained on file, and that criminal convictions are not an absolute bar to licensure. Applicants shall be provided other information as may be required by federal law or regulation.

~~(D) The Board shall comply with all laws regulating the release of criminal history records and the protection of individual privacy.~~

~~(E) No person shall confirm the existence or nonexistence of criminal history record information to any person who would not be eligible to receive the information pursuant to this chapter. As used in this subdivision, "criminal history record" has the same meaning as in 20 V.S.A. § 2056a.~~

* * *

* * * Effective Dates * * *

Sec. 20. EFFECTIVE DATES

(a) This section, Secs. 1–10 (general powers, accountants), Secs. 13–17 (funeral services, advanced practice registered nurses, pharmacists, psychologists, midwives, speech-language pathologist assistants report), Sec. 18a (3 V.S.A. § 125), and Sec. 19a (Board of Medical Practice) shall take effect on passage.

(b) Secs. 11 and 12 (dentists) shall take effect on September 1, 2026.

(c) Sec. 18 (massage therapists, bodyworkers, and touch professionals) and Sec. 19 (13 V.S.A. § 2638) shall take effect on December 1, 2026.

H. 611

An act relating to miscellaneous provisions affecting the Department of Vermont Health Access

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

First: By striking out Sec. 2, 18 V.S.A. § 4682, in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. 18 V.S.A. § 4682 is amended to read:

§ 4682. DISCRIMINATION AGAINST 340B ENTITIES PROHIBITED

* * *

(b) A manufacturer or its agent shall not directly or indirectly require a 340B covered entity to submit any claims, utilization, encounter, purchase, or other data as a condition for allowing the acquisition of a 340B drug by or delivery of a 340B drug to a 340B contract pharmacy or a 340B covered entity unless the claims or utilization data sharing is required by the U.S. Department of Health and Human Services.

* * *

(d) ~~A manufacturer or its agent shall offer or otherwise make available 340B drug pricing to a 340B covered entity or 340B contract pharmacy in the form of a discount at the time of purchase and shall not offer or otherwise make available 340B drug pricing in the form of a rebate.~~ [Repealed.]

Second: In Sec. 9, amending 2025 Acts and Resolves No. 50, Sec. 8, in subsection (a), by striking out "2026" both times it appears and inserting in lieu thereof "~~2026~~ 2027"

Third: By striking out Sec. 10, effective date, in its entirety and inserting in lieu thereof two new sections to be Secs. 10 and 11 to read as follows:

Sec. 10. 8 V.S.A. § 4077 is amended to read:

§ 4077. REPRODUCTIVE HEALTH CARE SERVICES

* * *

(h)(1) As used in this subsection:

(A) "HIV prevention drug" means any preexposure prophylaxis drug or postexposure prophylaxis drug, including oral and long-acting injectable formulations, that is approved by the FDA for HIV prevention or that is otherwise authorized for HIV prevention pursuant to FDA labeling or federal clinical guidelines.

(B) "Supportive health service" means any health service that is necessary to monitor a patient to ensure the safe and effective ongoing use of an HIV prevention drug and includes:

(i) an office visit;

(ii) laboratory testing;

(iii) testing for a sexually transmitted infection;

(iv) medication self-management and adherence counseling;

(v) patient education and counseling by the patient's health care provider regarding the appropriate use of the HIV prevention drug; and

(vi) any other health services that are components of comprehensive HIV prevention drug services as determined by the patient's health care provider.

(2) A health insurance plan shall provide coverage for HIV preexposure prophylaxis drugs as recommended by the U.S. Preventive Services Task Force as of August 22, 2023. This coverage shall be provided without any deductible, coinsurance, co-payment, or other cost-sharing requirement, except

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

(3) Medicaid and any other public health care assistance program offered or administered by the State or by any subdivision or instrumentality of the State, except for any program funded in whole or in part by federal grants that include prohibitions on coverage of HIV prevention drugs, shall provide coverage of HIV prevention drugs and supportive health services and shall:

(A) not require any cost sharing, including co-payments;

(B) provide coverage without requiring prior authorization or any other protocol that may restrict or delay dispensing for at least one FDA-approved drug in each category of preexposure and postexposure prophylaxis drugs; and

(C) not deny coverage based on the type of health care professional issuing the prescription for any HIV prevention drug for which Medicaid does not require prior authorization, provided the health care professional is acting within the professional's authorized scope of practice and is enrolled as a participating provider in Vermont Medicaid.

Sec. 11. EFFECTIVE DATE

This act shall take effect on passage.

Senate Proposal of Amendment to House Proposal of Amendment

S. 227

An act relating to creating immigration protocols in Vermont schools

The Senate concurs in the House proposal of amendment with further proposal of amendment thereto as follows:

First: In Sec. 2, 16 V.S.A. chapter 33, in section 1486, in subsection (c), following "School districts and" by striking out "independent"

Second: In Sec. 2, 16 V.S.A. chapter 33, in section 1486, in subdivision (d)(2), following "authorizes entrance into" by striking out "a specific area" and inserting in lieu thereof "specific areas"

NOTICE CALENDAR

Favorable with Amendment

S. 193

An act relating to establishing a forensic facility for certain criminal justice-involved persons

Rep. LaLonde of South Burlington, for the Committee on Judiciary, recommends that the House propose to the Senate that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly that the Secretary of Human Services shall establish and operate a locked secure forensic facility for the competency restoration, evaluation, stabilization, treatment, and care of persons who have been found not competent to stand trial or not guilty by reason of insanity for serious criminal offenses. The Department of Corrections shall not operate or staff the forensic facility, with the exception that employees of the Department of Corrections may provide security services for the facility at the admitting area of and around the outside perimeter of a forensic facility if it is co-located on the grounds of a correctional facility.

Sec. 2. 13 V.S.A. § 4815a is added to read:

§ 4815a. COMPETENCY RESTORATION SERVICES WITHIN FORENSIC FACILITY

(a) A person shall be placed at the forensic facility established in section 4826 of this title if the person:

(1) has been charged with an offense punishable by a life sentence;

(2)(A) has been held without bail pursuant to section 7553 of this title; or

(B) if the person is not held without bail pursuant to section 7553 of this title, has a qualifying condition that, upon the person's release, would create a substantial risk of bodily injury to another person;

(3) is not currently:

(A) receiving treatment through an order of hospitalization pursuant to 18 V.S.A. § 7619 or section 4822 of this title; or

(B) subject to an order of commitment to the Commissioner of Disabilities, Aging, and Independent Living issued under 18 V.S.A. § 8845 or section 4823 of this title, unless the person is detained in a correctional facility pending trial; and

(4) has been found not competent to stand trial.

(b)(1) The forensic facility shall cause the person to be evaluated for competency to stand trial:

(A) six months from the date of admission, and thereafter every six months from the issuance of an order for continued competency restoration treatment under subdivision (3)(B) of this subsection (b); and

(B) at any time upon the determination by the Agency of Human Services Medical Director that the person is likely competent to stand trial or that it is unlikely that the person's competency can be restored.

(2) The court shall hold a hearing after the competency evaluation, and prior to the hearing, the results of all evaluations shall be supplied to the court and the parties to the underlying criminal action.

(3)(A) If the court finds after the hearing that the person is competent to stand trial, the court shall immediately notify the State's Attorney and the person's counsel in the criminal case.

(B) If the court finds after the hearing that the person is not competent to stand trial, the court shall order continued competency restoration treatment at the facility pursuant to this section.

(4) Notwithstanding any other provision of law or rule, witnesses at hearings held pursuant to this section shall be permitted to provide testimony remotely.

(c)(1) At the request of a party or the Agency of Human Services Medical Director, the court may order that a competency evaluation conducted pursuant to subsection (b) of this section include an opinion on whether the person's competency can be restored. If a request is made pursuant to this subsection, the forensic facility shall cause the person to be evaluated for restorability to competence prior to the hearing.

(2) If the court finds that the person's competency can be restored, the court shall order continued competency restoration treatment at the facility pursuant to this section.

(3)(A) If the court finds that the person's competency cannot be restored, the court shall hold a hearing within 60 days unless that period is extended by the court for good cause.

(B) Prior to the date of the hearing, the court shall order that a forensic risk assessment of the person be conducted that includes:

(i) the person's history and present dangerousness;

(ii) a description of any tests that were employed and the results of the tests;

(iii) the examiner's findings;

(iv) the examiner's opinion as to whether the person's release would create a substantial risk of bodily injury to another person;

(v) recommendations for evidence-based treatment and supervision that would support the person's success and mitigate risk of aggression and violence;

(vi) the examiner's opinion as to whether the person is a person in need of custody, care, and habilitation as defined in 18 V.S.A. § 8839; and

(vii) the examiner's opinion as to whether the person is competent to stand trial.

(C) The results of all evaluations shall be supplied to the court and the parties to the underlying criminal action.

(4)(A) If the State's Attorney demonstrates by clear and convincing evidence at a hearing held pursuant to subdivision (3)(A) of this subsection (c) or (B) of this subdivision (4) that the person has a qualifying condition that, upon the person's release, would create a substantial risk of bodily injury to another person, the court shall order continued commitment of the person consistent with the person's forensic risk assessment. The court shall order treatment of the person, which may include appropriate supervision and supervised housing, in the least restrictive setting consistent with the person's forensic risk assessment and treatment needs.

(B) If continued commitment is ordered pursuant to subdivision (A) of this subdivision (4), the person's commitment shall be reviewed by the court:

(i) every 12 months; and

(ii) at any time upon the determination by the Agency of Human Services Medical Director that the person no longer has a qualifying condition that, upon the person's release, would create a substantial risk of bodily injury to another person.

(5)(A) If the State's Attorney does not demonstrate by clear and convincing evidence at a hearing held pursuant to subdivision (3)(A) or (4)(B)

of this subsection (c) that the person has a qualifying condition that, upon the person's release, would create a substantial risk of bodily injury to another person, the court shall:

(i) order the release of the person under a prescribed regimen of medical, psychiatric, or psychological care or treatment, housing, and supervision by the Commissioner of Mental Health; the Department of Disabilities, Aging, and Independent Living; or the Department of Health, that the Agency of Human Services Medical Director has certified as appropriate; and

(ii) order, as an explicit condition of supervision, that the person comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment, housing, and supervision by the Commissioner of Mental Health; the Department of Disabilities, Aging, and Independent Living; or the Department of Health, together with any other conditions appropriate to protect the public.

(B) A person's release pursuant to this subdivision (5) shall be reviewed by the court every 12 months. The person shall be released from the supervision of the Commissioner of Mental Health; the Department of Disabilities, Aging, and Independent Living; or the Department of Health unless the State's Attorney demonstrates by clear and convincing evidence at the hearing that continued treatment and supervision is necessary to prevent the person from becoming a substantial risk of bodily injury to another person.

(C)(i) The State's Attorney shall make a reasonable effort to provide the victim with prior notice of any hearing held pursuant to this subdivision (5). The court may continue the hearing if the victim has not been provided with the notice required by this subdivision (C)(i).

(ii) At any hearing under this subdivision (5), the court shall ask if the victim is present and, if so, shall offer the victim the opportunity to be heard. The court may consider any views offered at the hearing by the victim, including the victim's views concerning the offense and preferences for the person's placement and care. If the victim is not present at the hearing, the court shall ask whether the victim has expressed oral or written views concerning the offense and preferences for the person's placement and care, and, if so, the court may consider those views.

(6)(A) If the court finds that the person's competency cannot be restored, and finds by clear and convincing evidence that the person is a person in need of custody, care, and habilitation as defined in 18 V.S.A. § 8839, the court shall issue an order of commitment for up to one year directed to the Commissioner of Disabilities, Aging, and Independent Living for placement in

a designated program in the least restrictive environment consistent with the person's need for custody, care, and habilitation. The order of commitment shall have the same force and effect as an order issued under 18 V.S.A. chapter 206, subchapter 3 and persons committed under the order shall have the same status, and the same rights, including the right to receive care and habilitation, to be examined and discharged, and to apply for and obtain judicial review of their cases, as persons ordered committed under 18 V.S.A. chapter 206, subchapter 3.

(B)(i) The Commissioner shall provide appropriate custody, care, and habilitation in a designated program to a person committed under subdivision (A) of this subdivision (6).

(ii) The court may order continued treatment at the forensic facility for a period not to exceed one year if the court finds that the Commissioner is not currently able to provide appropriate custody, care, and habilitation in a designated program. For good cause shown the court may extend the one-year period by an additional period not to exceed six months.

(C)(i) The court shall review an order of continued treatment issued pursuant to subdivision (B)(ii) of this subdivision (6) every 90 days.

(ii) If the court finds at the review that that appropriate custody, care, and habilitation can be provided to the person in a designated program, the court shall vacate the order for continued treatment and order the person committed to the custody of the Commissioner pursuant to subdivision (A) of this subdivision (6).

(iii) If the court finds at the review that that appropriate custody, care, and habilitation cannot be provided to the person in a designated program, the court shall order continued treatment at the forensic facility pursuant to subdivision (B)(ii) of this subdivision (6).

(D) The Commissioner may at any time certify to the court that appropriate custody, care, and habilitation can be provided to the person in a designated program, and after such a certification the court shall vacate the order for continued treatment and order the person committed to the custody of the Commissioner pursuant to subdivision (A) of this subdivision (6).

(E) As used in this subdivision (6), "Commissioner" means the Commissioner of Disabilities, Aging, and Independent Living.

(d) Except as provided in subdivisions (c)(4)(A), (c)(5), and (c)(6)(A) of this section, the person shall remain at the forensic facility until the person is restored to competency or until there is a final disposition of the charges against the person.

(e) The person shall receive competency restoration services while at the forensic facility according to a plan approved by the Agency of Human Services Medical Director. Such services shall include any appropriate combination of medication, education, accommodations, habilitation, or other services identified as necessary or proper to achieve and maintain competency to stand trial. The person's refusal to receive competency restoration services shall not be grounds for release or dismissal from the forensic facility.

(f) Competency restoration services shall be provided to the person at the forensic facility, or at another location as part of a discharge plan, until the person is restored to competency or until there is a final disposition of the charges against the person.

(g)(1) As appropriate for the needs of the person, the Commissioner of Mental Health; of Health; or of Disabilities, Aging, and Independent Living shall actively monitor compliance with orders issued pursuant to subdivision (c)(5) of this section. Upon request from the commissioner monitoring the person, the court shall immediately order return of a person to the forensic facility if:

(A) the person was released from the facility pursuant to subdivision (c)(5) of this section; and

(B) the Agency of Human Services Medical Director has reason to believe that, due to a qualifying condition, the person's continued release would create a substantial risk of bodily injury to another person.

(2) The commissioner monitoring the person shall notify the court where the person was committed upon return of the person to the forensic facility. Upon readmission, the court shall hold a hearing at which the State's Attorney shall have the burden of establishing by clear and convincing evidence that the person has a qualifying condition that, if the person's release continues, would create a substantial risk of bodily injury to another person. If the State's Attorney meets its burden, the court shall order the person readmitted to the forensic facility for treatment pursuant to this section. If the State's Attorney does not meet its burden, the court shall order the person restored to the status the person had when the person was returned to the facility.

(h) The Agency of Human Services Medical Director shall receive prior approval of the Criminal Division of the Superior Court where the person's underlying criminal charge is pending for any competency restoration plan involving involuntary medication. The court shall not approve involuntary medication unless the State's Attorney establishes by clear and convincing evidence that:

(1) the involuntary medication is medically appropriate;

(2) the involuntary medication serves the important governmental interests of bringing to trial an individual accused of a serious crime and ensuring a fair, timely prosecution;

(3) the involuntary medication significantly furthers these important governmental interests by making it substantially likely to render the defendant competent to stand trial; and

(4) any alternative, less intrusive treatments are unlikely to achieve the same results.

(i) When an evaluation is required of the person's competency or restorability under this section, the defense shall be entitled to conduct an independent evaluation and introduce the results at the hearing.

Sec. 3. 13 V.S.A. § 4817 is amended to read:

§ 4817. COMPETENCY TO STAND TRIAL; DETERMINATION; DISMISSAL

* * *

(e)(1) When a person has been found incompetent to stand trial for an alleged misdemeanor offense, the charges against the person shall be dismissed without prejudice if, after the finding of incompetence, the case remains inactive for a continuous period of time equal to or greater than the maximum sentence for the offense. Dismissal under this section shall not be required if the court finds that dismissing the case would be contrary to the interests of justice.

