

House Calendar

Friday, May 22, 2026

137th DAY OF THE ADJOURNED SESSION

House Convenes at 10:00 A.M.

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ACTION CALENDAR

Unfinished Business of Thursday, May 21, 2026

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)

Rep. Squirrell of Underhill, for the Committee on Appropriations, recommends that the report of the Committee on Judiciary be amended in Sec. 7, feasibility plan; forensic facility, by inserting a new subsection to be subsection (c) to read as follows:

(c) Absent further legislative enactment by the General Assembly, the Agency of Human Services and its departments shall not advance the development of the forensic facility other than what is required to complete the feasibility plan required by this section.

(Committee Vote: 10-0-1)

Amendment to be offered by Reps. Wood of Waterbury, Bishop of Colchester, Cole of Hartford, Donahue of Northfield, Eastes of Guilford, Garofano of Essex, Maguire of Rutland City, McGill of Bridport, and Noyes of Wolcott to S. 193

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

First: In Sec. 2, 13 V.S.A. § 4815a, in subdivision (a)(2), by striking out subdivision (B) in its entirety and inserting in lieu thereof a new subdivision (B) to read as follows:

(B) if the person is not held without bail pursuant to section 7553 of this title, has a qualifying condition and it has been determined that the person's release would create a substantial risk of bodily injury to another person;

Second: In Sec. 2, 13 V.S.A. § 4815a, in subdivision (c)(3)(B), after the word "conducted", by inserting "by an evaluator appropriately qualified for the qualifying condition of the person"

Third: In Sec. 2, 13 V.S.A. § 4815a, in subdivision (c)(3)(B)(v), after the word "supervision", by inserting ", including in a community-based placement,"

Fourth: In Sec. 2, 13 V.S.A. § 4815a, in subdivision (c)(4)(A), after the word "housing", by inserting ", including a community-based placement"

Fifth: In Sec. 2, 13 V.S.A. § 4815a, in subdivision (c)(4), by striking out subdivision (B) in its entirety and inserting in lieu thereof a new subdivision (B) to read as follows:

(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;

(ii) at any time upon the determination by the Agency of Human Services Medical Director that the person no longer has a qualifying condition and the person's release would not create a substantial risk of bodily injury to another person; and

(iii) upon petition of the person filed at any time after 90 days following an order of continued commitment issued pursuant to subdivision (A) of this subdivision (4), and thereafter not earlier than six months from the issuance of an order for continued commitment under subdivision (4)(A) of this subsection (c).

Sixth: In Sec. 2, 13 V.S.A. § 4815a, in subdivision (c)(5)(A), by striking out “that, upon the person’s release,” and inserting in lieu thereof “and the person’s release”

Seventh: In Sec. 2, 13 V.S.A. § 4815a, in subdivision (g)(1), by striking out subdivision (B) in its entirety and inserting in lieu thereof a new subdivision (B) to read as follows:

(B) the Agency of Human Services Medical Director has reason to believe that the person continues to have a qualifying condition and that the person’s continued release would create a substantial risk of bodily injury to another person.

Eighth: In Sec. 2, 13 V.S.A. § 4815a, in subdivision (g)(2), after the word “condition”, by striking out “that, if the person’s release continues,” and inserting in lieu thereof “and that the person’s continued release”

Ninth: In Sec. 5, 13 V.S.A. § 4826, in subdivision (a)(1), by striking out subdivision (B) in its entirety and inserting in lieu thereof a new subdivision (B) to read as follows:

(B) “Forensic facility” means a locked secure facility that provides a suitable clinical setting and is 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.

Tenth: In Sec. 5, 13 V.S.A. § 4826, in subdivision (b)(6), by striking out “24 hours a day, seven days a week;” and inserting in lieu thereof “as clinically necessary;”

NOTICE CALENDAR
Favorable with Amendment

S. 190

An act relating to the Green Mountain Care Board, reference-based pricing, and studying the creation of a Public Employee Health Benefit Authority

Rep. Black of Essex, 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:

* * * Reference-Based Pricing * * *

Sec. 1. 18 V.S.A. § 9376(e) is amended to read:

(e) Reference-based pricing.

(1)(A) The Board shall establish reference-based prices that represent the maximum amounts that hospitals shall accept as payment in full for items provided and services delivered in Vermont. The Board may also implement reference-based pricing for services delivered outside a hospital by setting the minimum amounts that shall be paid for items provided and services delivered by nonhospital-based health care professionals. The Board shall consult with health insurers, hospitals, other health care professionals as applicable, the Office of the Health Care Advocate, and the Agency of Human Services in developing reference-based prices pursuant to this subsection (e), including on ways to achieve all-payer alignment on the design and implementation of reference-based pricing.

(B) The Board shall utilize reference-based pricing to reduce hospital prices incrementally until they are equal to national median prices by hospital type by calendar year 2030. The Board shall use the highest quality, nonpartisan data demonstrating hospital prices as a percentage of Medicare to evaluate progress toward reducing hospital prices in Vermont to the national median.

(C) The Board shall implement reference-based pricing in a manner that does not allow health care professionals to charge or collect from patients or health insurers any amount in excess of the reference-based amount established by the Board.

* * *

(3)(A) The Board shall begin implementing reference-based pricing as soon as practicable but not later than hospital fiscal year 2027 by establishing the maximum amounts that Vermont hospitals shall accept as payment in full

for items provided and services delivered. After initial implementation, the Board shall review the reference-based prices for each hospital annually as part of the hospital budget review process set forth in chapter 221, subchapter 7 of this title.

(B) The Board, in collaboration with the Department of Financial Regulation, shall monitor the implementation of reference-based pricing to ensure that any decreases in amounts paid to hospitals also result in decreases in health insurance premiums. The Board shall post its findings regarding the alignment between price decreases and premium decreases annually on its website.

(C)(i) For provider contracts entered into, amended, or renewed on or after January 1, 2028, each hospital and health insurer shall begin expressing as a percentage of Medicare or of another benchmark, if another benchmark is deemed appropriate by the Green Mountain Care Board, the rates for items and services identified pursuant to a collaborative process between the Board and representatives of Vermont hospitals.

(ii) When making public the charges for items and services pursuant to 45 C.F.R. Part 180, each hospital shall include in its machine-readable files pricing information shown as a percentage of Medicare rates, as well as in dollars and cents, disaggregated by payer and by plan.

(iii) For purposes of subdivisions (i) and (ii) of this subdivision (3)(C), a hospital may express rates as a percentage of Medicare based on the actual reimbursement amounts the hospital receives from Medicare for items provided and services delivered to Medicare beneficiaries until such time as the Green Mountain Care Board adopts a rule establishing the methodology for determining Medicare rates for use as a benchmark in establishing reference-based prices pursuant to this subsection (e).