(2)(A) If the offense is not a qualifying crime under subdivision 7601(4) of this title, the court shall hold a hearing prior to dismissing a case under this subsection (e). The State's Attorney shall make a reasonable effort to provide the victim with prior notice of the hearing, and the court may continue the hearing if the victim has not been provided with the notice required by this subdivision (2)(A).

(B) At the hearing, the court shall ask if the victim is present and, if so, shall offer the victim the opportunity to be heard. The court may consider any views offered at the hearing by the victim, including the victim's views concerning the offense and the interests of justice. If the victim is not present at the hearing, the court shall ask whether the victim has expressed oral or written views concerning the offense and the interests of justice, and, if so, the court may consider those views.

Sec. 4. 13 V.S.A § 4819a is added to read:

§ 4819a. FORENSIC FACILITY PLACEMENT FOR PERSONS NOT GUILTY BY REASON OF INSANITY FOR CERTAIN CRIMES

(a)(1) A person who is charged with an offense punishable by a life sentence and is found not guilty only by reason of insanity at the time of the offense charged shall be committed to a forensic facility pursuant to this section. This section shall not be construed to prohibit the temporary transfer of a person requiring inpatient treatment through an order of hospitalization pursuant to 18 V.S.A. § 7619 or section 4822 of this title.

(2) The committing court shall retain jurisdiction over the person for all proceedings under this section.

(b)(1) A hearing shall be held by the court where the person was tried within 60 days following admission to the forensic facility, unless that period is extended by the court.

(2) Prior to the date of the hearing, the court shall order that a forensic risk assessment of the person be conducted that includes:

(A) the person's history and present dangerousness;

(B) a description of any tests that were employed and the results of the tests;

(C) the examiner's findings;

(D) the examiner's opinion as to whether the person's release would create a substantial risk of bodily injury to another person; and

(E) recommendations for evidence-based treatment and supervision that would support the individual's success and mitigate risk of aggression and violence.

(3) The results of all evaluations shall be supplied to the court and the parties to the underlying criminal action.

(4)(A) At the hearing, the court shall order the person committed to the forensic facility if the State's Attorney establishes by clear and convincing evidence that the person has a qualifying condition that, upon the person's release, would create a substantial risk of bodily injury to another person.

(B) If the State's Attorney does not establish by clear and convincing evidence that the person has a qualifying condition that, upon the person's release, would create a substantial risk of bodily injury to another person, the

court shall enter an order releasing the person pursuant to subdivisions (e)(3)(A) and (B) of this section.

(C) Notwithstanding any other provision of law or rule, witnesses at the hearing shall be permitted to provide testimony remotely.

(c) A person committed to the forensic facility pursuant to this section shall not be released until the court finds pursuant to subsection (e) of this section that the person no longer has a qualifying condition that, upon the person's release, would create a substantial risk of bodily injury to another person.

(d) The Agency of Human Services Medical Director shall, taking into account public safety and the least restrictive conditions applicable, provide adequate care and individualized treatment at the forensic facility to persons ordered committed pursuant to this section. In order that the Medical Director may adequately determine the nature of the person's condition and needs, all persons committed pursuant to this section shall be promptly examined by qualified personnel in order to provide a proper evaluation, diagnosis, and treatment plan.

(e)(1)(A)(i) The State's Attorney shall petition the committing court for review of the person's commitment:

(I) six months after the date that the person is committed pursuant to subdivision (b)(4)(A) of this section;

(II) three years after a commitment order issued following a review under subdivision (I) of this subdivision (i);

(III) every fifth year after a commitment order issued following a review under subdivision (II) of this subdivision (i); and

(IV) at any time upon certification at any time to the Secretary of Human Services by the Agency of Human Services Medical Director that the person no longer has a qualifying condition that, upon the person's release, would create a substantial risk of bodily injury to another person.

(ii) The Secretary of Human Services shall provide all reports required under this section to the State's Attorney, who shall file them with the petition.

(B)(i) A person committed pursuant to subdivision (b)(4)(A) of this section may petition the committing court for release on the grounds that the person no longer has a qualifying condition that, upon the person's release, would create a substantial risk of bodily injury to another person.

(ii) A petition shall not be filed pursuant to this subdivision (B):

(I) until at least 90 days after the issuance of the commitment order pursuant to subdivision (b)(4)(A) of this section; and

(II) more frequently than once during each applicable period set forth in subdivision (A)(i) of this subdivision (e)(1).

(2) If the State's Attorney establishes by clear and convincing evidence that the person has a qualifying condition that, upon the person's release, would create a substantial risk of bodily injury to another person, the court shall deny the petition and order the person committed to the forensic facility for continued treatment pursuant to this section.

(3) If the State's Attorney does not establish by clear and convincing evidence that the person has a qualifying condition that, upon the person's release, would create a substantial risk of bodily injury to another person, the court shall:

(A) order the release of the person under a prescribed regimen of medical, psychiatric, or psychological care or treatment, including supervision and housing, that the Agency of Human Services Medical Director has certified as appropriate; and

(B) order, as an explicit condition of supervision, that the person comply with the prescribed regimen of evidence-informed medical, psychiatric, or psychological care or treatment, including supervision and housing, together with any other conditions appropriate to protect the public.

(f) As appropriate for the needs of the person, the Commissioner of Mental Health; of Health; or of Disabilities, Aging, and Independent Living shall actively monitor compliance with orders issued pursuant to subdivision (e)(2) of this section. Upon request from the commissioner monitoring the person, the court shall immediately order return of the person to the forensic facility if the Agency of Human Services Medical Director determines that the person is noncompliant with the order and that the noncompliance may create a risk of bodily injury to another person. The commissioner monitoring the person shall notify the court where the person was committed upon return of the person to the forensic facility. Upon readmission, the court shall hold a hearing at which the State's Attorney shall have the burden of establishing by clear and convincing evidence that the person was noncompliant with the court's order for conditional release and that the noncompliance creates a risk of bodily injury to another person.

(g)(1) The State's Attorney shall provide the victim with prior notice of any hearing held pursuant to this section. The court may continue the hearing

if the victim has not been provided with the notice required by this subdivision.

(2) At any hearing under this section, the court shall ask if the victim is present and, if so, shall offer the victim the opportunity to be heard. The court may consider any views offered at the hearing by the victim, including the victim's views concerning the offense and preferences for the person's placement and care. If the victim is not present at the hearing, the court shall ask whether the victim has expressed oral or written views concerning the offense and preferences for the person's placement and care, and, if so, the court may consider those views.

Sec. 5. 13 V.S.A. § 4826 is added to read:

§ 4826. FORENSIC FACILITY; DEFINITIONS

(a)(1) As used in this chapter:

(A) "Competency can be restored" means a substantial probability that in the foreseeable future the person will attain the capacity to permit the proceedings to go forward.

(B) "Forensic facility" means a locked secure facility licensed as a therapeutic community residence as defined in 33 V.S.A. § 7102(11) where:

(i) the Agency of Human Services provides for the secure competency restoration, evaluation, stabilization, treatment, and care of persons with a qualifying condition who are involved in the legal system and who do not require a hospitalization level of care; and

(ii) a person is transferred pursuant to subsections 4815a(a) and 4819a(a) of this title.

(C) "Qualifying condition" means any condition whether mental, congenital, or traumatic, however acquired or developed, or any other circumstance that resulted in the person being determined:

(i) incompetent to stand trial; or

(ii) not guilty by reason of insanity.

(2) The evaluations required by this chapter may be conducted pursuant to contracts entered into between the Commissioner of Buildings and General Services and evaluation providers.

(3) Prior to any hearing under section 4815a or 4819a of this title, the person shall be required, at the request of a party, to permit an expert assessment of the person's competency, forensic risk, or restorability to competency.

(b) The Secretary of Human Services shall establish and operate a locked secure forensic facility for the competency restoration, evaluation, stabilization, treatment, and care of persons who have been transferred pursuant to subsections 4815a(a) and 4819a(a) of this title. The forensic facility's clinical, forensic, and competency restoration services shall be overseen by the Agency of Human Services Medical Director. The Department of Corrections shall not play a role in the forensic facility's operation, the provision of services, or internal security, except to provide security services for the facility at the admitting area and around the outside perimeter if the facility is co-located on the grounds of a correctional facility. The forensic facility shall:

(1) be designed and operated in a manner that supports therapeutic, recovery-oriented, and trauma-informed programming in a therapeutic community residence, while maintaining appropriate levels of safety and security;

(2) not refuse any persons it is ordered to admit and shall not require any clinical or diagnostic prerequisites for admission;

(3) provide for the safe competency restoration, evaluation, treatment, stabilization, and care of persons, including the ability to separate the population by sex or gender and to otherwise address clinical, safety, or operational considerations as appropriate, including the possible operation of multiple facilities;

(4) follow the direction of the Agency of Human Services Medical Director, who shall oversee all forensic, clinical, and competency restoration services provided to transferred persons;

(5) implement staff qualifications, licensure, training, and supervision requirements that are sufficient to ensure that persons transferred to the forensic facility have access to clinically appropriate care, treatment, services, and supports consistent with individual needs and with applicable professional standards;

(6) ensure that a registered nurse licensed pursuant to 26 V.S.A. chapter 28 or a physician licensed pursuant to 26 V.S.A. chapter 23 or 33 is available to provide care to transferred persons 24 hours a day, seven days a week;

(7) ensure that persons receive clinically appropriate assessment and treatment planning and competency restoration plans, as appropriate, including the development of an initial person-specific treatment plan within 72 hours following transfer, which shall be reviewed periodically as clinically indicated;

(8) ensure that clinical services and programming include psychiatric care, management of medications, education about court procedures, habilitation, and trauma-informed care, as appropriate;

(9) continue to provide evaluation, treatment, stabilization, and care of a resident who has regained competency while the resident awaits and participates in the resident's trial;

(10) provide residents with interpreters, as appropriate;

(11) implement grievance and appeals procedures; and

(12) implement a process for reporting instances of death or serious bodily injury to residents of the forensic facility to the Agency of Human Services Medical Director.

(c) Any records related to a person placed at the forensic facility shall be exempt from public inspection and copying under the Public Records Act and shall be kept confidential, except that:

(1) the records shall be made available to the parties in the underlying criminal case upon request; and

(2) the person's health care providers may, with the person's permission, view forensic facility records of the person's psychiatric assessments at the facility, including assessments of the person's competency to stand trial and criminal responsibility.

(d) Persons shall be admitted to and maintained at the forensic facility pursuant to sections 4815a and 4819a of this title, and in proceedings under those sections shall be entitled to have counsel appointed from Vermont Legal Aid to represent them.

(e) The Secretary of Human Services shall regularly consult with the Commissioners of Corrections; of Mental Health; of Health; and of Disabilities, Aging, and Independent Living when performing the duties required by this chapter for operating the forensic facility.

(f) The Agency of Human Services Medical Director and an evaluator submitting a report pursuant to sections 4815a and 4819a of this title shall testify at any hearing under those sections if requested by the court or a party.

(g) The Secretary of Human Services shall adopt rules pursuant to 3 V.S.A. chapter 25 to implement this section.

Sec. 6. 18 V.S.A. § 7257 is amended to read:

§ 7257. REPORTABLE ADVERSE EVENTS

(a) An acute inpatient hospital, an intensive residential recovery facility, a designated agency, a psychiatric residential treatment facility for youth, a forensic facility, or a secure residential recovery facility shall report to the Department of Mental Health instances of death or serious bodily injury to individuals with a mental condition or psychiatric disability in the custody or temporary custody of the Commissioner.

* * *

Sec. 7. FEASIBILITY PLAN; FORENSIC FACILITY

(a) On or before January 15, 2027, the Secretary of Human Services, in consultation with the Department of Buildings and General Services, shall submit a feasibility plan for the development and operation of a forensic facility to the House Committees on Appropriations, on Corrections and Institutions, on Health Care, on Human Services, and on Judiciary and to the Senate Committees on Appropriations, on Health and Welfare, on Institutions, and on Judiciary. The feasibility plan shall assume that operation, staffing, and programming at the forensic facility shall be provided by the Agency of Human Services or its departments, with the exception that the Department of Corrections shall not play a role in its operation, the provision of services, or internal security, other than the provision of security services for the facility at the admitting area and around the outside perimeter if the facility is co-located on the grounds of a correctional facility. The feasibility plan shall address the following:

(1) the proposed location of a forensic facility, which shall be independent from a correctional facility, and, if on the same grounds as a correctional facility, shall be separated by sight and sound;

(2) the proposed design plans for a forensic facility that allows for the ability to separate residents by sex or gender and clinical need;

(3) the number of beds within a forensic facility;

(4) the entity or entities responsible for operating and providing services in a forensic facility;

(5) the timeline for constructing a stand-alone forensic facility or fitting up an existing stand-alone facility to operate as a forensic facility;

(6) the estimated cost of constructing or fitting up and operating a forensic facility;

(7) which aspects of the therapeutic community residence rule would need to be modified to operate the forensic facility as a therapeutic community residence;

(8) the clinical services available at a forensic facility, including on-site competency restoration services;

(9) the proposed staffing levels, staff qualifications, and potential contracting needs necessary to establish a multidisciplinary clinical team at the forensic facility that reflects best practices, including required evidence-based, trauma-informed staff training and multiple potential staffing strategies;

(10) the physical and staff security plan within and around the perimeter of a forensic facility, including therapeutic design and clinical supervision that reflect best practices, which shall not involve the Department of Corrections, with the exception that employees of the Department of Corrections may provide security services for the facility at the admitting area and around the outside perimeter of the facility if it is co-located on the grounds of a correctional facility;

(11) a resident discharge and community monitoring plan from each department with custody of individuals in the forensic facility, developed in consultation with the Department of Corrections, that prioritizes community safety and provides residential, clinical, and case management services;

(12) opportunities and cost estimates for persons who would be eligible for placement at the forensic facility to receive the following services while the development of a forensic facility in Vermont is pending:

(A) placement in an out-of-state residence where clinically appropriate programming can be provided; and

(B) a competency restoration program within a Vermont correctional facility, provided by an entity that is not under contract with the Department of Corrections;

(13) a plan for the expansion of 1988 Acts and Resolves No. 248 to include individuals with a cognitive disability;

(14) annual reporting metrics on the demographics, outcomes, and staffing at the forensic facility; and

(15) any recommendations for legislative action to effectuate the development of a therapeutic, trauma-informed forensic facility.

(b) At the August and November 2026 meetings of the Joint Legislative Justice Oversight Committee, the Secretary of Human Services or designee

shall provide an interim status update on the development of the feasibility plan required pursuant to subsection (a) of this section.

Sec. 8. Rule 1101 of the Vermont Rules of Evidence is amended to read:

RULE 1101. APPLICABILITY OF RULES

(a) Rules applicable. Except as otherwise provided in subdivision (b), these rules apply to all actions and proceedings in the courts of this state.

(b) Rules inapplicable. The rules other than those with respect to privileges do not apply in the following situations:

* * *

(3) Miscellaneous Proceedings. Proceedings for extradition or rendition; inquest proceedings; except as otherwise provided by statute or rule promulgated by the Supreme Court, sentencing or granting or revoking probation; proceedings concerning competency restoration; granting or revoking conditional release from a forensic facility; finding probable cause for arrests without warrant and issuance of citations, warrants for arrest, criminal summonses, and search warrants.

* * *

Sec. 9. SUNSET

Sec. 7(a)(12) (interim competency restoration program) of this act shall be repealed on January 1, 2028.

Sec. 10. EFFECTIVE DATES

(a) This section, Sec. 3 (13 V.S.A. § 4817), Sec. 7 (feasibility plan; forensic facility), and Sec. 9 (sunset of interim competency restoration program) shall take effect on July 1, 2026.

(b) All remaining sections shall take effect on January 1, 2028.

(Committee vote: 9-0-2)

S. 197

An act relating to payment reform for primary care

Rep. Goldman of Rockingham, for the Committee on Health Care, recommends that the House propose to the Senate that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. LEGISLATIVE INTENT; PURPOSES

(a) It is the intent of the General Assembly to invest in primary care and to establish a program of universal primary care that:

(1) is accessible to and affordable for all Vermonters; and

(2) will promote the public good by:

(A) improving the patient experience of care;

(B) improving population health;

(C) reducing costs; and

(D) improving the well-being of clinicians and staff.