(D)(i) Each hospital shall apply for, obtain, and use a unique National Provider Identifier (NPI) on all claims filed after October 1, 2027, for reimbursement or payment of items provided and services delivered at an off-campus department of the hospital that is distinct from the NPI used for services delivered at the main hospital campus or at any other off-campus hospital department.

(ii) As used in this subdivision (D):

(I) “Campus” has the same meaning as in 42 C.F.R. § 413.65.

(II) “Off-campus” means a facility located more than 250 yards from the main hospital campus.

* * *

Sec. 2. 18 V.S.A. chapter 221, subchapter 7 is amended to read:

Subchapter 7. Hospital Budgets and Budget Review

§ 9451. DEFINITIONS

As used in this subchapter:

* * *

(4)(A) “Medicare adjusted base rate” means the standardized Medicare payment amount for a hospital inpatient, outpatient, or professional service as determined under the Medicare program, calculated prior to the application of any hospital-specific, patient-specific, or policy-based payment adjustments and reflecting only the core payment methodology used by the Centers for Medicare and Medicaid Services to establish baseline payment levels, which include adjustments for geographic factors such as wages.

(B) For items provided and services delivered at a critical access hospital, the Medicare adjusted base rate shall be determined under the applicable Medicare prospective payment system, using the Medicare payment methodology that would apply if the hospital were not designated as a critical access hospital.

* * *

§ 9459. LIMITATIONS ON HOSPITAL REIMBURSEMENTS FOR QUALIFIED HEALTH BENEFIT PLANS AND PLANS COVERING SCHOOL EMPLOYEES

(a) As used in this section:

(1) “Health benefit association” has the same meaning as in 24 V.S.A. § 4947.

(2) “Hospital” means a general hospital licensed under chapter 43 of this title that is not:

(A) a critical access hospital;

(B) classified as a Medicare-dependent hospital under 42 C.F.R. § 412.108; or

(C) participating in the Rural Community Hospital Demonstration program through the Centers for Medicare and Medicaid Services.

(3) “Qualified health benefit plan” has the same meaning as in 33 V.S.A. § 1802.

(4) “Registered carrier” has the same meaning as in 33 V.S.A. § 1811.

(5) “School employee” has the same meaning as in 16 V.S.A. § 2101.

(b)(1) In establishing fiscal year 2027 hospital budgets, the Board may direct an amount equal to 3.5 percent of the hospitals’ combined commercial net patient revenue based on approved fiscal year 2026 hospital budgets toward reducing commercial reimbursement rates for qualified health benefit plans and for health benefit plans offered to school employees by a health benefit association pursuant to 24 V.S.A. § 4947 based on a percentage of the Medicare adjusted base rate determined by the Board for each item provided and service delivered in Vermont to enrollees in these plans.

(2) In establishing fiscal year 2028 and 2029 hospital budgets, the Board may limit commercial reimbursement rates for qualified health benefit plans and for health benefit plans offered to school employees by a health benefit association pursuant to 24 V.S.A. § 4947 to not more than the following percentages of the Medicare adjusted base rate for each item provided and service delivered in Vermont to enrollees in these plans:

(A) for hospital fiscal year 2028, not more than 300 percent of the Medicare adjusted base rate; and

(B) for hospital fiscal year 2029, not more than 250 percent of the Medicare adjusted base rate.

(c)(1) A registered carrier or health benefit association shall not reimburse or agree to reimburse a hospital more than the percentage of the Medicare adjusted base rate specified by the Green Mountain Care Board pursuant to subsection (b) of this section, if any, for the applicable hospital fiscal year for any item provided or service delivered in Vermont to an enrollee in a qualified health benefit plan or a health benefit plan offered to school employees by a health benefit association.

(2) In the event that a registered carrier or health benefit association reimburses a hospital for an item or service on a capitated or other non-fee-for-service basis, the carrier or association shall ensure that its reimbursement method is adjusted to account for the reimbursement limit set forth in subdivision (1) of this subsection.

(d) A hospital or hospital provider that is reimbursed in accordance with subsections (b) and (c) of this section shall not charge or collect from the patient any additional amounts other than the cost-sharing amounts authorized by the terms of the health benefit plan.

(e) To the extent that a hospital is required by the Board’s budget order to reduce its commercial reimbursement rates by amounts greater than the reductions achieved pursuant to subsection (b) of this section, the hospital shall

reduce its commercial reimbursement rates that exceed 500 percent of the Medicare adjusted base rate or, if the hospital does not have any commercial reimbursement rates that exceed 500 percent of the Medicare adjusted base rate, by reducing its commercial reimbursement rates that are the highest in relation to the Medicare adjusted base rate.

(f) Except as provided in subsections (b), (c), and (e) of this section, a hospital may increase the commercial reimbursement rates for one or more of its service lines, such as primary care, provided that in doing so the hospital remains compliant with the total budget ordered for the hospital by the Board pursuant to section 9456 of this subchapter.

(g)(1) In its reviews of premium rates in accordance with 8 V.S.A. § 4026, the Green Mountain Care Board shall ensure that the limitations on reimbursements established in this section are appropriately reflected in the premium rates for qualified health benefit plans.

(2) In its review of premium rates in accordance with 8 V.S.A. § 4026 and 24 V.S.A. chapter 121, subchapter 6, the Department of Financial Regulation shall ensure that the limitations on reimbursements established in this section are appropriately reflected in the premium rates for health benefit plans offered to school employees by a health benefit association.

Sec. 3. 18 V.S.A. § 9407 is amended to read:

§ 9407. OUTPATIENT PRESCRIPTION DRUGS; LIMITATIONS ON
HOSPITAL CHARGES

(a)(1) A hospital shall not submit a claim to a health insurer for reimbursement of a prescription drug administered in an outpatient or office setting in an amount that exceeds ~~120~~ 130 percent of the average sales price (ASP), as calculated by the Centers for Medicare and Medicaid Services, for any drug for which the hospital charged any health insurer more than ~~120~~ 130 percent of the ASP in effect as of April 1, 2025.

(2) For any prescription drug administered in an outpatient or office setting for which a hospital charged a health insurer ~~120~~ 130 percent or less of the ASP in effect as of April 1, 2025, the hospital shall not charge the health insurer a greater percentage of the ASP, as calculated by the Centers for Medicare and Medicaid, for that drug than the percentage of the ASP that the hospital charged the health insurer as of April 1, 2025.

(3) A hospital shall update the ASP for each drug annually on January 1 and July 1 based on the Centers for Medicare and Medicaid Services' ASP calculations for the most recent calendar quarter.