(b) The purposes of this bill are to:

(1) obtain the information necessary to develop a framework for implementation of universal primary care;

(2) optimize the Blueprint for Health;

(3) determine whether the Blueprint is an appropriate mechanism through which to provide universal primary care; and

(4) explore other approaches to universal primary care and whether they may be more suitable than the Blueprint in meeting Vermont's needs.

Sec. 2. 18 V.S.A. chapter 13, subchapter 1 is amended to read:

Subchapter 1. Blueprint for Health

§ 701. DEFINITIONS

As used in this chapter:

(1) "Blueprint for Health" or "Blueprint" means the State's program for integrating a system of health care for patients, improving the health of the overall population, and improving control over health care costs by promoting health maintenance, prevention, and care coordination and management.

* * *

(8) "Health insurance plan" ~~has the same meaning as~~ means a major medical insurance plan as defined in 8 V.S.A. § 4011.

(9) "Health insurer" ~~shall have the same meaning as in section 9402 of this title~~ means any person that offers, issues, renews, or administers a health insurance plan or other health benefit plan in this State and includes, to the extent permitted under federal law, third-party administrators that administer a health benefit plan offering coverage in this State or that provide

administrative services only for a health benefit plan offering coverage in this State.

* * *

§ 706. HEALTH INSURER PARTICIPATION; PAYMENTS TO PRACTICES

(a) As set forth in 8 V.S.A. § 4025, health insurance plans shall be consistent with the Blueprint for Health as determined by the Commissioner of Financial Regulation.

(b)(1) Health insurers shall participate in the Blueprint for Health as a condition of doing business in this State as provided for in this section and in 8 V.S.A. § 4025.

(2) In order to facilitate development of the sustainable payment models necessary for the Blueprint's success, health insurers shall submit to the Agency of Human Services at least quarterly, or more frequently upon the Agency's request, all information that the Director of the Blueprint deems necessary to perform a comprehensive fiscal analysis of the total cost of care within Vermont and to implement one or more payment models that address health care capacity, volume, quality, and clinical outcomes.

(c)(1) The Blueprint payment reform methodologies shall include per-person per-month payments to ~~medical home~~ participating practices, including medical homes and primary care providers, by each health insurer and Medicaid for their attributed patients and for contributions to the shared costs of operating Blueprint initiatives, including the community health teams. Per-person per-month payments to practices shall be:

(A) based on the official National Committee for Quality Assurance's ~~Physician Practice Connections~~-Patient Centered Medical Home (NCQA ~~PPC~~-PCMH) score or another quality standard identified by the Director of the Blueprint in consultation with the Blueprint Payment Implementation Workgroup, to the extent practicable ~~and shall be~~;

(B) provided in addition to ~~their normal~~ a practice's typical fee-for-service or other payments; and

(C) from health insurers, in amounts at least equal to Medicaid payments beginning in 2027.

(2) Consistent with recommendations of the Blueprint Executive Committee, the Director of the Blueprint may recommend to the ~~Commissioner of Vermont Health Access~~ Secretary of Human Services changes to the payment amounts or to the payment reform methodologies

described in subdivision (1) of this subsection, including by providing for enhanced payment to health care professional practices ~~that operate as a medical home~~, including medical homes and primary care ~~naturopathic physicians'~~ practices; payment toward the shared costs for community health teams; or other payment methodologies required by the Centers for Medicare and Medicaid Services (CMS) for participation by Medicaid or Medicare. In formulating recommendations, the Director shall strive to achieve or maintain parity across payers and payment methodologies and to adjust payment methodologies annually as needed to adequately support practices in maintaining NCQA PCMH status or meeting other requirements for participation in Blueprint programs.

(3) Health insurers shall modify payment methodologies and amounts to health care professionals and providers as required for the establishment of the model described in sections 703–705 of this title and this section, including any requirements specified by the Centers for Medicare and Medicaid Services (CMS) in approving federal participation in the model to ensure consistency of payment methods in the model.

(4) In the event that the Secretary of Human Services is denied permission from the Centers for Medicare and Medicaid Services (CMS) to include financial participation by Medicare, health insurers shall not be required to cover the costs associated with individuals covered by Medicare.

(d) ~~An~~ A health insurer may appeal a decision to require a particular payment methodology or payment amount to the ~~Commissioner of Vermont Health Access~~ Secretary of Human Services or designee, who shall provide a hearing in accordance with 3 V.S.A. chapter 25. ~~An~~ A health insurer aggrieved by the decision of the ~~Commissioner~~ Secretary or designee may appeal to the Superior Court for the Washington District within 30 days after the ~~Commissioner issues his or her~~ Secretary or designee issues a decision.

* * *

Sec. 3. BLUEPRINT PAYMENTS TO PRACTICES; PRIMARY CARE; REPORT

(a) On or before January 15, 2027, the Director of the Blueprint for Health, in consultation with the Blueprint Executive Committee and the Vermont Steering Committee for Comprehensive Primary Health Care, shall report to the House Committee on Health Care and the Senate Committee on Health and Welfare regarding changes to the payment amounts or payment methodologies, or both, that would be necessary to transition the Blueprint's per-person per-month payments to primary care practices to include payment for the routine

primary care needs of attributed patients who are covered by participating health plans. The report shall:

(1) establish definitions of "primary care services" and "primary care provider" and define which services should be considered routine primary care;

(2) address any differences in methodology for different practice types;

(3) make recommendations regarding risk-adjustment and attribution methodologies;

(4) describe the ways in which the methodology will balance capacity, volume, quality, and outcomes;

(5) include mechanisms for ensuring that health plans make accurate and appropriate payments to primary care practices in a timely manner;

(6) make recommendations regarding participation or quality measurement requirements, or both;

(7) provide an analysis of including cost-sharing amounts for individuals covered by participating health plans in the methodology, including the extent to which such inclusion would be permissible for a high-deductible health plan without losing its eligibility to be paired with a health savings account;

(8) provide an analysis of ways to incorporate a primary care spending allocation target into the methodology;

(9) provide an operational plan, a description of any additional legislation needed in order to implement the methodology, and a proposed timeline for implementation;

(10) provide a description of the ways in which the Blueprint can optimize the delivery of the services within each of its current initiatives, the costs associated with enhancing each initiative to its highest level, and the amount of additional per-person per-month spending that would be needed to support the enhanced delivery of these services across all Blueprint initiatives**;** and

(11) recommend a process for moving to the health care claims tax established in 32 V.S.A. chapter 243 as the mechanism to fund the Blueprint as identified in the report submitted to the General Assembly in accordance with 2023 Acts and Resolves No. 51, Sec. 5, including providing a potential timeline for implementation.

(b) The Director of the Blueprint or designee shall be available upon request from July through December 2026 to provide updates to the Health Reform Oversight Committee on the development of the report required by subsection (a) of this section.

Sec. 4. PRIMARY CARE SPENDING; AGENCY OF HUMAN SERVICES; REPORT

On or before January 15, 2027, the Agency of Human Services, in consultation with the Green Mountain Care Board, shall report to the House Committee on Health Care and the Senate Committee on Health and Welfare the baseline per-person per-month spending on primary care services for Vermont residents overall and by each health insurer, third-party administrator administering a health plan or providing administrative services only for a health plan, Medicaid, and Medicare. The Agency shall use the definitions of primary care providers and services established pursuant to Sec. 3(a) of this act.

Sec. 5. PRIMARY CARE SPENDING TARGETS; REPORT

The Agency of Human Services shall establish a target for the amount of per-person per-month spending on Vermont residents that should be for primary care services and shall develop a transitional schedule that increases the target over time. On or before January 1, 2028, the Agency of Human Services shall provide the spending targets and transitional schedule, as well any recommendations for adjustments to the targets that are needed to reflect payer-specific differences, such as age and health status, to the House Committee on Health Care and the Senate Committee on Health and Welfare.

Sec. 6. DISTRIBUTION OF DUTIES FOR HEALTH CARE REGULATION AND HEALTH CARE REFORM; REPORT

(a) The Agency of Human Services, Green Mountain Care Board, and Department of Financial Regulation, in collaboration with the Office of the Health Care Advocate, shall evaluate the roles their respective organizations play in health care regulation and health care reform in this State, including with respect to hospital transformation efforts, health insurance rate review, management of the Office of Health Care Reform, operation of the Blueprint for Health, and administration of other programs and initiatives. The Agency, Board, and Department shall identify where each health care regulation and health care reform function should be most appropriately located in order to optimize collaboration, information sharing, and efficient operations in furtherance of attaining the principles for health care reform set forth in 2011 Acts and Resolves No. 48 and as codified at 18 V.S.A. § 9371; improving

access to high-quality, affordable health care services; accomplishing health care transformation; and safeguarding hospital sustainability and insurer solvency.

(b) On or before January 15, 2027, the Agency, Board, and Department shall each provide specific recommendations on the distribution of responsibilities resulting from their efforts pursuant to subsection (a) of this section, including areas of agreement and disagreement, gaps and overlaps identified, and any legislative changes needed to achieve their preferred organizational structures, to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance. The Agency, Board, and Department shall also be available upon request from July through December 2026 to provide updates to the Health Reform Oversight Committee on their efforts and the development of the report required by subsection (a) of this section.

Sec. 7. TRANSITIONING CARE TO COMMUNITY SETTINGS; REPORT

On or before January 15, 2027, the Agency of Human Services, in consultation with the Vermont Steering Committee for Comprehensive Primary Health Care, the Blueprint for Health, the Vermont Association of Hospitals and Health Systems, the Vermont Medical Society, Bi-State Primary Care Association, and other interested stakeholders, shall report to the House Committee on Health Care and the Senate Committee on Health and Welfare with recommendations for ways to accelerate the appropriate transition of patients from hospital care to care delivered in a community setting, including ways to reduce the extent to which primary care services are delivered to patients in an inpatient hospital setting following surgery or other acute care, when care delivered by a primary care provider in the community would be as or more effective and less costly. The recommendations shall include opportunities to use community health teams through the Blueprint for Health to coordinate patients' care transitions. The Agency shall incorporate the recommendations into the Statewide Health Care Delivery Strategic Plan as appropriate.

Sec. 8. REGIONAL UNIVERSAL PRIMARY CARE PROGRAM; REPORT

The Office of the State Treasurer, in consultation with the Agency of Human Services, shall collaborate with other northeastern states to explore the potential to establish a regional universal primary care program that would be available to all residents of the member states. On or before January 15, 2027, the State Treasurer shall report to the House Committee on Health Care and the Senate Committee on Health and Welfare regarding the Office's outreach

efforts, interest from other northeastern states, any legal or regulatory obstacles identified, and recommendations for next steps.

Sec. 9. 8 V.S.A. § 4092(i) is amended to read:

(i)(1) On a periodic basis but not less than once per calendar year, each health insurer shall notify all individuals covered under its health insurance plans of any changes in pharmaceutical coverage and provide access to the preferred drug list maintained by the health insurer or its pharmacy benefit manager.

(2) Not less than 60 days prior to removing a prescription drug from its formulary or from the formulary maintained by a pharmacy benefit manager on its behalf, a health insurer shall notify all individuals covered under its health insurance plans who filled a prescription for that prescription drug within the previous 12-month period that coverage for the drug will be discontinued and of the date on which the coverage will end.

Sec. 10. EFFECTIVE DATE

This act shall take effect on passage.

and that after passage the title of the bill be amended to read: "An act relating to reform for primary care"

(Committee vote: 10-0-1)

S. 278

An act relating to cannabis

Rep. Boyden of Cambridge, for the Committee on Government Operations and Military Affairs, recommends that the House propose to the Senate that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Packaging Limit * * *

Sec. 1. 7 V.S.A. § 881 is amended to read:

§ 881. RULEMAKING; CANNABIS ESTABLISHMENTS

(a) The Board shall adopt rules to implement and administer this chapter in accordance with subdivisions (1)–(8) of this subsection.

* * *

(3) Rules concerning product manufacturers shall include:

(A) requirements that a single package of a cannabis product shall not contain more than ~~100~~ 200 milligrams of THC, except in the case of:

* * *

* * * Transaction Limit * * *

Sec. 2. 7 V.S.A. § 907 is amended to read:

§ 907. RETAILER LICENSE

* * *

(b) In a single transaction, a retailer may provide ~~one ounce~~ two ounces of cannabis or the equivalent in cannabis products, or a combination thereof, to a person 21 years of age or older upon verification of a valid government-issued photograph identification card.

* * *

Sec. 3. 18 V.S.A. § 4230 is amended to read:

§ 4230. CANNABIS

(a) Possession and cultivation.

(1) No person shall knowingly and unlawfully possess more than ~~one ounce~~ two ounces of cannabis or more than ~~five~~ 10 grams of hashish or cultivate more than two mature cannabis plants or four immature cannabis plants. A person who violates this subdivision shall be assessed a civil penalty as follows:

* * *

(2)(A) No person shall knowingly and unlawfully possess more than two ounces ~~or more~~ of cannabis or ~~ten~~ 10 grams or more of hashish or more than three mature cannabis plants or six immature cannabis plants. For a first offense under this subdivision (2), a person shall be provided the opportunity to participate in the Court Diversion Program unless the prosecutor states on the record why a referral to the Court Diversion Program would not serve the ends of justice. A person convicted of a first offense under this subdivision shall be imprisoned not more than six months or fined not more than $500.00, or both.

* * *

Sec. 4. 18 V.S.A. § 4230a is amended to read:

§ 4230a. CANNABIS POSSESSION BY A PERSON 21 YEARS OF AGE OR OLDER

(a)(1) Except as otherwise provided in this section, a person 21 years of age or older who possesses ~~one ounce~~ two ounces or less of cannabis or ~~five~~ 10

grams or less of hashish and two mature cannabis plants or fewer or four immature cannabis plants or fewer or who possesses paraphernalia for cannabis use shall not be penalized or sanctioned in any manner by the State or any of its political subdivisions or denied any right or privilege under State law. The ~~one-ounce~~ two-ounce limit of cannabis or ~~five~~ 10 grams of hashish that may be possessed by a person 21 years of age or older shall not include cannabis cultivated, harvested, and stored in accordance with section 4230e of this title.

* * *

* * * Event Permit; Pilot Program * * *

Sec. 5. 7 V.S.A. § 912 is added to read:

§ 912. EVENT PERMIT

(a) Authorization. The Board may grant event permits to licensed cannabis establishments in good standing. The holder of an event permit is authorized to oversee and administer a commercial event pursuant to this section and procedures adopted by the Board. Notwithstanding section 833 of this title, persons 21 years of age or older may consume cannabis or cannabis products at an event authorized pursuant to this section.

(b) Eligibility. A licensed cannabis establishment is eligible to apply for an event permit, provided that the establishment submits a fee and application demonstrating to the Board's satisfaction:

(1) that the establishment has received written approval from the local cannabis control commission created pursuant to 7 V.S.A. § 863, or the municipal legislative body if no local cannabis control commission exists, which may include conditions and limitations appropriate to protect the public, manage traffic, and abate nuisance;

(2) a security plan to ensure that intoxicated persons or persons under 21 years of age cannot access the space subject to the permit, that the premises are secured from diversion or inversion, and that the premises lawfully may be used for the purpose intended;

(3) a product sale plan that describes quantities and types of cannabis and cannabis products that will be offered for sale and how the cannabis will be transported, monitored, secured, displayed, and sold in conformity with State law and Board rule;

(4) capacity to administer and enforce the required plans, and confirmation that the applicant has secured the services of a county law

enforcement agency or private security provider licensed pursuant to 26 V.S.A. chapter 59, if required by the Board;

(5) proof of commercially reasonable insurance for the proposed event; and

(6) compliance with any other health and safety requirements that the Board may prescribe for the particular event or event location, including limits on attendees or types of products that may be consumed at the event site.

(c) Restrictions. Annually, the Board shall issue not more than five permits for public events and five permits for private events. An event permit shall be valid for a single event not to exceed 24 hours held at a single access-controlled location. An event permit shall not be issued for a location at which alcoholic beverages are sold or furnished for on-premises consumption. A cannabis retailer that holds an event permit shall not conduct sales at the licensed retail location and the permitted event contemporaneously, except for sales conducted from a permitted event location that is contiguous with the licensed retail location. The holder of an event permit shall sell only registered adult-use cannabis and cannabis products at the event.

(d) Noncompliance; penalties. Deviation from security and sales plans, product tracking and taxation requirements, or permit terms shall be a violation subject to adverse licensing action consistent with Board rules.

(e) Fee. Cannabis establishments shall be assessed a fee of $500.00 to apply for an event permit, of which 50 percent shall be distributed to the host municipality and 50 percent shall be deposited in the Cannabis Regulation Fund.

(f) Procedures. The Board shall adopt procedures pursuant to 3 V.S.A. § 835 to govern the event permits issued pursuant to this section, including application procedures and associated forms, the permittee selection process, security requirements, and event site restrictions. For the permittee selection procedures, the Board shall include a requirement that permits are issued equitably among cannabis establishment license categories.

(1) For each procedure proposed to be adopted or amended pursuant to this section, the Board shall publish the proposed procedure on the Board's website and hold not fewer than two public hearings at which members of the public may seek additional information or submit oral or written comments concerning the proposed procedure.

(2) The Board shall not be required to initiate rulemaking pursuant to 3 V.S.A. § 831(c) in relation to a procedure adopted pursuant to this section. A procedure adopted pursuant to this section shall have the force of law and be

binding on all persons who apply for and hold an event permit pursuant to this section.

Sec. 6. [Deleted.]

Sec. 7. 32 V.S.A. § 7902 is amended to read:

§ 7902. CANNABIS EXCISE TAX

* * *

(b) The tax imposed by this section shall be paid by the purchaser to the retailer or ~~integrated licensee~~ holder of an event permit. Each retailer or ~~integrated licensee~~ permit holder shall collect from the purchaser the full amount of the tax payable on each taxable sale.

* * *

Sec. 8. 32 V.S.A. § 7904 is amended to read:

§ 7904. RETURNS; RECORDS

(a) Any retailer or ~~integrated licensee~~ holder of an event permit required to collect the tax imposed by this chapter shall, on or before the 25th day of every month, return to the Department of Taxes, under oath of a person with legal authority to bind the retailer or ~~integrated licensee~~ permit holder, a statement containing its name and place of business, the total amount of sales subject to the cannabis excise tax made in the preceding month, and any information required by the Department of Taxes, along with the total tax due. Retailers and ~~integrated licensees~~ permit holders shall not remit the tax collected to the Department of Taxes in cash absent the issuance of a waiver by the Commissioner of Taxes, and the Commissioner may require that returns be submitted electronically.

(b) Every retailer and ~~integrated licensee~~ permit holder shall maintain, for not less than three years, accurate records showing all transactions subject to tax liability under this chapter. The records are subject to inspection by the Department of Taxes at all reasonable times during normal business hours.

Sec. 9. 32 V.S.A. § 7906 is amended to read:

§ 7906. LICENSE

(a) Any retailer or ~~integrated licensee~~ holder of an event permit required to collect tax imposed by this chapter must apply for and receive a cannabis retail tax license from the Commissioner for each place of business within the State where ~~he or she~~ the retailer or permit holder sells cannabis or cannabis products prior to commencing business. The Commissioner shall issue without charge a license, or licenses, empowering the retailer or ~~integrated~~

~~licensee~~ permit holder to collect the cannabis excise tax, provided that a retailer's or ~~integrated licensee's~~ permit holder's application is properly submitted and the retailer or ~~integrated licensee~~ permit holder is otherwise in compliance with applicable laws, rules, and provisions.

* * *

Sec. 10. CANNABIS CONTROL BOARD; RULES AND REPORT

(a) On or before July 1, 2027, the Cannabis Control Board shall initiate rulemaking pursuant to 3 V.S.A. chapter 25 to adopt rules governing the event permit established in Sec. 5 of this act.

(b) On or before November 15, 2027, the Cannabis Control Board shall submit a written report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs concerning the event permit established in Sec. 5 of this act. The report shall include a concise assessment of the benefits, challenges, and administrative viability of the event permit program. The Board may recommend best practices for security, inventory tracking, tax enforcement, permit administration, local government coordination, and optimizing market access for small cultivators. The Board shall recommend updates to the statute governing event permits, including whether the statute should be repealed on the date set by this act.

* * * Outdoor Cultivator Fees * * *

Sec. 10a. 7 V.S.A. § 910 is amended to read:

§ 910. CANNABIS ESTABLISHMENT FEE SCHEDULE

The following fees shall apply to each person or product licensed by the Board:

(1) Cultivators.

(A) Outdoor cultivators.

(i) Outdoor cultivator tier 1. Outdoor cultivators with up to 1,000 square feet of plant canopy or fewer than 125 cannabis plants in an outdoor cultivation space shall be assessed an annual licensing fee of ~~$750.00~~ $375.00.

(ii) Outdoor cultivator tier 2. Outdoor cultivators with up to 2,500 square feet of plant canopy in an outdoor cultivation space shall be assessed an annual licensing fee of ~~$1,875.00~~ $925.00.

(iii) Outdoor cultivator tier 3. Outdoor cultivators with up to 5,000 square feet of plant canopy in an outdoor cultivation space shall be assessed an annual licensing fee of ~~$4,000.00~~ $2,000.00.

(iv) Outdoor cultivator tier 4. Outdoor cultivators with up to 10,000 square feet of plant canopy in an outdoor cultivation space shall be assessed an annual licensing fee of ~~$8,000.00~~ $4,000.00.

(v) Outdoor cultivator tier 5. Outdoor cultivators with up to 20,000 square feet of plant canopy in an outdoor cultivation space shall be assessed an annual licensing fee of ~~$18,000.00~~ $9,000.00.

~~(vi) Outdoor cultivator tier 6. Outdoor cultivators with up to 37,500 square feet of plant canopy in an outdoor cultivation space shall be assessed an annual licensing fee of $34,000.00.~~

* * *

* * * Municipal Authority * * *

Sec. 11. 7 V.S.A. § 863 is amended to read:

§ 863. REGULATION BY LOCAL GOVERNMENT

(a)(1) Prior to a cannabis retailer ~~or the retail portion of an integrated licensee~~ operating within a municipality, the municipality shall affirmatively permit the operation of ~~such~~ cannabis establishments by majority vote of those present and voting by Australian ballot at an annual or special meeting warned for that purpose. ~~A municipality may place retailers or integrated licensees, or both, on the ballot for approval.~~ A proposal to hold a vote pursuant to this subsection may be made by the legislative body of the municipality or by petition of five percent of the voters of the municipality.

(2) A vote to permit the operation of a licensed cannabis retailer ~~or integrated licensee~~ within the municipality shall remain in effect until rescinded by majority vote of those present and voting by Australian ballot at a subsequent annual or special meeting warned for that purpose. A rescission of the permission to operate a licensed cannabis retailer ~~or integrated licensee~~ within the municipality under this subdivision shall not apply to a licensed cannabis retailer ~~or integrated licensee~~ that is operating within the municipality at the time of the vote.

(b)(1) A municipality that hosts any cannabis establishment may establish a cannabis control commission composed of commissioners who may be members of the municipal legislative body.

(2) The local cannabis control commission may issue and administer local control licenses under this subsection for cannabis establishments within the municipality but shall not assess a fee for a local control license issued to a cannabis establishment. The commissioners may condition the issuance of a local control license upon compliance with any bylaw adopted pursuant to 24

V.S.A. § 4414 or ~~upon~~ ordinances regulating signs or public nuisances adopted pursuant to 24 V.S.A. § 2291, except that ordinances may not regulate public nuisances as applied to:

(A) tier 1 manufacturers; or

(B) outdoor cultivators that are regulated in the same manner as the Required Agricultural Practices under subdivision 869(f)(2) of this title.

(3) The commission may suspend or revoke a local control license for a violation of any condition placed upon the license.

(4) The Board shall adopt rules relating to a municipality's issuance of a local control license in accordance with this subsection and the local commissioners shall administer the rules furnished to them by the Board as necessary to carry out the purposes of this section.

* * *

(d) A municipality shall not:

(1) ~~prohibit~~ adopt an ordinance or bylaw that completely prohibits the operation of ~~a~~ cannabis ~~establishment~~ establishments within the municipality ~~through an ordinance adopted pursuant to 24 V.S.A. § 2291 or a bylaw adopted pursuant to 24 V.S.A. § 4414~~, or regulate ~~a~~ cannabis ~~establishment~~ establishments in a manner that has the effect of completely prohibiting the operation of ~~a~~ cannabis ~~establishment~~ establishments within the municipality;

* * *

* * * Distribution of Local License Fees to Municipalities * * *

Sec. 12. 7 V.S.A. § 846 is amended to read:

§ 846. FEES; AUTHORITY

* * *

(c) Distribution to municipalities. After reduction for costs of administration and collection, the Board shall pay local license fees on ~~a quarterly~~ an annual basis to the municipality for which the fees were collected.

* * * Two-Year Employee Identification Cards * * *

Sec. 13. 7 V.S.A. § 910 is amended to read:

§ 910. CANNABIS ESTABLISHMENT FEE SCHEDULE

The following fees shall apply to each person or product licensed by the Board:

* * *

(8) Employees. Cannabis establishments licensed by the Board shall be assessed ~~an annual~~ a biennial licensing fee of ~~$50.00~~ $100.00 for each employee. Employee licenses shall be valid for two years.

(9) Products. Cannabis establishments licensed by the Board shall be assessed an annual product licensing fee of $50.00 for every type of cannabis and cannabis product that is sold in accordance with this chapter. The Board may issue longer product registrations, prorated at the same cost per year, for products it deems low-risk and shelf-stable. The products may be defined and distinguished in readily accessible published guidance.

* * *

* * * Repeal of Integrated License Provisions * * *

Sec. 14. 7 V.S.A. § 861 is amended to read:

§ 861. DEFINITIONS

As used in this chapter:

* * *

(8) "Cannabis establishment" means a cannabis cultivator, propagation cultivator, wholesaler, product manufacturer, retailer, or testing laboratory~~, or integrated licensee~~ licensed by the Board to engage in commercial cannabis activity in accordance with this chapter.

* * *

(24) ~~"Integrated licensee" means a person licensed by the Board to engage in the activities of a cultivator, wholesaler, product manufacturer, retailer, and testing laboratory in accordance with this chapter.~~ [Repealed.]

* * *

Sec. 15. 7 V.S.A. § 866 is amended to read:

§ 866. YOUTH

* * *

(c) The Board, in consultation with the Department of Health, shall adopt rules in accordance with section 881 of this title to:

* * *

(3) require that cannabis products sold by licensed retailers ~~and integrated licensees~~ are contained in child-resistant packaging; and

(4) require that cannabis and cannabis products sold by licensed retailers ~~and integrated licensees~~ are packaged with labels that clearly indicate that the

contents of the package contain cannabis and should be kept away from persons under 21 years of age.

* * *

Sec. 16. 7 V.S.A. § 881 is amended to read:

§ 881. RULEMAKING; CANNABIS ESTABLISHMENTS

(a) The Board shall adopt rules to implement and administer this chapter in accordance with subdivisions (1)–(8) of this subsection.

* * *

(2)(A) Rules concerning cultivators shall include:

* * *

(v) labeling requirements for cannabis sold to retailers ~~and integrated licensees~~, including health warnings developed in consultation with the Department of Health;

* * *

(7) ~~Rules concerning integrated licensees shall include the provisions provided in subdivisions (1)-(6) of this subsection and any additional provisions the Board deems appropriate for safe regulation of integrated licensees in accordance with this chapter.~~ [Repealed.]

(8) Rules concerning propagators shall include:

* * *

(E) labeling requirements for cannabis sold to retailers ~~and integrated licensees~~;

* * *

Sec. 17. 7 V.S.A. § 901 is amended to read:

§ 901. GENERAL PROVISIONS

* * *

(d)(1) There shall be ~~seven~~ six types of licenses available:

* * *

(E) a retailer license; and

(F) a testing laboratory license~~; and~~

~~(G) an integrated license~~.

* * *

(3)(A) Except as provided in subdivisions (B) and (C) of this subdivision (3), an applicant and its affiliates may obtain a maximum of one type of each type of license as provided in subdivisions (1)(A)–(F) of this subsection (d). Each license shall permit only one location of the establishment.

(B) ~~An applicant and its affiliates that control a dispensary registered on April 1, 2022 may obtain one integrated license provided in subdivision (1)(G) of this subsection (d) or a maximum of one of each type of license provided in subdivisions (1)(A)–(F) of this subsection (d). An integrated licensee may not hold a separate cultivator, propagator, wholesaler, product manufacturer, retailer, or testing laboratory license, and no applicant or its affiliates that control a dispensary shall hold more than one integrated license. An integrated license shall permit only one location for each of the types of activities permitted by the license: cultivation, propagator, wholesale operations, product manufacturing, retail sales, and testing.~~ [Repealed.]

* * *

(e) A dispensary that obtains a retailer license ~~or an integrated license~~ pursuant to this chapter shall maintain the dispensary and retail operations in a manner that protects patient and caregiver privacy in accordance with rules adopted by the Board.

* * *

Sec. 18. 7 V.S.A. § 904 is amended to read:

§ 904. CULTIVATOR LICENSE

(a) A cultivator licensed under this chapter may:

(1) cultivate, process, package, label, transport, test, and sell cannabis to a licensed wholesaler, product manufacturer, retailer, ~~integrated licensee,~~ and dispensary;

* * *

(3) possess and sell cannabis products to a licensed wholesaler, product manufacturer, retailer, ~~integrated licensee,~~ and dispensary.

* * *

Sec. 19. 7 V.S.A. § 904a is amended to read:

§ 904a. SMALL CULTIVATORS

* * *

(d) Upon licensing, a small cultivator may sell cannabis to a licensed dispensary at any time for sale to patients and caregivers pursuant to the dispensary license ~~or to the public pursuant to an integrated license~~, including the time period before retail sales are permitted for licensed cannabis retailers.

Sec. 20. 7 V.S.A. § 910 is amended to read:

§ 910. CANNABIS ESTABLISHMENT FEE SCHEDULE

The following fees shall apply to each person or product licensed by the Board:

* * *

(6) ~~Integrated licensees. Integrated licensees shall be assessed an annual licensing fee of $100,000.00.~~ [Repealed.]

* * *

Sec. 21. 7 V.S.A. § 974 is amended to read:

§ 974. RULEMAKING

(a)(1) The Board shall adopt rules to implement and administer this chapter. In adoption of rules, the Board shall strive for consistency with rules adopted for cannabis establishments pursuant to chapter 33 of this title where appropriate.

(2) Rules shall include:

* * *

(U) labeling requirements for cannabis sold to retailers ~~and integrated licensees~~, including health warnings developed in consultation with the Department of Health;

* * *

Sec. 22. 7 V.S.A. § 987 is amended to read:

§ 987. CANNABIS BUSINESS DEVELOPMENT FUND

(a) There is established the Cannabis Business Development Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5.

(b) The Fund shall comprise:

(1) ~~a one-time contribution of $50,000.00 per integrated license to be made on or before October 15, 2022; and~~ [Repealed.]

* * *

Sec. 23. [Deleted.]

* * * Household Income; Cannabis Business Expenses Deduction * * *

Sec. 24. 32 V.S.A. § 6061 is amended to read:

§ 6061. DEFINITIONS

As used in this chapter unless the context requires otherwise:

* * *

(5) "Modified adjusted gross income" means "federal adjusted gross income":

* * *

(F) With the inclusion of any federal deduction or credit that the claimant would have been allowed for the cultivation, testing, processing, or sale of cannabis or cannabis products as authorized under 7 V.S.A. chapter 33 or 37, but for 26 U.S.C. § 280E.

* * *

* * * Outdoor Cannabis Cultivation; Use Value Appraisal Program * * *

Sec. 25. 7 V.S.A. § 869 is amended to read:

§ 869. CULTIVATION OF CANNABIS; ENVIRONMENTAL AND LAND USE STANDARDS; REGULATION OF CULTIVATION

* * *

(f) Notwithstanding subsection (a) of this section, a cultivator licensed under this chapter who ~~initiates cultivation of~~ cultivates cannabis outdoors ~~on a parcel of land~~ as defined in rule by the Cannabis Control Board pursuant to section 881 of this chapter shall:

* * *

(3) be eligible to enroll in the Use Value Appraisal Program under 32 V.S.A. chapter 124 for the cultivation of cannabis;

(4) be exempt under 32 V.S.A. § 9741(3), (25), and (50) from the tax on retail sales imposed under 32 V.S.A. § 9771; and

* * *

Sec. 26. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

* * *

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

* * *

(25) To the Cannabis Control Board for the purposes of administering the Cannabis Excise Tax under chapter 207 of this title, the Sales and Use Tax under chapter 233 of this title, and the exemptions to those taxes.