* * *

* * * Hospital Outsourcing * * *

Sec. 4. HOSPITAL OUTSOURCING; HOSPITAL BUDGETS;
PROVIDER TAXES; REPORT

(a) For fiscal year 2027 hospital budgets, the Green Mountain Care Board shall direct hospitals to provide such information as the Board may require regarding the clinical services that the hospital outsources to external entities.

(b) On or before January 15, 2027, the Green Mountain Care Board, after consulting with hospitals and their contracted independent providers and assessing the impact of outsourcing on access to and the quality and availability of care, shall provide findings and recommendations regarding hospital outsourcing to the House Committees on Health Care and on Ways and Means and the Senate Committees on Health and Welfare and on Finance. In addition, the Board, in collaboration with the Agency of Human Services, shall report on the extent to which hospital outsourcing affects provider tax revenue and recommend any necessary modifications to 33 V.S.A. chapter 19, subchapter 2 to appropriately reflect expenditures for patient care at Vermont hospitals.

* * * Excluding Reference-Based Pricing from Scope of Health Care
Professional Bargaining * * *

Sec. 5. 18 V.S.A. § 9409 is amended to read:

§ 9409. HEALTH CARE PROVIDER BARGAINING GROUPS

(a) The Green Mountain Care Board may approve the creation of one or more health care provider bargaining groups, consisting of health care providers who choose to participate. A bargaining group is authorized to negotiate on behalf of all participating providers with the Secretary of Administration, the Secretary of Human Services, the Green Mountain Care Board, or the Commissioner of Labor with respect to any matter in this chapter; chapter 13, 219, 220, or 222 of this title; 21 V.S.A. chapter 9; and 33 V.S.A. chapters 18 and 19 with respect to provider regulation, provider reimbursement, administrative simplification, information technology, workforce planning, or quality of health care.

(b) The Green Mountain Care Board shall adopt by rule criteria for forming and approving bargaining groups and criteria and procedures for negotiations authorized by this section.

(c) The rules relating to negotiations shall include a nonbinding arbitration process to assist in the resolution of disputes. Nothing in this section shall be

construed to limit the authority of the Secretary of Administration, the Secretary of Human Services, the Green Mountain Care Board, or the Commissioner of Labor to reject the recommendation or decision of the arbiter.

(d) Notwithstanding any provisions of this section to the contrary, the Green Mountain Care Board shall not be required to negotiate with a provider bargaining group or engage in a nonbinding arbitration process in connection with the Board's establishment of reference-based prices in accordance with subdivision 9375(b)(1)(A), subdivision 9375(b)(5), or section 9376 of this title.

* * * Appeals of Green Mountain Care Board Orders * * *

Sec. 6. 18 V.S.A. § 9381 is amended to read:

§ 9381. APPEALS

(a) ~~The Green Mountain Care Board shall adopt procedures for administrative appeals of its actions, orders, or other determinations. Such procedures shall~~ that provide for the issuance of a final order and for the creation of a record sufficient to serve as the basis for judicial review of the Board's final actions, orders, and other determinations pursuant to subsection (b) of this section.

(b) Any person aggrieved by a final action, order, or other determination of the Green Mountain Care Board may, ~~upon exhaustion of all administrative appeals available pursuant to subsection (a) of this section,~~ appeal to the Supreme Court pursuant to the Vermont Rules of Appellate Procedure.

* * *

* * * Data Infrastructure * * *

Sec. 7. 18 V.S.A. § 9411 is amended to read:

§ 9411. INTERACTIVE PRICE TRANSPARENCY DASHBOARD AND HEALTH SYSTEM PERFORMANCE TOOL

(a)(1) The Green Mountain Care Board shall develop and maintain a public, interactive, ~~Internet-based~~ internet-based price transparency dashboard that allows consumers to compare health care prices for certain health care services across the State. Using data from the Vermont Healthcare Claims Uniform Reporting and Evaluation System (VHCURES) established pursuant to section 9410 of this title, the dashboard shall provide the range of actual allowed amounts for selected health care services, showing both the amount paid by the health insurer or other payer and the amount of the member's

responsibility, and shall allow the consumer to sort the information by geographic location, by health care provider, by payer type, and by the specific health care procedure or health care service. The Board shall provide a link on the dashboard to the statewide comparative hospital quality report published by the Commissioner of Health pursuant to section 9405b of this title.

(b)(2) The Board shall update the information in the interactive price transparency dashboard at least annually.

(b)(1) The Board shall develop and maintain a public, interactive tool that displays information on health system performance, including information regarding quality, access, and affordability.

(2) The Board shall update the information in the health system performance tool on a regular basis, to the extent operationally feasible.

Sec. 8. IMPLEMENTATION OF HEALTH SYSTEM PERFORMANCE

TOOL

The Green Mountain Care Board shall develop the health system performance tool described in 18 V.S.A. § 9411(b), as added by Sec. 8 of this act, only if the Board receives sufficient funding from the federal government or another source for this purpose.

* * * Critical Access Hospitals; Medicare Outpatient Cost Sharing * * *

Sec. 9. CRITICAL ACCESS HOSPITALS; MEDICARE OUTPATIENT

COST SHARING

(a) The General Assembly and the Green Mountain Care Board have recently become aware of a federal requirement that Medicare beneficiaries must bear financial responsibility for 20 percent of the amount charged for outpatient services delivered by critical access hospitals, not 20 percent of the amount that Medicare pays for the service. While the General Assembly understands that it cannot invalidate this federal requirement, it also recognizes both that this requirement has a significant, unfair, and negative financial impact on Medicare beneficiaries in the State's most rural communities and that Vermont's critical access hospitals are some of the State's most financially vulnerable health care facilities. It is the intent of this section to provide information to Vermont's seniors and other Medicare beneficiaries about the federal requirement while a working group of interested stakeholders endeavors to develop appropriate and enduring solutions that do not undermine the financial sustainability of our critical access hospitals and that comply with federal law.

(b) On or before September 1, 2026, each critical access hospital shall do all of the following:

(1) Identify all the outpatient services for which the amount that the hospital charges equals five or more times the Medicare allowed amount for that service.

(2) Post prominently on its website and in outpatient departments of the hospital a disclosure about the federal requirement that Medicare beneficiaries must pay 20 percent of the charge for outpatient services at critical access hospitals, that Medicare beneficiaries may be able to receive care with reduced out-of-pocket costs from other providers, and how to contact the hospital's patient financial assistance department for more information. The hospital shall file its proposed disclosure materials with the Green Mountain Care Board for the Board's approval prior to posting.