* * *

* * * Cannabis Cultivator Cooperatives * * *

Sec. 27. 7 V.S.A. § 904c is added to read:

§ 904c. CANNABIS CULTIVATOR COOPERATIVE CORPORATIONS

Licensed cannabis cultivators may form a cannabis cultivator cooperative corporation pursuant to 11 V.S.A. chapter 7 in the same manner as other associations or persons engaged in the production of the agricultural or handcraft products.

* * * Commercial Cannabis Compact * * *

Sec. 27a. COMMERCIAL CANNABIS COMPACT; INTENT

The General Assembly finds that the medical and commercial cannabis industry has grown significantly throughout the United States since Vermont transitioned to a recreational cannabis market in 2022. The General Assembly further finds that recent statements from federal officials, including provisions of Executive Order 14370, 90 F.R. 60541, "Increasing Medical Marijuana and Cannabidiol Research," indicate a shifting federal posture on regulated cannabis markets. Accordingly, it is the intent of the General Assembly to prepare for the possibility of regional or interstate cannabis markets by authorizing the Governor to form agreements with other states that have commercial cannabis markets.

Sec. 27b. 7 V.S.A. § 834 is added to read:

§ 834. COMMERCIAL CANNABIS COMPACT

(a) As used in this section:

(1) "Agreement" means an agreement relating to commercial cannabis authorized pursuant to this section and entered into between this State and another state or states.

(2) "Contracting state" means a state of the United States, including a district, commonwealth, territory, or possession subject to the legislative authority of the United States, with which the Governor has entered into an agreement pursuant to this section.

(3) "Foreign licensee" means the holder of a cannabis license issued pursuant to the laws of another State that has entered into an agreement pursuant to this section.

(4) "Vermont license" means a cannabis license issued by the Board.

(b) The Governor is authorized to enter into an agreement with another state or states authorizing medical or commercial cannabis activity, or both, between entities licensed under the laws of the contracting state and entities operating with a Vermont license, provided that:

(1) the commercial cannabis activities are lawful and subject to licensure under the laws of the contracting state; and

(2) with respect to the interstate transportation of cannabis or cannabis products, the agreement prohibits the following:

(A) the transportation of cannabis and cannabis products by any means other than those authorized under the laws of the contracting state and the regulations of the Board; and

(B) the transportation of cannabis and cannabis products through the jurisdiction of a state, district, commonwealth, territory, or possession of the United States that does not authorize that transportation.

(c) Notwithstanding any other law, a foreign licensee may engage in commercial cannabis activity with a Vermont licensee and a Vermont licensee may engage in commercial cannabis activity with a foreign licensee, subject to the requirements and limitations set forth in this section.

(d) A foreign licensee shall not engage in commercial cannabis activity within the boundaries of this State without a Vermont license, or engage in commercial cannabis activity within a local jurisdiction without proper authorization issued by the local jurisdiction.

(e) An agreement shall require that the contracting state impose requirements on foreign licensees with regard to cannabis and cannabis products to be sold or otherwise transferred or distributed within this State that meet or exceed the requirements applicable to Vermont licensees, including:

(1) enforceable public health and safety standards that are equivalent to the requirements of the Board;

(2) mandatory participation in a system administered by this State to regulate and track cultivation, manufacturing, distribution, transportation, sale, and destruction of cannabis and cannabis products from seed to sale;

(3) standards for testing of cannabis or cannabis products that meet or exceed the standards applicable to testing laboratories licensed by the Board;

(4) requirements for the packaging and labeling of cannabis and cannabis products that meet or exceed the packaging and labeling requirements established pursuant to Board rules;

(5) requirements for quality assurance and inspection of cannabis or cannabis products that meet or exceed the requirements applicable to cannabis or cannabis products cultivated, manufactured, or sold by Vermont licensees;

(6) restrictions on marketing, labeling, and advertising within this State by foreign licensees that meet or exceed the restrictions of Vermont licensees pursuant to this title; and

(7) a process for identification of adulterated or misbranded cannabis products, and the destruction of those products, using standards that meet or exceed the standards and procedures adopted by the Board.

(f) An agreement shall require that the contracting state impose restrictions upon advertising, marketing, labeling, or sale within the contracting state that meet or exceed restrictions established pursuant to this title and the rules adopted by the Board.

(g) An agreement shall provide for collection of all taxes applicable to the medical or commercial cannabis activity.

(h) An agreement shall include provisions requiring the Board and any other appropriate regulatory authorities of the contracting state to address public health and welfare emergencies concerning cannabis or cannabis products that are sold or intended for sale within this State, including for prompt recall or embargo of adulterated or misbranded cannabis products.

(i) An agreement shall include provisions requiring appropriate regulatory authorities of each state to investigate instances of alleged noncompliance with the commercial cannabis regulatory rules and regulations upon request by the other state and in accordance with mutually agreed-upon procedures. An agreement shall include provisions requiring the contracting state to reasonably cooperate with this State's investigations concerning foreign licensees and requiring the Board to reasonably cooperate with investigations by the contracting state concerning persons or entities holding Vermont licenses.

(j) An agreement shall include appropriate provisions reflecting Board programs and efforts to promote the inclusion and support of individuals and communities in the cannabis industry who are linked to populations and neighborhoods that were negatively or disproportionately impacted by cannabis criminalization.

(k) Prior to the execution of an agreement or amendment to an agreement, the Governor shall:

(1) Submit the proposed agreement or amendments to the Board and the Joint Fiscal Committee for review and comment. The Board and Committee shall have 60 days to review the proposed agreement or amendment and to submit written recommendations to the Governor. The Governor shall consider all recommendations submitted by the Board and Committee and may revise the proposed agreement or amendment to incorporate the recommendations. If the Governor does not incorporate any recommendations, the Governor shall set forth, in writing, the reasons for not incorporating the recommendations.

(2) Post the proposed agreement or amendment on the Governor's and Board's internet websites for public comment for 30 days. The Governor shall consider any comments received.

(l) An agreement entered into pursuant to this section shall not take effect unless one of the following occurs:

(1) federal law is amended to allow for the interstate transfer of cannabis or cannabis products between authorized commercial cannabis businesses;

(2) federal law is enacted that specifically prohibits the expenditure of federal funds to prevent the interstate transfer of cannabis or cannabis products between authorized commercial cannabis businesses;

(3) the U.S. Department of Justice issues an opinion or memorandum allowing or tolerating the interstate transfer of cannabis products between authorized commercial cannabis businesses; or

(4) the Attorney General issues a written opinion that implementation of agreements entered into under this section will not result in significant legal risk to this State based on review of federal judicial decisions and administrative action.

(m) The Board shall notify the Governor and the General Assembly upon the occurrence of an event described in subsection (l) of this section and shall post the notification on the Board's website.

(n) The Board may adopt emergency rules pursuant to 3 V.S.A. § 844 governing the procedures for admission of a foreign licensee to conduct commercial cannabis activities within the State. Notwithstanding 3 V.S.A. § 844(b), the Board's emergency rules shall be effective for one year from the date of adoption. Within 90 days after adopting the emergency rules, the Board shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs concerning its recommendations for necessary updates to Vermont's cannabis laws and a proposal for permanent rules governing commercial cannabis activities subject to an agreement.

Sec. 28. [Deleted.]

* * * Repeals * * *

Sec. 29. REPEALS

(a) 7 V.S.A. § 909 (integrated license) is repealed on July 1, 2026.

(b) 7 V.S.A. § 862 (cannabis establishment chapter not applicable to hemp or therapeutic use of cannabis) is repealed on July 1, 2026.

(c) 7 V.S.A. § 912 (cannabis event permit) is repealed on July 1, 2028.

* * * Residential Rental Agreements; Prohibiting Restrictions on Cannabis Possession or Use * * *

Sec. 30. 9 V.S.A. § 4468b is added to read:

§ 4468b. RENTAL AGREEMENTS; CANNABIS RESTRICTIONS PROHIBITED

A rental agreement shall not contain a provision that prohibits a tenant from possessing cannabis or cannabis products within the rental premises or using cannabis or cannabis products within a dwelling unit, except that a rental agreement may prohibit the use of lighted cannabis or cannabis products intended for inhalation within the rental premises. This section shall not apply to any rental agreements that are required by federal law to prohibit the possession or use of cannabis within the rental premises.

Sec. 31. 18 V.S.A. § 4230a is amended to read:

§ 4230a. CANNABIS POSSESSION BY A PERSON 21 YEARS OF AGE OR OLDER

* * *

(b)(1) Cannabis possessed or consumed in violation of State law is contraband pursuant to subsection 4242(d) of this title and subject to seizure and forfeiture.

(2) This section does not:

* * *

(E) prohibit a landlord from banning ~~possession or~~ use of lighted cannabis or cannabis products intended for inhalation in a lease agreement; or

* * *

* * * Effective Dates * * *

Sec. 32. EFFECTIVE DATES

(a) This section shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Sec. 24 (household income; cannabis business expenses deduction) shall take effect retroactively on January 1, 2025, for household income received beginning in the 2025 calendar year and shall apply to property tax credit claims filed on and after January 1, 2026.

(c) Sec. 10a (cannabis establishment fee schedule) shall take effect on January 1, 2027, provided that on or before that date the General Assembly has appropriated or transferred a minimum of $105,000.00 to the Cannabis Regulation Fund for purposes of replacing the reduction in fee revenue from outdoor cultivators.

(d) Sec. 13 (cannabis establishment fee schedule) shall take effect on July 1, 2027.

(e) All other sections shall take effect on July 1, 2026.

(Committee vote: 9-2-0)

Rep. Waszazak of Barre City, for the Committee on Ways and Means, recommends that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Government Operations and Military Affairs.

(Committee Vote: 9-1-1)

S. 326

An act relating to miscellaneous amendments to laws relating to motor vehicles

Rep. Walker of Swanton, for the Committee on Transportation, recommends that the House propose to the Senate that the bill be amended by

striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Nondriver Identification Cards * * *

Sec. 1. 23 V.S.A. § 115 is amended to read:

§ 115. NONDRIVER IDENTIFICATION CARDS

(a)(1) Any Vermont resident who does not have an operator's license 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.

* * *

(4) An individual shall not hold at the same time an operator's license and a nondriver identification card issued pursuant to this section.

* * *

(g)(1) An identification card issued to a first-time applicant and any subsequent renewals by that ~~person~~ individual shall contain a photograph or imaged likeness of the applicant.

(2) The photographic identification card shall be available at a location designated by the Commissioner.

(3)(A) ~~An~~ Except as otherwise provided pursuant to subdivision (B) of this subdivision (g)(3), an individual issued an identification card under this ~~subsection that contains an imaged likeness~~ section may renew the individual's identification card by mail.

(B) ~~Except that a renewal by an individual required to have a photograph or imaged likeness under this subsection must be made~~ An identification card issued pursuant to this section shall be renewed in person ~~so that an updated imaged likeness of the individual is obtained not less often than~~ at least once every nine years to permit an updated photograph or imaged likeness of the holder to be obtained.

* * *

(k) ~~At the option of the applicant,~~ An applicant shall surrender the applicant's valid Vermont license ~~may be surrendered~~ in connection with an application for an identification card pursuant to this section. In those

instances, the fee due under subsection (a) of this section shall be reduced by:

* * *

* * * Insufficient Funds for Fees * * *

Sec. 2. 23 V.S.A. § 110 is amended to read:

§ 110. ~~BAD CHECKS~~ INSUFFICIENT FUNDS RECEIVED FOR FEES

(a) Whenever any check or electronic funds transfer, including a credit or debit charge, issued in payment of any fee or for any other purpose is tendered to the Department of Motor Vehicles and payment is not honored by the bank on which the check is drawn or entity to which the electronic funds transfer is submitted, the Commissioner shall send a written notice of ~~its~~ nonpayment to the ~~maker or~~ person ~~presenting the check and if the check is not immediately made good~~ who provided insufficient funds and, if the required amounts are not promptly paid as required by the Commissioner, the Commissioner shall suspend the license or registration of the person or persons. In no case shall the license or registration be reinstated until settlement has been made in full. Settlement in full shall also include the payment of any penalties assessed by the State Treasurer.

(b) The Commissioner may require payment for any transaction solely by certified check or in cash from persons whose licenses or registrations are under suspension pursuant to subsection (a) of this section or from persons who have repeatedly tendered checks or electronic payments to the Department that have not been honored ~~by the bank on which drawn~~.

* * *

* * * Penalties for Operation of Prohibited Vehicles in Smugglers' Notch * * *

Sec. 3. 23 V.S.A. § 1006b is amended to read:

§ 1006b. SMUGGLERS' NOTCH; WINTER CLOSURE OF VERMONT ROUTE 108; VEHICLE OPERATION PROHIBITED

* * *

(b) Vehicle operation prohibition.

* * *

(2) The employer of an operator who is operating a vehicle in the scope of employment and violates this subsection or the operator of a vehicle who is operating a vehicle for personal purposes and violates this subsection shall be subject to a civil penalty of ~~$1,000.00~~ $10,000.00 or, if the violation results in substantially impeding the flow of traffic on Vermont Route 108, a civil

penalty of ~~$2,000.00~~ $20,000.00. For a second or subsequent conviction within a three-year period, the applicable penalty shall be doubled.

* * *

Sec. 4. SMUGGLERS' NOTCH; UPDATED SIGNAGE

The Agency of Transportation shall update signage leading to Smugglers' Notch that relates to the prohibitions and penalties set forth in 23 V.S.A. § 1006b to make drivers aware of the increased penalties for operating an oversize vehicle in Smugglers' Notch that are imposed pursuant to Sec. 3 of this act.

* * * Salvage Titles * * *

Sec. 5. 23 V.S.A. § 2091 is amended to read:

§ 2091. SALVAGE CERTIFICATES OF TITLE; FORWARDING OF PLATES AND TITLES OF CRUSHED VEHICLES

* * *

(b)(1) Except as provided in subsection (c) of this section, the application shall be accompanied by:

~~(1)~~(A) any certificate of title for the vehicle; and

~~(2)~~(B) any other information or documents that the Commissioner may reasonably require to establish ownership of the vehicle and the existence or nonexistence of any security interest in the vehicle.

(2)(A) Supporting documents used to transfer ownership of a vehicle to an insurer following payment of damages:

(i) shall not require a notarized signature;

(ii) may be signed electronically; and

(iii) may be printed on hard copy.

(B) As used in this subdivision (b)(2):

(i) "Signed electronically" means that a person, with the intent to sign the record, uses an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person. For purposes of this subdivision (b)(2), an electronic signature on a supporting document shall utilize a secure authentication system that identifies the signatory with a degree of certainty equivalent to or greater than level 2 as described in the National Institute of Standards and Technology's June 2017 Digital Identity Guidelines, NIST Special Publication 800-63-3, Revision 3.

(ii) "Supporting documents" include bills of sale, title documents, odometer disclosure forms, and powers of attorney.

(C) An insurer shall indemnify and hold harmless the Department for any claims arising from the issuance of a certificate of title based upon supporting documents meeting the requirements of this subdivision (b)(2).

* * *

* * * Duplicate Titles * * *

Sec. 6. 23 V.S.A. § 2022 is amended to read:

§ 2022. DUPLICATE CERTIFICATE

(a) If a certificate of title is lost, stolen, mutilated, or destroyed or becomes illegible, the first lienholder or, if none, the owner or legal representative of the owner named in the certificate, as shown by the records of the Commissioner, shall promptly make application for and may obtain a duplicate title upon furnishing information satisfactory to the Commissioner. ~~It~~ The duplicate title shall be mailed or, if the person is at a Department of Motor Vehicles location, hand delivered to the first lienholder named in ~~it~~ the title or, if none, to the owner.

* * *

Sec. 7. 23 V.S.A. § 3801 is amended to read:

§ 3801. DEFINITIONS

Except when the context otherwise requires, as used in this chapter:

* * *

(20) "Title or certificate of title" means a written instrument or document that certifies ownership of a vessel, snowmobile, or all-terrain vehicle and is issued by the Commissioner or equivalent official of another jurisdiction.

* * *

Sec. 8. 23 V.S.A. § 3815 is amended to read:

§ 3815. DUPLICATE CERTIFICATE

(a) If a certificate of title is lost, stolen, mutilated, or destroyed or becomes illegible, the first lienholder or, if none, the owner or legal representative of the owner named in the certificate of title, as shown by the records of the Commissioner, shall promptly make application for and may obtain a duplicate title upon furnishing information satisfactory to the Commissioner. ~~It~~ The duplicate title shall be mailed or, if the person is at a Department of Motor

Vehicles location, hand delivered to the first lienholder named in ~~it~~ the title or, if none, to the owner.

* * *

* * * Title Appeals * * *

Sec. 9. 23 V.S.A. § 2005 is amended to read:

§ 2005. APPEAL

A person aggrieved by an act or omission of the Commissioner under this chapter may appeal to the Civil Division of the Washington Unit of the Superior Court ~~for Washington County~~ in the same manner as is provided for in other civil actions.

* * * Abandoned Motor Vehicles * * *

Sec. 10. 23 V.S.A. § 2012 is amended to read:

§ 2012. EXEMPTED VEHICLES

No certificate of title need be obtained for:

* * *

(2) a vehicle:

(A) owned by a manufacturer or dealer and held for sale, even though incidentally moved on the highway or used for purposes of testing or demonstration~~, or~~;

(B) used by an educational institution approved by the Agency of Education for driver training purposes~~,~~; or

(C) ~~a vehicle~~ used by a manufacturer solely for testing;

* * *

Sec. 11. 23 V.S.A. § 2158 is amended to read:

§ 2158. FEES FOR TOWING; PUBLIC PROPERTY; FUNDING

(a)(1) A towing service may charge a fee of up to ~~$125.00~~ $250.00 for towing an abandoned motor vehicle from public property under the provisions of sections 2151–2157 of this subchapter.

(2) This fee shall be paid to:

(A) ~~the~~ a towing service upon the issuance by the Department of Motor Vehicles of a certificate of abandoned motor ~~vehicles~~ vehicle under section 2156 of this title; or

(B) the Agency of Transportation if the Agency has a vehicle towed from a State right-of-way and submits proof acceptable to the Commissioner that the Agency has paid a towing service to tow the vehicle from the State right-of-way.

(3) The Commissioner of Motor Vehicles shall notify the Commissioner of Finance and Management, who shall issue payment to the towing service or Agency of Transportation, as applicable, for vehicles removed from public property.

* * *

* * * Diesel Fuel Tax * * *

Sec. 12. 23 V.S.A. § 3015 is amended to read:

§ 3015. COMPUTATION AND PAYMENT OF TAX

(a) Each report required under section 3014 of this title from licensed distributors, dealers, or users shall be accompanied by evidence of an electronic funds transfer payment or a remittance payable to the Department of Motor Vehicles for the amount of tax due, which shall be computed and transmitted in the following manner:

* * *

~~(3)(A)~~(b)(1) Distributors and dealers filing a report required under subsection 3014(a) of this title shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer.

~~(B)~~(2) Users filing a report required under subsection 3014(b) of this title shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer payment or by a remittance through the U.S. mail. If a remittance is sent through the U.S. mail properly addressed to the Department of Motor Vehicles, it shall be deemed received on the date shown by the postmark on the envelope containing the report only for purposes of avoiding penalty and interest. In the event a mailing date is affixed to the envelope by a machine owned by or under the control of the person submitting the report and the U.S. Post Office has corrected or changed the date stamped thereon by causing the official U.S. Post Office postmark to also be imprinted on the envelope, the date shown by the official Post Office postmark shall be the accepted date if different from the original postmark.

~~(4)~~(c) All taxes, interest, user license fees, and penalties collected by the Department of Motor Vehicles under this chapter shall be paid immediately to the State Treasurer and credited to the Transportation Fund.

~~(5)~~(d) Notwithstanding ~~subdivision (4)~~ subsection (c) of this section, the

one cent per gallon fee imposed by this chapter shall be deposited into the Petroleum Cleanup Fund established by 10 V.S.A. § 1941. These fees shall be deemed the petroleum distributor licensing fee established by 10 V.S.A. § 1942.

* * * Operation of Snowmobiles * * *

Sec. 13. 23 V.S.A. § 3207 is amended to read:

§ 3207. PENALTIES AND REVOCATION OR SUSPENSION OF REGISTRATION

* * *

(c) A person who violates any of the following sections of this title shall be subject to a civil penalty of $135.00 for each violation:

~~§ 3202 operation of an unregistered snowmobile~~

* * *

(g) A person who violates the provisions of section 3202 of this chapter shall be subject to a civil penalty of $450.00 for a first offense and $500.00 for a second or subsequent offense within a three-year period.

(h) The Commissioner or ~~his or her~~ the Commissioner's authorized agent may suspend or revoke the registration of any snowmobile registered in this State and repossess the number and certificate to it, when ~~he or she~~ the Commissioner is satisfied that:

* * *

~~(h)~~(i) Civil penalties established under this section shall be mandatory and ~~may~~ shall not be reduced.

* * * Commercial Driver's Licenses * * *

Sec. 14. 23 V.S.A. § 4107 is amended to read:

§ 4107. COMMERCIAL DRIVER'S LICENSE REQUIRED

* * *

(d)(1) Notwithstanding the provisions of this section, during an emergency declared by the Governor, an employee of a State agency or a Vermont municipality may operate a commercial motor vehicle with a weight of 26,001 or more pounds without being required to hold a commercial driver's license while the emergency or emergency condition is ongoing if:

(A) expressly permitted to do so pursuant to the terms of the Governor's declaration; and

(B) the individual is performing official duties or activities related to the execution of emergency governmental functions pursuant to 49 C.F.R. 383.3(d)(2).

(2) An individual operating a vehicle pursuant to the provisions of this subsection shall have a valid operator's license issued pursuant to chapter 9 of this title or the applicable laws of another state.

(3) As used in this subsection, "emergency" means a situation, condition, or event that involves significant imminent or ongoing risk to public health and safety, infrastructure, or property.

Sec. 15. 23 V.S.A. § 4110 is amended to read:

§ 4110. APPLICATION FOR COMMERCIAL DRIVER'S LICENSE OR COMMERCIAL LEARNER'S PERMIT

(a) The application for a commercial driver's license or commercial learner's permit shall include the following:

* * *

(8)(A) The applicable fee for the commercial driver's license being applied for. The four-year fee for a commercial driver's license shall be $108.00. The two-year fee shall be $72.00. The one-year fee for a nondomiciled commercial driver's license shall be $40.00. In those instances where the applicant surrenders a valid Vermont Class D license, the total fees due shall be reduced by:

* * *

Sec. 16. 23 V.S.A. § 4125 is amended to read:

§ 4125. TEXTING VIOLATIONS; HANDHELD MOBILE TELEPHONE VIOLATIONS

(a) Definitions. As used in this section~~,~~:

(1) ~~"driving"~~ "Driving" means operating a commercial motor vehicle on a public highway, including while temporarily stationary because of traffic, a traffic control device, or other momentary delays. "Driving" does not include operating a commercial motor vehicle with or without the motor running when the operator has moved the vehicle to the side of or off a highway and has halted in a location where the vehicle can safely remain stationary.

(2) "Hands-free use" means the use of a portable electronic device without utilizing either hand by employing an internal feature of, or an attachment to, the device or the commercial motor vehicle.

(3) "Public highway" means a State or municipal highway as defined in 19 V.S.A. § 1(12).

(4) "Securely mounted" means the portable electronic device is placed in an accessory specifically designed or built to support the hands-free use of a portable electronic device that is not affixed to the windshield in violation of section 1125 of this title and either:

(A) is utilized in accordance with manufacturer specifications; or

(B) causes the portable electronic device to remain completely stationary under typical driving conditions.

(5) "Texting" means the reading or manual composing or sending of electronic communications, including text messages, instant messages, or email, using a portable electronic device.

(6) "Use" means the use of a portable electronic device in any way that is not a hands-free use, including an operator of a motor vehicle holding a portable electronic device in the operator's hand or hands while operating a motor vehicle.

(b) General prohibition on texting.

(1) No operator shall engage in texting while driving a commercial motor vehicle on a public highway in Vermont or in a location that is either temporarily or permanently open to the public or the general circulation of vehicles.

(2) Texting while driving is permissible by operators of a commercial motor vehicle when necessary to communicate with law enforcement officials or other emergency services.

(3) No ~~person may~~ individual shall be issued traffic complaints alleging a violation of this section and a violation of section 1099 of this title from the same incident.

(4) The prohibition set forth in this subsection does not apply to:

(A) hands-free use;

(B) the activation or deactivation of hands-free use, provided the portable electronic device is securely mounted or the activation or deactivation is carried out through an internal feature of the device or the commercial motor vehicle being operated and without the operator utilizing either hand to hold the portable electronic device;

(C) the use of a global positioning or navigation system that is installed by the manufacturer of the commercial motor vehicle or securely mounted in the vehicle; or

(D) instances where the operator has moved the vehicle to the side of or off the public highway and has stopped the vehicle, with or without the motor running, in a location where the vehicle can safely and lawfully remain stationary.

* * *

* * * Motorboat Validation Stickers * * *

Sec. 17. 23 V.S.A. § 3305 is amended to read:

§ 3305. FEES

* * *

(b)(1) Annually or biennially, the owner of each motorboat required to be registered by this State shall file an application for a number with the Commissioner of Motor Vehicles on forms approved by ~~him or her~~ the Commissioner.

(2) The application shall be signed by the owner of the motorboat and shall be accompanied by:

(A) an annual fee of $31.00, or a biennial fee of $57.00, for a motorboat in class A; ~~by~~

(B) an annual fee of $49.00, or a biennial fee of $93.00, for a motorboat in class 1; ~~by~~

(C) an annual fee of $80.00, or a biennial fee of $155.00, for a motorboat in class 2; ~~by~~ or

(D) an annual fee of $153.00, or a biennial fee of $303.00, for a motorboat in class 3.

(3)(A) Upon receipt of the application in approved form, the Commissioner shall enter the application upon the records of the Department of Motor Vehicles and issue to the applicant a registration certificate stating the number awarded to the motorboat and the name and address of the owner.

(B) The owner shall paint on or attach to each side of the bow of the motorboat the identification number in ~~such~~ the manner ~~as may be~~ prescribed by rules of the Commissioner in order that it may be clearly visible. Validation stickers shall be placed within six inches preceding the registration number on the port side of the motorboat and within six inches following the

registration number on the starboard side of the motorboat.

(C) The registration shall be void one year from the first day of the month following the month of issue in the case of annual registrations or void two years from the first day of the month following the month of issue in the case of biennial registrations.

(D) A motorboat of less than 10 horsepower used as a tender to a registered motorboat shall be deemed registered, at no additional cost, and shall have painted or attached to both sides of the bow the same registration number as the registered motorboat with the number "1" after the number.

(E) The number shall be maintained in legible condition.

(F) The registration certificate shall be pocket size and shall be available at all times for inspection on the motorboat for which issued, whenever the motorboat is in operation.

(G) A duplicate registration may be obtained upon payment of a fee of $3.00 to the Commissioner.

(H) Registration fees shall be allocated in accordance with section 3319 of this title.

(c) A ~~person engaged in the business of selling or exchanging~~ dealer in motorboats, as defined in subdivision 4(8) of this title, of a type otherwise required to be registered by this subchapter shall register and obtain registration certificates for use as described under subdivision (1) of this subsection, subject to the requirements of chapter 7 of this title. A manufacturer of motorboats may register and obtain registration certificates under this section.

(1) A dealer motorboat registration number may be used:

(A) for the purpose of testing or adjusting motorboats in the immediate vicinity of ~~his or her~~ the dealer's place of business;

* * *

(C) for demonstration when the prospective purchaser is operating the motorboat and is not accompanied by the dealer or ~~his or her~~ the dealer's employee, but not for more than three days;

* * *

(4) The Commissioner shall issue a registration certificate of number for each identifying number awarded to the dealer in the manner described in subsection ~~(a)~~(b) of this section, except that a motorboat shall not be described in the certificate. A dealer's registration certificate expires one year from the

first day of the month of issuance.

(5) A dealer's identifying number shall be displayed as required by subsection ~~(a)~~(b) of this section except that the number may be temporarily attached.

* * *

(d)(1) Registration of a motorboat ends when the owner transfers title to another. The former owner shall immediately return directly to the Commissioner the registration certificate previously assigned to the transferred motorboat with the date of sale and the name and residence of the new owner endorsed on the back of the certificate.

(2) When a person transfers the ownership of a registered motorboat to another, files a new application, and pays a fee of $6.00, ~~he or she~~ the person may have registered in ~~his or her~~ the person's name another motorboat of the same class for the remainder of the registration period without payment of any additional registration fee. However, if the fee for the registration of the motorboat sought to be registered is greater than the registration fee for the transferred motorboat, the applicant shall pay the difference between the fee first paid and the fee for the class of motorboat sought to be registered.

* * *

(g) The owner shall notify the Commissioner of the transfer of any part of the owner's interest other than the creation of a security interest in a motorboat numbered in this State under subsections ~~(a) and~~ (b) and (c) of this section or of the destruction or abandonment of the motorboat, within 15 days after the transfer, destruction, or abandonment. The transfer, destruction, or abandonment shall end the certificate of number for the motorboat except that in the case of a transfer of a part interest that does not affect the owner's right to operate the motorboat, the transfer shall not end the certificate of number.

(h) Any holder of a registration certificate shall notify the Commissioner within 15 days if ~~his or her~~ the holder's address ceases to be the address appearing on the certificate and shall, as a part of the notification, furnish the Commissioner with ~~his or her~~ the holder's new address. The Commissioner may provide by rule for the surrender of the certificate bearing the former address and its replacement with a certificate bearing the new address or for the alteration of an outstanding certificate to show the new address of the holder.

* * *

* * * Personal Flotation Devices * * *

Sec. 18. 23 V.S.A. § 3306 is amended to read:

§ 3306. LIGHTS AND EQUIPMENT

* * *

(b)(1) Personal flotation devices. Each vessel, except sailboards, shall, consistent with federal regulations, carry for each individual aboard at least one wearable U.S. Coast Guard-approved personal flotation device that is in good and serviceable condition and capable of being used in accordance with the U.S. Coast Guard approval label.

* * *

(4) Cold weather.

(A) Except as otherwise provided pursuant to subdivision (B) of this subdivision (b)(4), on or before May 1 of each year and on or after November 1 of each year, all individuals aboard a vessel, while under way and the individual is on an open deck, shall wear a properly secured wearable U.S. Coast Guard–approved personal flotation device as intended by the manufacturer.

(B) The requirements of this subdivision (b)(4) shall not apply to an individual who is:

(i) aboard a vessel that is located in water that is not more than three feet deep; and

(ii) actively engaged in hunting or bow fishing and who holds a valid license issued under 10 V.S.A. part 4.

(C) A violation of this subdivision (b)(4) shall not be subject to the penalty set forth in section 3317 of this chapter or constitute a traffic violation pursuant to section 2302 of this title.

(5) Inspected commercial vessels. U.S. Coast Guard-inspected commercial vessels shall be exempt from the provisions of this subsection.

* * *

Sec. 19. PERSONAL FLOTATION DEVICES; COLD WEATHER REQUIREMENTS; EDUCATION AND OUTREACH

On or before September 30, 2026, the Department of Public Safety, in consultation with the U.S. Coast Guard and the Departments of Fish and Wildlife, of Forests, Parks, and Recreation, of Motor Vehicles, and of Health, shall develop and implement a public education and outreach campaign to

make the public aware of the requirements under 23 V.S.A. § 3306(b)(4) related to the use of personal flotation devices from November 1 through May 1. The outreach campaign shall include online and written information, which may be distributed to municipalities, retailers, and public and water safety organizations.

* * * Kei Vehicles * * *

Sec. 20. 23 V.S.A. § 4 is amended to read:

§ 4. DEFINITIONS

Except as may otherwise be provided by law, and unless the context otherwise requires in statutes relating to motor vehicles and enforcement of the law regulating vehicles, as provided in this title and 20 V.S.A. part 5, the following definitions shall apply:

* * *

(28) "Pleasure car" ~~shall include~~ includes all motor vehicles not otherwise defined in this title and ~~shall include~~ includes plug-in electric vehicles, battery electric vehicles, or plug-in hybrid electric vehicles as defined pursuant to subdivision (85) of this section, and kei vehicles as defined pursuant to subdivision (90) of this section.