(c) To the extent that the Green Mountain Care Board engages in efforts to address the Medicare outpatient cost-sharing issue in hospital fiscal year 2027, the Board shall consider any proposals from the critical access hospitals and other interested stakeholders and shall ensure that its actions are consistent with ongoing hospital transformation efforts and the principles for health care reform expressed in 18 V.S.A. § 9371.

* * * Effective Dates * * *

Sec. 10. EFFECTIVE DATES

This act shall take effect on passage, except that, notwithstanding any provision of 18 V.S.A. § 9407(a)(3) to the contrary, Sec. 3 (18 V.S.A. § 9407) shall take effect on October 1, 2026, and hospitals shall update the average sales prices for drugs on October 1, 2026, and again on January 1, 2027.

and that after passage the title of the bill be amended to read: "An act relating to reference-based pricing and the Green Mountain Care Board"

(Committee vote: 10-1-0)

Rep. Holcombe of Norwich, 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 Health Care.

(Committee Vote: 7-4-0)

Rep. Dickinson of St. Albans Town, for the Committee on Appropriations, recommends that the report of the Committee on Health Care be amended as follows:

First: By striking out Sec. 2, 18 V.S.A. chapter 221, subchapter 7, in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. LIMITATIONS ON HOSPITAL REIMBURSEMENTS FOR
QUALIFIED HEALTH BENEFIT PLANS AND PLANS
COVERING SCHOOL EMPLOYEES FOR HOSPITAL FISCAL
YEAR 2027

(a) As used in this section:

(1) “Health benefit association” has the same meaning as in 24 V.S.A. § 4947.

(2)(A) “Medicare adjusted base rate” means the standardized Medicare payment amount for a hospital inpatient, outpatient, or professional service as determined under the Medicare program, calculated prior to the application of any hospital-specific, patient-specific, or policy-based payment adjustments and reflecting only the core payment methodology used by the Centers for Medicare and Medicaid Services to establish baseline payment levels, which include adjustments for geographic factors such as wages.

(B) For items provided and services delivered at a critical access hospital, the Medicare adjusted base rate shall be determined under the applicable Medicare prospective payment system, using the Medicare payment methodology that would apply if the hospital were not designated as a critical access hospital.

(3) “Qualified health benefit plan” has the same meaning as in 33 V.S.A. § 1802.

(4) “Registered carrier” has the same meaning as in 33 V.S.A. § 1811.

(5) “School employee” has the same meaning as in 16 V.S.A. § 2101.

(b) Notwithstanding any provision of 18 V.S.A. § 9375(b)(1)(A) to the contrary, for hospital fiscal year 2027, the Green Mountain Care Board may order hospitals to reduce their commercial reimbursement rates for qualified health benefit plans and for health benefit plans offered to school employees by a health benefit association pursuant to 24 V.S.A. § 4947 based on a percentage of the Medicare adjusted base rate determined by the Board for each item provided and service delivered in Vermont to enrollees in these plans.

(c)(1) A registered carrier or health benefit association shall not reimburse or agree to reimburse a hospital more than the percentage of the Medicare adjusted base rate specified by the Green Mountain Care Board pursuant to subsection (b) of this section, if any, for the applicable hospital fiscal year for any item provided or service delivered in Vermont to an enrollee in a qualified health benefit plan or a health benefit plan offered to school employees by a health benefit association.

(2) In the event that a registered carrier or health benefit association reimburses a hospital for an item or service on a capitated or other non-fee-for-service basis, the carrier or association shall ensure that its reimbursement method is adjusted to account for the reimbursement limit set forth in subdivision (1) of this subsection.

(d) A hospital or hospital provider that is reimbursed in accordance with subsections (b) and (c) of this section shall not charge or collect from the patient any additional amounts other than the cost-sharing amounts authorized by the terms of the health benefit plan.

(e) To the extent that a hospital is required by the Board's budget order to reduce its commercial reimbursement rates by amounts greater than the reductions achieved pursuant to subsection (b) of this section, the hospital shall reduce its commercial reimbursement rates that exceed 500 percent of the Medicare adjusted base rate or, if the hospital does not have any commercial reimbursement rates that exceed 500 percent of the Medicare adjusted base rate, by reducing its commercial reimbursement rates that are the highest in relation to the Medicare adjusted base rate.

(f)(1) In its reviews of premium rates in accordance with 8 V.S.A. § 4026, the Green Mountain Care Board shall ensure that the limitations on reimbursements established in this section are appropriately reflected in the premium rates for qualified health benefit plans.

(2) In its review of premium rates in accordance with 8 V.S.A. § 4026 and 24 V.S.A. chapter 121, subchapter 6, the Department of Financial Regulation shall ensure that the limitations on reimbursements established in this section are appropriately reflected in the premium rates for health benefit plans offered to school employees by a health benefit association.

Second: By striking out Sec. 3, 18 V.S.A. § 9407, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. [Deleted.]

Third: By adding a reader assistance heading and a new section to be Sec. 4a to read as follows:

* * * Section 1332 Waiver for Reinsurance Program * * *

Sec. 4a. REINSURANCE; AUTHORIZATION TO PURSUE SECTION
1332 WAIVER

The Department of Vermont Health Access, in consultation with the Department of Financial Regulation, is authorized to submit a State Innovation Waiver pursuant to Section 1332 of the Patient Protection and Affordable Care Act of 2010, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, to establish a program for reinsurance and seek federal pass-through funding of amounts attributable to premium tax credits under 26 U.S.C. § 36B.

Fourth: By striking out Sec. 10, effective dates, and its reader assistance heading in their entireties and inserting in lieu thereof a new Sec. 10 and reader assistance heading to read as follows:

* * * Effective Date * * *

Sec. 10. EFFECTIVE DATE

This act shall take effect on passage.

(Committee Vote: 11-0-0)

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 ~~400~~ 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~~ 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)

Rep. Nigro of Bennington, for the Committee on Appropriations, 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: 7-4-0)

Amendment to be offered by Rep. Tagliavia of Corinth to S. 278

That the report of the Committee on Government Operations and Military Affairs be amended as follows:

First: By striking out Sec. 5, 7 V.S.A. § 912, in its entirety and inserting in lieu thereof a new Sec. 5 to read as follows:

Sec. 5. [Deleted.]

Second: In Sec. 29, repeals, by striking out subsection (c) in its entirety.