* * *

(72) "Farm truck" means a motor truck or kei truck that, at the option of the owner, may be registered under the provisions of subsection 367(f) of this title or may be unregistered when used in accordance with subsection 370(b) of this title.

* * *

(89) "Kei truck" means a kei vehicle that is designed, used, or maintained primarily for the transportation of property.

(90) "Kei vehicle" means a motor vehicle that has four wheels, an engine displacement of 660 cubic centimeters or less, an overall length of 130 inches or less, an overall height of 78 inches or less, and an overall width of 60 inches or less.

Sec. 21. 23 V.S.A. § 1044 is added to read:

§ 1044. OPERATION OF KEI VEHICLES

(a) A kei vehicle registered as a pleasure car shall be subject to all provisions of this title that are applicable to pleasure cars.

(b) A kei truck registered as a farm truck shall be subject to all provisions

of this title that are applicable to farm trucks.

(c) The Traffic Committee and political subdivisions of this State shall not adopt any rules or ordinances that would have the effect of prohibiting:

(1) a kei vehicle that is registered as a pleasure car from being operated in the same manner and locations as other pleasure cars; and

(2) a kei truck that is registered as a farm truck from being operated in the same manner and locations as other farm trucks.

* * * Inspection Manual * * *

Sec. 22. INSPECTION MANUAL; AMENDMENT

(a)(1) The Department of Motor Vehicles shall amend the inspection manual to increase its focus on vehicle conditions that constitute genuine safety issues; eliminate outdated procedures; and provide clear, consistent guidance for both inspection mechanics and members of the public.

(2) It is the intent of the General Assembly that the amendments to the inspection manual adopted pursuant to this section shall ensure that:

(A) the inspection manual only requires failure of an inspection when, as determined by the Commissioner, the condition of a vehicle system or component constitutes an immediate safety risk; and

(B) a vehicle owner shall be advised of conditions of vehicle systems and components that do not constitute an immediate safety risk but may become a safety risk at some time in the future.

(3) In preparing the amendments to the inspection manual, the Department shall specifically determine whether amendments to the provisions relating to the following vehicle systems and components are necessary to comply with the legislative intent set forth in subdivision (2) of this subsection:

(A) tires;

(B) power steering;

(C) suspension;

(D) brake rotors;

(E) lighting;

(F) electrical systems and components;

(G) windshield;

(H) windows;

(I) windshield wipers;

(J) vehicle body; and

(K) in the discretion of the Commissioner, any other vehicle systems or components.

(4) In preparing the amendments to the inspection manual, the Department shall determine whether any tests or procedures require amendment or elimination, including the on-highway road test for brakes and the headlamp aiming test.

(5) In preparing the amendments to the inspection manual, the Department shall provide additional visual guidance regarding when certain conditions warrant failure of an inspection.

(b) On or before August 1, 2026, the Department of Motor Vehicles shall:

(1) file with the Secretary of State pursuant to the provisions of 3 V.S.A. § 838 proposed amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) necessary to implement the provisions of this section; and

(2) adopt emergency rules pursuant to 3 V.S.A. § 844 to implement the provisions of this section while permanent rule amendments are pending, which shall be deemed to have met the standard for emergency rulemaking set forth in 3 V.S.A. § 844(a).

(c) The Commissioner of Motor Vehicles shall submit to the House and Senate Committees on Transportation the following reports regarding the rule amendments proposed pursuant to this section:

(1) Not more than five days after the Department files proposed rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State pursuant to 3 V.S.A. § 838, the Commissioner shall submit a summary of the proposed amendments and an annotated copy of the inspection manual that shows the proposed changes.

(2) Not more than five days after the Department files final proposed rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State and Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 841, the Commissioner shall submit a summary of the proposed amendments, an annotated copy of the inspection manual that shows the proposed changes, and a copy of the responsiveness summary, if any, that is submitted with the final proposed rules pursuant to 3 V.S.A. § 841(b)(2).

(3) Not more than five days after the Department files the adopted rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State and Legislative Committee on Administrative Rules

pursuant to 3 V.S.A. § 843, the Commissioner shall submit a brief written statement of the date on which the rule amendments were submitted pursuant to 3 V.S.A. § 843, the effective date of the rule amendments, and any changes to the final proposed rule that were approved by the Legislative Committee on Administrative Rules.

* * * Limited-Use Specialty Vehicles * * *

Sec. 23. 23 V.S.A. § 4 is amended to read:

§ 4. DEFINITIONS

Except as may otherwise be provided by law, and unless the context otherwise requires in statutes relating to motor vehicles and enforcement of the law regulating vehicles, as provided in this title and 20 V.S.A. part 5, the following definitions shall apply:

* * *

(91) "Limited-use specialty vehicle" means a motor vehicle that is:

(A) built by either:

(i) a manufacturer that manufactures not more than 325 vehicles per year for sale in the United States; or

(ii) an individual and not for resale;

(B) maintained solely for occasional transportation, including exhibitions, club activities, parades, and other functions of public interest; and

(C) not used for daily transportation of passengers or property on any highway.

Sec. 24. 23 V.S.A. § 375 is added to read:

§ 375. LIMITED-USE SPECIALTY VEHICLES

(a) The Commissioner shall issue a certificate of registration for not more than 12 additional limited-use specialty vehicles per year.

(b) A vehicle that has been registered as a limited-use specialty vehicle shall not be permitted to be registered as any other type of vehicle.

(c) The annual fee for registration of a limited-use specialty vehicle shall be $26.00.

(d) A vehicle registered under this section may be used on public highways:

(1) in exhibitions, club activities, parades, and other functions of public interest; and

(2) for occasional transportation of passengers or property, not to exceed one day per week.

Sec. 25. 23 V.S.A. § 1222 is amended to read:

§ 1222. INSPECTION OF REGISTERED VEHICLES

* * *

(f) Notwithstanding the provisions of subsection (a) of this section, a limited-use specialty vehicle registered pursuant to section 375 of this title shall undergo a safety inspection and visual emissions inspection each year but shall not be required to undergo an OBD systems inspection.

* * * License Plates * * *

Sec. 26. 23 V.S.A. § 511 is amended to read:

§ 511. MANNER OF DISPLAY

(a) Number plates.

(1) A motor vehicle operated on any highway shall have displayed in a conspicuous place either one or two number plates as the Commissioner may require. ~~Such~~ The number plates shall be furnished by the Commissioner and shall show the number assigned to ~~such~~ the vehicle by the Commissioner. If only one number plate is furnished, the ~~same~~ plate shall be securely attached to the rear of the vehicle. If two are furnished, one shall be securely attached to the rear and one to the front of the vehicle.

(2) Except as otherwise provided by law:

(A) ~~The number~~ Number plates shall be kept entirely unobscured~~,~~ and the numerals and letters ~~thereon~~ on the plates shall be plainly legible at all times.

(B) A person shall not color, tint, or change in any manner the numerals, letters, or background of the plate from their appearance at the time the plate was issued.

(C) A person shall not cover or obscure any numerals or letters on a number plate with any material or substance.

(3) ~~They~~ Number plates shall be kept horizontal, shall be so fastened as not to swing, excepting, however, there may be installed on a motor truck or truck tractor a device that would, upon contact with a substantial object, permit the rear number plate to swing toward the front of the vehicle, provided such device automatically returns the number plate to its original rigid position after contact is released, and the ground clearance of the lower edges thereof shall

be established by the Commissioner pursuant to the provisions of 3 V.S.A. chapter 25.

* * *

(e) Temporary and in-transit registration plates. A motor vehicle issued a temporary or in-transit registration plate under ~~sections~~ section 312, 458, 463, ~~and~~ 516~~-518~~, or 517 of this title operated on any highway shall have the temporary or in-transit registration plate displayed horizontally in a conspicuous place on the rear of the vehicle, including in the rear window. The temporary or in-transit registration plate shall be kept entirely unobscured, and the numerals and letters ~~thereon~~ on the plate shall be plainly legible at all times as provided pursuant to subsection (a) of this section.

Sec. 27. REPEAL

23 V.S.A. § 518 (electronic issuance of temporary plate and temporary registration) is repealed.

* * * Motorcycle Exhaust Requirements * * *

Sec. 28. 23 V.S.A. § 1260 is added to read:

§ 1260. MOTORCYCLE EXHAUST; EXCESSIVE NOISE; PROHIBITIONS

(a) A motorcycle operated on a highway shall be equipped with an exhaust system that includes a muffler or other mechanical device designed to reduce the noise emitted by the motorcycle.

(b) A motorcycle shall be in violation of this section if the motorcycle's exhaust system:

(1) has missing or removed internal baffles;

(2) has a cutout or bypass;

(3) has been modified to bypass the muffler system; or

(4) is a straight-pipe or similar type of exhaust system that does not include any mechanical features to reduce the noise emitted by the motorcycle.

(c) A motorcycle that violates the requirements of this section shall not pass an inspection required under section 1222 of this chapter.

(d) The provisions of this section shall not apply when a motorcycle is operated in a race, contest, or demonstration of speed or skill at an authorized public exhibition held in accordance with applicable State and municipal laws.

Sec. 29. MOTORCYCLE EXHAUST; INSPECTION MANUAL; RULEMAKING

The Commissioner of Motor Vehicles shall, pursuant to the provisions of 3 V.S.A. chapter 25, amend the Inspection of Motor Vehicles rules (CVR 14-050-022) as necessary to implement the provisions of 23 V.S.A. § 1260.

* * * Effective Date * * *

Sec. 29. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 11-0-0)

Rep. Canfield of Fair Haven, for the Committee on Ways and Means, recommends that the report of the Committee on Transportation be amended after Sec. 27 by adding a reader assistance heading and a new Sec. 28 to read as follows:

* * * Tax Record Confidentiality; Disclosure; Agency of Transportation * * *

Sec. 28. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

* * *

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

* * *

(25) To the Agency of Transportation, provided that the disclosure relates to tax revenue generated on the premises of airports in the State and is necessary to demonstrate compliance with Federal Aviation Administration grant funding requirements relating to airport revenue.

* * *

and by renumbering the remaining sections to be numerically correct.

(Committee Vote: 10-0-1)

Rep. Kascenska of Burke, for the Committee on Appropriations, recommends that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Transportation, when further amended as recommended by the Committee on Ways and Means.

(Committee Vote: 10-0-1)

Senate Proposal of Amendment

H. 293

An act relating to health equity data reporting and registry disclosure requirements

The Senate proposes to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * Community Violence Prevention Program Report * * *

Sec. 1. 18 V.S.A. § 13 is amended to read:

§ 13. COMMUNITY VIOLENCE PREVENTION PROGRAM

* * *

(d)~~(1) The Commissioner of Health, in consultation and collaboration with the Chief Prevention Officer, the Department of Public Safety, the Director of Violence Prevention, the Executive Director of Racial Equity, and the Council for Equitable Youth Justice, shall report on the Community Violence Prevention Program:~~

~~(A) on or before September 1, 2023 and December 1, 2023 to the Joint Legislative Justice Oversight Committee; and~~

~~(B) on or before January 15, 2024, and annually on that date thereafter, to the Senate and House Committees on Judiciary, the Senate Committee on Health and Welfare, the House Committee on Human Services, and the House Committee on Health Care.~~

~~(2) The report required by this subsection shall include:~~

~~(A) a complete description of the Community Violence Prevention Program grant application and award process;~~

~~(B) guidelines for the award of grants developed under subdivision (b)(2) of this section;~~

~~(C) the number of applications submitted and grants awarded, and the amount of each grant awarded;~~

~~(D) detailed descriptions of the programs and purposes for which all grants were awarded;~~

~~(E) the impacts and outcomes of funded projects; and~~

~~(F) descriptions of any grants applied for or awarded.~~ [Repealed.]

* * * Cancer Registry Disclosure Requirements * * *

Sec. 2. 18 V.S.A. § 155 is amended to read:

§ 155. DISCLOSURE

* * *

(b) The Commissioner may furnish confidential information to the National Breast and Cervical Cancer Early Detection Program, other states' cancer registries, federal cancer control agencies, or health researchers in order to collaborate in a national cancer registry or to collaborate in cancer control and prevention research studies. However, before releasing confidential information, the Commissioner shall first obtain from such state registries, agencies, or researchers ~~an agreement in writing to keep~~ written assurances acceptable to the Commissioner that the identifying information shall be kept confidential and privileged as required by law. In the case of researchers, the Commissioner shall also first obtain written evidence of the approval of ~~their academic committee for the protection of human subjects established in accordance with 45 C.F.R. part 46~~ an institutional review board or privacy board in accordance with 45 C.F.R. § 164.512(i)(1)(i)(A) and (B).

* * * Amyotrophic Lateral Sclerosis Registry Disclosure Requirements and Reporting * * *

Sec. 3. 18 V.S.A. § 174 is amended to read:

§ 174. CONFIDENTIALITY

(a)(1) All identifying information regarding an individual patient or health care provider is exempt from public inspection and copying under the Public Records Act and shall be kept confidential.

(2) Notwithstanding subdivision (1) of this subsection, the Commissioner may enter into data sharing and protection agreements with researchers or state, regional, or national amyotrophic lateral sclerosis registries for bidirectional data exchange, provided access under such agreements is consistent with the privacy, security, and disclosure protections in this chapter. In the case of researchers, the Commissioner shall also first obtain written evidence of the approval of ~~their academic committee for the protection of human subjects established in accordance with 45 C.F.R. Part 46~~ an institutional review board or privacy board in accordance with 45 C.F.R. § 164.512(i)(1)(i)(A) and (B). The Commissioner shall disclose the minimum information necessary to accomplish a specified research purpose.

* * *

Sec. 4. 18 V.S.A. § 175 is amended to read:

§ 175. ANNUAL REPORT

Annually, on or before ~~January 15~~ November 1, the Department shall submit a written report to the Governor, the House Committee on Human Services, and the Senate Committee on Health and Welfare containing the statewide prevalence and incidence estimates of amyotrophic lateral sclerosis, including any trends occurring over time across the State. Reports shall not contain information that directly or indirectly identifies an individual patient or health care provider.

* * * Health Equity Data Reporting * * *

Sec. 5. 18 V.S.A. § 252 is amended to read:

§ 252. HEALTH EQUITY ADVISORY COMMISSION

* * *

(e) Report. ~~Annually, on~~ On or before January 15 of odd-numbered years, the Advisory Commission shall submit a written report to the Senate Committee on Health and Welfare and to the House Committees on Health Care and on Human Services with its findings and any recommendations for legislative action. The Advisory Commission is encouraged to base recommendations on the data collected and analysis completed pursuant to section 253 of this title.

* * *

Sec. 6. 18 V.S.A. § 253 is amended to read:

§ 253. DATA RESPONSIVE TO HEALTH EQUITY INQUIRIES

* * *

(b)(1) The Department of Health shall systematically analyze such health equity data using the smallest appropriate units of analysis feasible to detect racial and ethnic disparities, as well as disparities along the lines of primary language, sex, disability status, sexual orientation, gender identity, and socioeconomic status, and report the results of such analysis on the Department's website periodically, but not less than biannually. The Department's analysis shall be used to measure over time the impact of actions taken to reduce health disparities in Vermont. The data informing the Department's analysis shall be made available to the public in accordance with State and federal law.

(2) ~~Annually~~ Every three years beginning in 2029, on or before January 15, the Department shall submit a report containing the results of the analysis conducted pursuant to subdivision (1) of this subsection to the Senate

Committee on Health and Welfare and to the House Committees on Health Care and on Human Services.

* * * Emergency Service Provider Wellness Commission Report * * *

Sec. 7. 18 V.S.A. § 7257b(h) is amended to read:

(h) ~~Notwithstanding 2 V.S.A. § 20(d), the Commission shall report its conclusions and recommendations to the Governor and General Assembly as the Commission deems necessary but not less frequently than once per calendar year. The report shall disclose individually identifiable health information only to the extent necessary to convey the Commission's conclusions and recommendations, and any such disclosures shall be limited to information already known to the public. The report shall be available to the public through the Department of Health.~~ [Repealed.]