S. 323

An act relating to miscellaneous agricultural subjects

Rep. Nelson of Derby, for the Committee on Agriculture, Food Resiliency, and Forestry, 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:

* * * Milk Producers * * *

Sec. 1. 6 V.S.A. § 2752 is amended to read:

§ 2752. REFUSAL TO PURCHASE; HEARING; SECRETARY'S ORDER

(a) A handler doing business in this State who has a contract either verbal or written with a producer residing in this State for the purchase of the producer's dairy products shall not refuse to purchase them from the producer except for violations of the sanitary rules or standards applicable to the market in which the dairy product is sold or marketed, without being deemed guilty of unfair discrimination. In the event that the refusal is to be based upon reasons of oversupply or other reasonable grounds, the refusal shall not become operative until the purchaser has given the producer at least 90 days' notice of intention to refuse the producer's product on these grounds, which shall be particularly set forth in writing so that the producer may be fully appraised of the refusal.

(b) If the producer desires to question the existence or validity of such grounds of refusal, ~~he or she~~ the producer may do so within 90 days after receiving the notice or refusal by requesting the Secretary of Agriculture, Food and Markets for a hearing, and the Secretary is hereby given jurisdiction to hear and determine the question. The producer shall make complaints of such contemplated refusal in writing to the Secretary, setting forth the substance of the refusal notice and requesting to be heard thereon. The Secretary shall then notify both the producer and the purchaser in writing, sent to them by registered mail, of the time and place of hearing thereon. The time of the

hearing shall not be less than 10 nor more than 30 days from the date of the notice. Hearing shall be informal. Both parties shall have an opportunity to produce evidence.

* * *

(d) If a request for a hearing is made by a ~~purchaser~~ producer, refusal of the purchaser shall not become operative until hearing and decision in the purchaser's favor by the Secretary.

* * *

* * * Farm-to-School Program Contracts * * *

Sec. 2. 6 V.S.A. § 4721 is amended to read:

§ 4721. LOCAL FOODS ~~GRANT~~ PROGRAM

(a) There is created in the Agency of Agriculture, Food and Markets the Roza McLaughlin Farm-to-School Program to execute, administer, and ~~award~~ provide local grants or contracts for the purpose of helping Vermont schools develop farm-to-school programs that will sustain relationships with local farmers and producers, enrich the educational experience of students, improve the health of Vermont children, and enhance Vermont's agricultural economy.

(b) A school, a school district, a consortium of schools, a consortium of school districts, a registered or licensed child care provider, or an organization administering or assisting the development of farm-to-school programs may apply to the Secretary of Agriculture, Food and Markets for a grant ~~award~~ or contract to:

* * *

(c) The Secretaries of Agriculture, Food and Markets and of Education and the Commissioner of Health, in consultation with farmers, child nutrition staff, educators, organizations administering or assisting the development of farm-to-school programs, and farm-to-school technical service providers, jointly shall adopt procedures relating to the content of ~~the grant application~~ applications or contract bids and the criteria for making awards.

* * *

(e) No ~~award~~ individual grant or contract shall be greater than 20 percent of the total annual ~~amount~~ funds available ~~for granting~~ except that a ~~grant~~ an award to the following entities may, at the discretion of the Secretary of Agriculture, Food and Markets, exceed the cap:

- (1) Farm-to-School service providers; or

(2) school districts or consortiums of school districts that completed merger under 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and Resolves No. 46 on or before July 1, 2019, provided that the ~~grant is~~ funds are used for the purpose of expanding Farm-to-School projects to additional schools within the new school district.

* * * Pest Control Compact Repeal and Pesticide Exam Requirements * * *

Sec. 3. REPEAL

6 V.S.A. chapter 83 (Pest Control Compact) is repealed on July 1, 2026.

Sec. 4. 6 V.S.A. § 1112 is amended to read:

§ 1112. LICENSING PESTICIDE APPLICATORS; PESTICIDE COMPANIES; DEALERS

(a) The Secretary may adopt rules requiring persons selling Class A and B pesticides to be licensed under this chapter. In addition, the Secretary may adopt rules requiring companies that hire applicators or conduct pesticide applications to be licensed and applicators who use pesticides to be certified under this chapter. The Secretary may establish reasonable requirements for obtaining licenses and certificates. The fees for dealers, licensed companies, and applicator certificates under this chapter shall be as follows:

(1) Class A Dealer License—\$50.00;

(2) Class B Dealer License—\$50.00;

(3) Pesticide Company License—\$75.00;

(4) Commercial and, Noncommercial, and Government Applicator Certification fee—\$30.00 per category or subcategory with a maximum of \$120.00;

(5) ~~second and third time examination~~ Examination fee for dealer licenses and applicator certification—\$25.00; and

(6) Private Applicator—\$25.00; ~~and~~

(7) ~~State Government, Municipal, and Public Education Institution~~ Applicators—\$30.00.

* * *

(e) There shall be no limitation on the frequency for retaking examinations for private, commercial, noncommercial, or government applicator certifications or dealer licenses.

* * * Seed Law Changes * * *

Sec. 5. 6 V.S.A. § 641 is amended to read:

§ 641. DEFINITIONS

(a) As used in this chapter:

(1) “Agricultural seed” includes grass, forage, cereal, oil, fiber, and other kinds of crop seeds commonly recognized as agricultural seeds, lawn seeds, and combinations of such seeds, and may include noxious weed seeds used as agricultural seed.

(2) “Secretary” means the Secretary of Agriculture, Food and Markets or ~~his or her~~ the Secretary’s designee.

(3) “Agency” means the Agency of Agriculture, Food and Markets.

(4) “Flower seed” includes seed of herbaceous plants grown for their blooms, ornamental foliage, or other ornamental parts and commonly known and sold under the name of flower or wildflower seed in this State.

* * *

Sec. 6. 6 V.S.A. § 644 is amended to read:

§ 644. LABEL REQUIREMENTS FOR AGRICULTURAL, FLOWER, AND VEGETABLE SEEDS

(a) Each container of agricultural, flower, and vegetable seeds that is sold in this State for sowing purposes shall be labeled.

(1) All labels shall include:

* * *

(5) All bins and other bulk displays of agricultural, flower, grass, and vegetable seeds, or mixtures of the described seeds, shall be labeled with the same information that is required to be on containers of agricultural, flower, or vegetable seeds as applicable.

* * *

Sec. 7. 6 V.S.A. § 647 is amended to read:

§ 647. ADMINISTRATIVE PENALTIES

(a) The Secretary may assess administrative penalties, not to exceed \$250.00 for each offense, in any case ~~he or she~~ the Secretary determines that a person has committed any of the following violations:

- (1) ~~sold seed products without paying the seed inspection fees for hundredweight tonnage or seed registration fee under section 648 of this title;~~
- (2) ~~sold seed products within the State of Vermont found deficient in guarantee analysis and labeling as defined by rule; or~~
- (3) ~~violated a stop sale order.~~

* * *

* * * Consolidate VACP within VEDA * * *

Sec. 8. TRANSFER OF VERMONT AGRICULTURAL CREDIT PROGRAM

10 V.S.A. chapter 16A (Vermont Agricultural Credit Program) is repealed for the purpose of redesignation as 10 V.S.A. chapter 12, subchapter 16.

Sec. 9. 10 V.S.A. chapter 12, subchapter 16 is added to read:

Subchapter 16. Vermont Agricultural Credit Program

§ 280hh. DEFINITIONS

As used in this subchapter:

(1) “Agricultural facility” means land and rights in land, buildings, structures, machinery, and equipment that is used for, or will be used for, producing, processing, preparing, packaging, storing, distributing, marketing, or transporting agricultural or forest products that have been at least partially produced in this State, and working capital reasonably required to operate an agricultural facility.

(2) “Agricultural land” means real estate capable of supporting commercial farming or forestry, or both.

(3) “Agricultural products” means crops, livestock, forest products, and other farm or forest commodities produced as a result of farming or forestry activities.

(4) “Authority” means the Vermont Economic Development Authority established under section 213 of this title.

(5) “Cash flow” means, on an annual basis, all income, receipts, and revenues of the applicant or borrower from all sources and all expenses of the applicant or borrower, including all debt service and other expenses.

(6) “Farm operation” means the cultivation of land or other uses of land for the production of food, fiber, horticultural crops, silvicultural products, orchard crops, maple syrup, Christmas trees, forest products, or forest crops;

the raising, boarding, and training of equines, and the raising of livestock; or any combination of the foregoing activities. “Farm operation” also means the storage, preparation, retail sale, and transportation of agricultural or forest commodities accessory to the cultivation or use of such land. “Farm operation” also means the operation of an agritourism business on a farm subject to regulation under the Required Agricultural Practices. “Farm operation” also means a business that provides specialty services to farmers, such as foresters, farriers, hoof trimmers, or large animal veterinarians operating or proposing to operate mobile units.

(7) “Farm ownership loan” means a loan to acquire or enlarge a farm or agricultural facility; to make capital improvements, including construction, purchase, and improvement of farm and agricultural facility buildings, farm worker housing, or farmer housing that can be made fixtures to the real estate; to promote soil and water conservation and protection or provide housing; and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.

(8) “Farmer” means an individual directly engaged in the management or operation of an agricultural facility or farm operation for whom the agricultural facility or farm operation constitutes two or more of the following:

(A) is or is expected to become a significant source of the farmer’s income;

(B) the majority of the farmer’s assets; and

(C) an occupation in which the farmer is actively engaged, either on a seasonal or year-round basis.

(9) “Forest products business” means an enterprise that is engaged in managing, harvesting, trucking, processing, manufacturing, crafting, or distributing forest products at least partially derived from Vermont forests.

(10) “Livestock” includes cattle, sheep, goats, equines, fallow deer, red deer, reindeer, American bison, swine, poultry, pheasant, chukar partridge, coturnix quail, ferrets, camelids and ratites, cultured trout propagated by commercial trout farms, and bees.

(11) “Loan” means an operating loan or farm ownership loan, including a financing lease, provided that such lease transfers the ownership of the leased property to each lessee following the payment of all required lease payments as specified in each lease agreement.

(12) “Operating loan” means a loan to purchase livestock, farm or forestry equipment, or fixtures to pay annual operating expenses of a farm

operation or agricultural facility; to pay loan closing costs; and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.

(13) “Program” means the Vermont Agricultural Credit Program established by this subchapter.

(14) “Project” or “agricultural project” means the creation, establishment, acquisition, construction, expansion, improvement, strengthening, reclamation, operation, or renovation of an agricultural facility or farm operation.

§ 280ii. VERMONT AGRICULTURAL CREDIT PROGRAM

(a) The Vermont Agricultural Credit Program provides an alternative source of sound and constructive credit to farmers and forest products businesses who are not having their credit needs fully met by conventional agricultural credit sources at reasonable rates and terms; or, in the alternative, the granting of the loan shall serve as a substantial inducement for the establishment or expansion of an eligible agricultural or forestry project within the State. The Program is intended to meet, either in whole or in part, the credit needs of eligible agricultural facilities and farm and forest operations in fulfillment of one or more of the purposes listed in this subsection by making direct loans and participating in loans made by other agricultural credit providers:

(1) to encourage diversification, cooperative farming, and the development of innovative techniques for farming and forest products businesses;

(2) to increase energy efficiency and reduce energy consumption in agricultural facilities, including the construction of water pollution control facilities that implement best management practices for farm waste abatement pursuant to 6 V.S.A. chapter 215;

(3) to encourage innovative and diversified processing, marketing, and distribution of Vermont agricultural products;

(4) to assist beginning farmers to start new farms and new agricultural facilities to commence or strengthen their operations;

(5) to assist or financially strengthen existing farms; and

(6) to refinance loans incurred by eligible borrowers for any of the purposes enumerated in subdivisions (1)–(5) of this subsection.

(b) No borrower shall be approved for a loan from the Authority that would result in the aggregate principal balances outstanding of all loans to that borrower exceeding \$5,000,000.00.

§ 280jj. GENERAL POWERS

(a) The Authority shall have the powers necessary to carry out the purposes and provisions of this Program and subchapter, including those general powers conferred on the Authority in section 216 of this title.

(b) The Authority shall have the powers necessary to dissolve the Vermont Agricultural Credit Corporation in accordance with 11B V.S.A. chapter 14. Upon dissolution of the Vermont Agricultural Credit Corporation, title to all property owned by the Vermont Agricultural Credit Corporation shall vest in the Authority.

§ 280kk. LOAN ELIGIBILITY STANDARDS

A farmer, forest products business, or a limited liability company, partnership, corporation, or other business entity with a minimum 20 percent ownership of which is vested in one or more farmers, forest products businesses, or a nonprofit corporation, shall be eligible to apply for a farm ownership or operating loan that shall be intended to expand the agricultural economy or forest economy of the State, provided the applicant is:

(1) an owner, prospective purchaser, or lessee of agricultural land in the State or of depreciable machinery, equipment, or livestock to be used in the State;

(2) a person of sufficient education, training, or experience in the operation and management of an agricultural facility or farm operation or forest products business of the type for which the applicant requests the loan;

(3) an operator or proposed operator of an agricultural facility, farm operation, or forest products business for whom the loan reduces investment costs to an extent that offers the applicant a reasonable chance to succeed in the operation and management of an agricultural facility or farm operation;

(4) a creditworthy person under such standards as the Authority may establish;

(5) able to provide and maintain adequate security for the loan by a mortgage on real property or a security agreement and perfected financing statement on personal property;

(6) able to demonstrate that the applicant is responsible and able to manage responsibilities as owner or operator of the farm operation, agricultural facility, or forest products business;

(7) able to demonstrate that the applicant has made adequate provision for insurance protection of the mortgaged or secured property while the loan is outstanding;

(8) a person who possesses the legal capacity to incur loan obligations;

(9) in compliance with such other reasonable eligibility standards as the Authority may establish;

(10) able to demonstrate that the project plans comply with all regulations of the municipality where it is to be located and of the State of Vermont;

(11) able to demonstrate that the making of the loan will be of public use and benefit;

(12) able to demonstrate that the proposed loan will be adequately secured by a mortgage on real property or by a security agreement on personal property; and

(13) able to demonstrate that there will be sufficient projected cash flow to service a reasonable level of debt, including the loan or loans, being considered by the Authority.