* * * Service Members and Veterans; Food Service Licensing * * *

Sec. 8. 2018 Acts and Resolves No. 119, Sec. 8 is amended to read:

Sec. 8. REPORTING; UTILIZATION BY SERVICE MEMBERS AND VETERANS

* * *

(d) ~~The Commissioner of Health shall, on or before February 1 of each year, report to the House Committees on Commerce and Economic Development, on General, Housing, and Military Affairs, and on Government Operations and the Senate Committees on Economic Development, Housing and General Affairs and on Government Operations regarding the number of service members and veterans who, during the previous calendar year, were deemed to have knowledge of the prevention of food-borne disease, be able to apply the Hazard Analysis Critical Control Point principles, and have met the criteria for "demonstration of knowledge" requirements set forth by the Department of Health in rule for the purposes of obtaining a food establishment license as provided pursuant to 18 V.S.A. § 4303(b) and the total number of food establishment licenses issued to those service members and veterans.~~ [Repealed.]

* * * Recovery Service Organizations * * *

Sec. 9. REPORT; RECOVERY SERVICE ORGANIZATIONS

On or before February 15, 2027, the Department of Health, in consultation with other Agency of Human Services' departments and recovery service organizations, shall submit a written report to the House Committees on Appropriations, on Health Care, and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare containing

information on the total actual income and expenditures for recovery service organizations in fiscal years 2024–2026. Specifically, the report shall address:

(1) public funding sources, including all appropriated State funds, federal funds, and municipal funds;

(2) recipients of recovery service organization funding;

(3) an analysis of recovery service organization grant performance measures and outcomes; and

(4) any recommendations for enhancing the financial stability of recovery service organizations.

* * * Repeals * * *

Sec. 10. REPEALS

(a) 18 V.S.A. § 5208 (Department of Health; report on statistics) is repealed.

(b) 18 V.S.A. § 1756 (lead screening; annual report) is repealed.

* * * Effective Date * * *

Sec. 11. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

and that after passage the title of the bill be amended to read: "An act relating to miscellaneous amendments to the Department of Health's reporting and programming requirements"

H. 583

An act relating to clinical decision making

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

First: Sec. 1, 18 V.S.A. chapter 233, in section 9773, in subsection (a), following "On or before", by striking out "July 1, 2026" and inserting in lieu thereof "March 1, 2027"

Second: Sec. 1, 18 V.S.A. chapter 233, in section 9773, in subsection (c), following "After", by striking out "July 1, 2026" and inserting in lieu thereof "March 1, 2027"

Third: Sec. 1, 18 V.S.A. chapter 233, in section 9773, by inserting a subsection (d) to read:

(d) The Green Mountain Care Board shall collaborate with relevant stakeholders to develop the processes for reporting data pursuant to this section

and the Agency of Human Services shall provide relevant, necessary data to the Board.

and by relettering the remaining subsections accordingly

Fourth: In Sec. 1, 18 V.S.A. chapter 233, in section 9774, in subsection (a), by striking out "February" and inserting in lieu thereof "July"

H. 642

An act relating to youthful offender proceedings

The Senate proposes to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 33 V.S.A. § 5285 is amended to read:

§ 5285. MODIFICATION OR REVOCATION OF DISPOSITION

(a)(1) If it appears that the youth has violated the terms of juvenile probation ordered by the court pursuant to subdivision 5284(c)(1) of this title, a motion for modification or revocation of youthful offender status may be filed in the Family Division of the Superior Court. The court shall set the motion for hearing as soon as practicable. The hearing may be joined with a hearing on a violation of conditions of probation under section 5265 of this title. A supervising juvenile or adult probation officer may detain in an adult facility a youthful offender who has attained 18 years of age for violating conditions of probation.

(2) Notwithstanding subdivision 5103(c)(2)(D) of this title, when a motion for revocation of youthful offender status is pending pursuant to this section, the Family Division's jurisdiction over the youth shall remain in effect until the youth is discharged or until probation is revoked. The Family Division may extend its jurisdiction over the youth beyond the youth's 22nd birthday to the extent necessary to maintain jurisdiction under this subdivision.

(b) A hearing under this section shall be held in accordance with section 5268 of this title.

(c)(1) If the court finds after the hearing that the youth has violated the terms of ~~his or her~~ the youth's probation, the court may:

~~(1)~~(A) maintain the youth's status as a youthful offender, with modified conditions of juvenile probation if the court deems it appropriate;

~~(2)~~(B) revoke the youth's status as a youthful offender and transfer the case with a record of the petition, affidavit, adjudication, disposition, and revocation to the Criminal Division for sentencing; or

~~(3)~~(C) transfer supervision of the youth to the Department of Corrections with all of the powers and authority of the Department and the Commissioner under Title 28, including graduated sanctions and electronic monitoring.

(2) For purposes of making its determination under subdivision (1) of this subsection, the court shall consider whether:

(A) under the criteria of subdivision 5284(a)(2) of this title, public safety will be protected by continuing to treat the youth as a youthful offender;

(B) the youth continues to be amenable to treatment or rehabilitation as a youthful offender; and

(C) there continue to be sufficient services in the juvenile court system, the Department for Children and Families, and the Department of Corrections to meet the youth's treatment and rehabilitation needs.

(d) If the youth fails to appear at a probation revocation hearing under this section, the court may, unless it finds there was good cause for the failure to appear, issue an order pursuant to subsection 5108(c) of this title for an officer to pick up the youth and bring the youth to court.

(e) If a youth's status as a youthful offender is revoked and the case is transferred to the Criminal Division pursuant to subdivision ~~(c)~~(2)(c)(1)(B) of this section, the court shall enter a conviction of guilty based on the admission to or finding of merits, hold a sentencing hearing, and impose sentence. Unless it serves the ~~interest~~ interests of justice, the case shall not be transferred back to the Family Division pursuant to section 5203 of this title. When determining an appropriate sentence, the court may take into consideration the youth's degree of progress toward or regression from rehabilitation while on youthful offender status. The Criminal Division shall have access to all Family Division records of the proceeding.

Sec. 2. 33 V.S.A. § 5288 is amended to read:

§ 5288. RIGHTS OF VICTIMS IN YOUTHFUL OFFENDER PROCEEDINGS

(a) The victim in a proceeding involving a youthful offender shall have the following rights:

(1) To be notified by the prosecutor in a timely manner:

(A) when a court proceeding is scheduled to take place and when a court proceeding ~~to~~ of which the victim has been notified will not take place as scheduled; and

(B) of any conditions of release or conditions of probation and of any restitution unless otherwise limited by court order.

(2) To be present during all court proceedings subject to the provisions of Rule 615 of the Vermont Rules of Evidence; to attend the hearing on the motion to consider youthful offender status and the disposition hearing to present a victim impact statement and to express reasonably the victim's views concerning the offense and the youth, including testimony in support of the victim's claim for restitution; and to submit oral or written statements to the court at such other times as the court may allow. The court shall consider the victim's statement when ordering disposition.

(3) To be notified by the agency having custody of the youth before the youth is released into the community from a secure or staff-secured residential facility.

(4) To be notified by the prosecutor as to the final disposition of the case.

(5) To be notified by the prosecutor of the victim's rights under this section.

(b) In accordance with court rules, at a hearing on a motion for youthful offender treatment, the court shall ask if the victim is present and, if so, whether the victim would like to be heard regarding disposition. In ordering disposition, the court shall consider any views offered at the hearing by the victim. If the victim is not present, the court shall ask whether the victim has expressed, either orally or in writing, views regarding disposition and shall take those views into consideration in ordering disposition.

(c) No youthful offender proceeding shall be delayed or voided by reason of the failure to give the victim the required notice or the failure of the victim to appear.

(d) As used in this section, "victim" ~~shall have~~ has the same meaning as in 13 V.S.A. § 5301(4).

(e) This section shall not prohibit a victim from discussing underlying facts of the alleged offense that resulted in death or physical, emotional, or financial injury to the victim, provided that, unless otherwise provided by law or court order, a victim shall not disclose what occurs during a court proceeding or information learned through a court proceeding that is not an underlying fact of the alleged offense that resulted in death or physical, emotional, or financial injury to the victim.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

H. 657

An act relating to various programming and requirements within the Department for Children and Families

The Senate proposes to the House to amend the bill 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 an 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) Legislative intent. In instances in which severe family dysfunction such as abuse, neglect, child abandonment, or lack of financial support has left a youth who is 16 or 17 years of age homeless, and other supports such as foster care are deemed inappropriate, it is the intent of the General Assembly to provide an unaccompanied youth with the resources necessary to obtain services and benefits that the unaccompanied youth's peers can obtain with the consent of a parent or guardian.

(b) Definitions. As used in this section:

(1) "Homeless child or youth" means an individual who lacks a fixed, regular, and adequate nighttime residence, including:

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

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

(C) a child or youth living in emergency or transitional shelters;

(D) a child or youth abandoned in hospitals;

(E) a child or 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) a child or youth living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; or

(G) a migratory child who qualifies as homeless because the child is living in the circumstances described in this subdivision (1).

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

(3) "Unaccompanied youth" means a homeless child or youth 16 or 17 years of age who is not in the physical custody of a parent or guardian.

(c) 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.

(d) Proof of certification.

(1)(A) The Department shall contract with a community organization that serves homeless and runaway youth in Vermont to develop a standardized form that shall be used by the entities specified in subsection (c) 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 the individual has completed a human trafficking training in the past two years. This section shall be reproduced in its entirety on the back of the form.

(B) The Department shall post the certification form and information about this section on its website, including who is eligible for certification and which individuals and entities can complete the certification form pursuant to this section.

(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) the youth; 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;

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

(K) participate in a court diversion program pursuant to 3 V.S.A. §§ 163 and 164 or the Youth Substance Awareness Safety Program pursuant to 7 V.S.A. § 656.

(e) 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.

(f) Consent of a parent or guardian.

(1) A certification issued pursuant to subsection (c) of this section shall authorize an unaccompanied youth to obtain benefits and services listed in subsection (d) 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 (d) of this section.

(2) For the purposes of implementing subdivision (d)(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.

(g) Immunity for liability. Any entity, provider, or health care professional who relies in good faith on a certification form presented by a person who claims to be a certified unaccompanied youth pursuant to this section shall be immune from liability for such reliance, unless the entity, provider, or health care professional acted with gross negligence.

(h) Applicability of Compact. 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 subdivisions (b)(1) and (2) 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 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 court-ordered transports of minors conducted by the State transport deputies pursuant to 24 V.S.A. § 290(b) during the previous year, including:

(1) the date of birth of transported minors;

(2) whether restraint was used during transport;

(3) if restraint was used, the type of restraint;

(4) whether the minor's case was a delinquency, youthful offender, or criminal proceeding; 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 shall 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 member 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), Sec. 3 (33 V.S.A. § 4907), and Sec. 13 (33 V.S.A. § 5130(l)) shall take effect on July 1, 2028.

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

Senate Proposal of Amendment to House Proposal of Amendment

S. 202

An act relating to portable solar energy generation devices

The Senate concurs in the House proposal of amendment with further proposals of amendment thereto as follows:

First: In Sec. 2, 30 V.S.A. § 256, by striking out subsection (g) in its entirety and inserting in lieu thereof a new subsection (g) to read as follows:

(g) A tenant shall provide at least 10 days' notice to the landlord of the tenant's intent to install a plug-in photovoltaic device in compliance with subsection (a) of this section in the building. The landlord shall respond within 10 days with any reasonable restrictions on the installation of the device, including requiring the tenant to pay for any required electrical work and hiring a licensed electrician to do the work. If the landlord does not

respond within 10 days, the tenant may proceed with installation. A tenant shall not perform or hire someone to perform electrical work on the premises for the installation of a plug-in photovoltaic device without the landlord's permission. A landlord shall not be compelled to perform or pay for electrical work on the premises to allow for the installation of a plug-in photovoltaic device.

Second: In Sec. 5, 9 V.S.A. § 2795, in subsection (a), by striking out subdivision (6) in its entirety and inserting in lieu thereof a new subdivision (6) to read as follows:

(6) In the rules, the Commissioner shall adopt minimum efficiency and water conservation standards for each product that is subject to a standard under 10 C.F.R. §§ 430 and 431 as those provisions existed on January 19, ~~2017~~ 2025 and amended in a final rule entitled "Energy Conservation Program: Energy Conservation Standards for Expanded Scope Electric Motors" signed on January 8, 2025, excluding any motor incorporated into a product to which a federal energy conservation standard applies under 10 C.F.R. § 430 or 431. The minimum standard and the testing protocol for each product shall be the same as adopted in those sections of the Code of Federal Regulations, except that for faucets, showerheads, and urinals, the minimum standard and testing protocol shall be as otherwise set forth in this section.

S. 298

An act relating to creating the Vermont Voting Rights Act

The Senate concurs in the House proposal of amendment with further proposals of amendment thereto as follows:

First: By striking out Sec. 4, 17 V.S.A. § 2414, in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

Sec. 4. CANDIDATES FOR STATE, LEGISLATIVE, AND COUNTY OFFICE; DISCLOSURE FORM

Through May 30, 2027:

(1) The State Ethics Commission shall provide informational resources to candidates and answer candidates' questions regarding the requirements of 17 V.S.A. § 2414, how to accurately complete and submit the candidate disclosure form, and the penalties for failing to properly file the disclosure form pursuant to 17 V.S.A. § 2415. The Commission shall make available on its web page the disclosure form, preprepared responses to frequently asked questions, and any informational resources and materials that it deems necessary to adequately inform candidates of how to comply with the provisions of 17 V.S.A. §§ 2414 and 2415.

(2) The Office of the Secretary of State shall provide hyperlinks from its web page connecting to the disclosure form and other materials and resources required of the State Ethics Commission pursuant to subdivision (1) of this section.

Second: By adding a new section, to be Sec. 4a, to read as follows:

Sec. 4a. MANAGEMENT OF CANDIDATE DISCLOSURE FORMS; REPORT

On or before January 30, 2027, the State Ethics Commission and the Secretary of State's Office shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations their combined and shared recommendations on how to best manage candidate disclosure forms required under 17 V.S.A. §§ 2414 and 2415.

Third: By adding a new section, to be Sec. 4b, to read as follows:

Sec. 4b. 17 V.S.A. § 2901 is amended to read:

§ 2901. DEFINITIONS

As used in this chapter:

* * *

(13) "Political committee" or "political action committee" means any formal or informal committee of one or more individuals or a corporation, labor organization, public interest group, or other entity, not including a political party, that accepts contributions ~~or~~ and makes expenditures in any amounts in any two-year general election cycle for the purpose of supporting or opposing one or more candidates, influencing an election, or advocating a position on a public question in any election, and includes a legislative leadership political committee.

* * *

For Informational Purposes

HOUSE CHAMBER 2027 SEATING REQUESTS

Pursuant to House Rule 5, a current Representative who will return to the House for the 2027-28 Biennium has a right to retain their current seat in the Chamber or to change seats by selecting a seat that will be vacant in 2027. No steps are needed for a Representative to retain their current seat. Here are the steps for Representatives to request a change of seat for the 2027-28 Biennium:

1. Requests for changes in House seating will be accepted by the House Clerk's Office beginning **at 8:00 A.M. on the first Monday after the House adjourns *sine die***.
2. Call or email your request to Nigel Hicks-Tibbles at: nigel.hicks-tibbles@vtleg.gov.
3. Include in your request the seat number you would like to request; or you may ask Nigel what seats are available and they will be able to provide a list of vacant seats. A request for information will not be treated as a seat-change request for purposes of reserving a seat against other requests.
4. Requests for vacant seats will be accepted in the order received.
5. A vacant seat is one that was held at the end of the 2026 session by a member who has publicly announced they do not plan to run or has not filed to run for reelection to the House, who is not so reelected, or who has changed seats for 2027-28.
6. The list of vacant seats will change over the course of the adjournment and members are welcome to request a change more than once as different seats become available.

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 #3276: Twelve (12) limited-service positions to the Agency of Human Services, various departments, to staff the Rural Health Transformation Initiative. The Rural Health Transformation grant, JFO #3272 was approved at the Joint Fiscal Committee meeting on February 6, 2026. All limited-service positions are expected to be funded through 9/30/2031. *[Received March 31, 2026]*

JFO #3277: $36,000.00 to the Vermont Legislature, Sergeant at Arms office from the National Conference of State Legislatures. The grant will extend up to $500.00 to each member of the General Assembly to secure their homes. Funds would be available once as a reimbursement during the lawmaker's service for expenses incurred after June 1, 2026. *[Received April 14, 2026]*