Sec. 10. 10 V.S.A. § 211(c) is amended to read:

(c) Therefore, the general public advantage requires:

* * *

(7) low-cost capital to assist Vermont family farmers to farm as provided in subdivision 272(3) of this title;

* * *

Sec. 11. 10 V.S.A. § 212 is amended to read:

§ 212. DEFINITIONS

As used in this chapter, with the exception of subchapter 16:

* * *

Sec. 12. 10 V.S.A. § 216 is amended to read:

§ 216. AUTHORITY; GENERAL POWERS

The Authority is hereby authorized:

* * *

(17) To contribute to the capital of the Vermont Agricultural Credit Corporation Program established pursuant to ~~chapter 16A~~ subchapter 16 of this title chapter in an amount the Authority determines is necessary and appropriate.

* * *

Sec. 13. 10 V.S.A. § 220a is amended to read:

§ 220a. THE VERMONT JOBS FUND

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

* * *

~~(b) Monies in the Fund may be loaned to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title at interest rates and on terms and conditions to be set by the Authority to establish a line of credit in an amount not to exceed \$100,000,000.00 to be advanced to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title.~~

~~(e)(b)~~ Monies in the Fund may be loaned to the Vermont Small Business Development Corporation to support its lending operations as established pursuant to subdivision 216(14) of this title at interest rates and on terms and conditions to be set by the Authority.

~~(d)(c)~~ Monies in the Fund may be loaned to the Vermont 504 Corporation to support its lending operations as established pursuant to subdivision 216(13) of this title at interest rates and on terms and conditions to be set by the Authority.

~~(e)(d)~~ The Authority may loan money from the Fund to the Vermont Sustainable Energy Loan Fund established under subchapter 13 of this chapter at interest rates and on terms and conditions set by the Authority.

Sec. 14. 10 V.S.A. § 280a is amended to read:

§ 280a. ELIGIBLE PROJECTS; AUTHORIZED FINANCING PROGRAMS

(a) The Authority may develop, modify, and implement any existing or new financing program, provided that any specific project that benefits from such program shall meet the criteria contained in the Vermont Sustainable Jobs Strategy outlined in section 280b of this title. These programs may include:

* * *

(12) loans to agricultural enterprises or endeavors administered by the Authority under ~~chapter 16A~~ subchapter 16 of this ~~title chapter~~ and any programs created thereunder.

* * *

* * * Hemp Oversight * * *

Sec. 15. TRANSITION OF HEMP PROCESSOR OVERSIGHT

6 V.S.A. chapter 34 (hemp) is repealed.

Sec. 16. 7 V.S.A. chapter 31, subchapter 3 is added to read:

Subchapter 3. Hemp

§ 851. FINDINGS; PURPOSE

(a) Findings. The General Assembly finds that the federal legal status of most hemp products will be contingent upon an amendment to 7 U.S.C. § 1639o, to take effect in November 2026, pursuant to the Continuing Appropriations, Agriculture, Legislative Branch, Military Construction and Veterans Affairs, and Extensions Act of 2026, Pub. L. No. 119-37. The legality of hemp and hemp products in interstate commerce is unsettled and continues to evolve.

(b) Purpose. The purpose of this subchapter is to unify oversight of cannabis and hemp-derived cannabinoids under the Cannabis Control Board to more effectively prohibit illicit cannabis and cannabis product trade while positioning growers and processors of nonintoxicating hemp products to take advantage of national market opportunities that may exist. The purpose of this subchapter is also to support small-business hemp producers and processors in taking advantage of opportunities for the cultivation and sale of hemp and hemp products.

§ 852. DEFINITIONS

As used in this subchapter:

(1)(A) “Grow” means:

(i) planting, cultivating, harvesting, or drying of hemp; and

(ii) selling, storing, and transporting of hemp grown by a grower.

(B) “Grow” also means to produce.

(2) “Grower” means a person who is registered with the Board and the U.S. Department of Agriculture to produce hemp. “Grower” also means producer.

(3) “Hemp” means the plant Cannabis sativa L. and any part of the plant, including the seeds and all derivatives, extracts, cannabinoids, acids, salts, isomers, and salts of isomers, whether growing or not, with the federally defined tetrahydrocannabinol concentration level of hemp. Hemp is considered an agricultural commodity.

(4)(A) “Hemp product” or “hemp-infused product” means any product with the federally defined tetrahydrocannabinol concentration level for hemp derived from, or made by, processing hemp plants or plant parts, that is prepared in a form available for commercial sale, including cosmetics, personal care products, food intended for animal or human consumption, cloth, cordage, fiber, fuel, paint, paper, construction materials, plastics, and any product containing one or more hemp-derived cannabinoids, such as cannabidiol.

(B) Notwithstanding subdivision (A) of this subdivision (4), “hemp product” and “hemp-infused product” do not include any substance, manufacturing intermediary, or product that:

(i) is prohibited or deemed a regulated cannabis product by administrative rule of the Board; or

(ii) is not lawful in interstate commerce.

(C) A hemp-derived product or substance that is excluded from the definition of “hemp product” or “hemp-infused product” pursuant to subdivision (B) of this subdivision (4) is considered a cannabis product as defined by subdivision 831(3) of this title; provided, however, that a person duly licensed or registered by the Board lawfully may possess such products in conformity with the person’s active hemp processor license.

(5) “Process” means the storing, drying, trimming, handling, compounding, or converting of hemp by a processor for a single grower or multiple growers into hemp products or hemp-infused products. “Process” includes:

(A) transporting, aggregating, or packaging hemp from a single grower or multiple growers; or

(B) manufacturing hemp products or hemp-infused products from hemp concentrate.

(6) “Processor” means a person who is licensed by the Board to process hemp. A retail establishment selling hemp products or hemp-infused products is not a processor.

§ 853. HEMP; AN AGRICULTURAL PRODUCT

(a) Hemp is an agricultural product that may be grown as a crop produced, possessed, marketed, and commercially traded in Vermont pursuant to the provisions of this chapter and administrative rules of the Cannabis Control Board.

(b) The cultivation of hemp shall be subject to and comply with the Required Agricultural Practices adopted under 6 V.S.A. § 4810, as amended.

§ 854. HEMP REGISTRATION AND LICENSURE

(a) Producers. All persons engaged in the production of hemp shall register with the Board as growers and shall provide their location, the nature of their activities, and evidence that those activities conform to the requirements of federal law and regulation. A person shall apply for registration or renewal of registration on a form provided by the Board. The application shall be accompanied by the fee required under section 858 of this subchapter.

(b) Processors. All persons engaged in the processing of hemp, including trade in hemp-derived cannabinoids and process intermediaries, shall be licensed by the Board. A person shall apply for a license or renewal of a license on a form provided by the Board. The application shall be accompanied by the fee required under section 858 of this subchapter.

(c) Products. All hemp-derived products containing or reasonably expected to contain more than 0.4 mg tetrahydrocannabinol shall be registered with the Board prior to sale to any person within this State. A person shall apply for registration or renewal of registration on a form provided by the Board. The application shall be accompanied by the fee required under section 858 of this subchapter.

(d) All applicants. The Board may deny an application for licensure, registration, or renewal if the applicant:

(1) fails to establish that its activities comply with State and federal law;

(2) refuses the Board or its lawful designees entry upon its premises to inspect and confirm compliance, including by sampling hemp and hemp products for potency testing;

(3) fails to submit information requested by the Board; or

(4) fails to submit the fee required under section 858 of this subchapter.

§ 855. RULEMAKING AUTHORITY

(a) The Board may adopt rules to provide for the implementation of this subchapter, which may include rules to:

(1) require hemp to be tested during growth for tetrahydrocannabinol levels;

(2) authorize or specify the method or methods of testing hemp, including, where appropriate, the ratio of cannabidiol to tetrahydrocannabinol levels or a taxonomic determination using genetic testing;

(3) require inspection and supervision of hemp during sowing, growing season, harvest, storage, processing, and distribution;

(4) require labels or label information for hemp products in order to provide consumers with transparent and accurate product content or source information, to be free of false or misleading claims and claims contrary to the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 301–399i, or to conform with federal requirements;

(5) establish sanitary requirements for licensed processing facilities;

(6) establish registration requirements for hemp-derived products sold or distributed in the State, including requirements that each product be sampled and tested by a laboratory recognized by the Board;

(7) require disclosure or labeling of the amount of cannabinoids known to be present in hemp products sold or distributed in the State;

(8) require that licensees and registrants, including out-of-state purveyors of registered hemp products, obtain and maintain commercially reasonable insurance, which for producers of consumer products in final form shall include product liability insurance;

(9) prohibit hazardous additives to hemp products, or specify additive limits, relative to substances that are toxic, not generally recognized as safe, or designed to make the product more addictive or more appealing to persons under 21 years of age or to mislead consumers;

(10) specify when a registered hemp product that contains more than 0.4 mg tetrahydrocannabinol must be restricted for sale to persons 21 years of age or older or restricted for sale in specified settings, or both;

(11) define “craft processors” as a class of small businesses with different needs and risks and exempt craft processor licensees from the requirements of this subchapter that the Board finds to be unnecessary to protect the public health, safety, and welfare;

(12) waive or reduce licensing fees for craft processor applicants pursuant to rule or readily accessible policy;

(13) exempt certain product categories from the requirement to register under this chapter;

(14) establish requirements for the consumer sale of any product containing tetrahydrocannabinol or other cannabinoids; or

(15) prohibit any person from making false, misleading, or unsubstantiated claims for cannabinoid-containing products.

(b) The Board shall adopt rules to:

(1) establish requirements for the licensure of processors of hemp, hemp-derived process intermediaries, and hemp products; and

(2) regulate the use of processing facilities and equipment to permit processors to use the same equipment for hemp and cannabis processing and to prevent cross contamination between hemp and cannabis.

§ 856. TEST RESULTS; ENFORCEMENT

(a) When notified that hemp, a hemp product, or a hemp-infused product has a tetrahydrocannabinol concentration exceeding the applicable federally defined tetrahydrocannabinol concentration level of hemp, the person licensed or registered with the Board to grow or process the hemp shall arrange for disposal, remediation, or destruction of the hemp, hemp product, or hemp-infused product in a manner consistent with applicable State and federal law.

(b) To enforce the provisions of this subchapter, the Board, upon presenting appropriate credentials, may conduct one or more of the following:

(1) Enter upon any premises where hemp is grown or processed and inspect premises, machinery, equipment and facilities, all hemp during any growth phase, or any hemp product or hemp-infused product during processing or storage. Inspection under this section may include taking samples, inspecting records, and inspecting equipment or vehicles used to grow, process, or transport hemp, hemp products, or hemp-infused products.

(2) Inspect any retail location offering hemp products or hemp-infused products. Inspection under this section may include taking samples of such products.

(3) Issue and enforce a written or printed “stop sale” order to the owner or custodian of any hemp, hemp product, or hemp-infused product subject to the requirements of this subchapter or rules adopted under this subchapter that the Board finds is in violation of any of the provisions of this subchapter or rules adopted under this subchapter. An order may prohibit further sale, processing, and movement of the hemp, hemp product, or hemp-infused product until the Board has approved and issued a release from the “stop sale” order.

(A) This order shall include the reason for issuance, a description of the hemp or hemp products at issue, instructions to separate all hemp or hemp products subject to the order, and any recommended measures to remedy the basis or bases for the order.

(B) A person issued a “stop sale” order may appeal that order to the Board within 15 days after receipt. The person shall file any appeal by serving a letter on the Board, which shall state all grounds for the appeal and identify the hemp or hemp products affected by the appeal.

§ 857. ADMINISTRATIVE PENALTIES

(a) The Board may assess violations and administrative penalties against persons licensed or registered pursuant to this subchapter, as well as persons required to be licensed or registered pursuant to this subchapter who fail to obtain or maintain required credentials.

(b) The compliance and enforcement authorities and procedures applicable to cannabis establishments shall apply to persons licensed or registered under this subchapter.

(c) The Board may enforce a final administrative penalty by filing a civil collection action in any Superior Court.

§ 858. FEES

(a) The following fees shall apply to each license or registration application or each annual license or registration renewal under this subchapter:

(1) Producer: \$50.00.

(2) Processor: \$500.00.

(3) Product: \$75.00.

(b) Notwithstanding subsection (a) of this section, the Board may issue longer 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.

Sec. 17. 18 V.S.A. § 4201(15) is amended to read:

(15)(A) “Cannabis” means all parts of the plant *Cannabis sativa* L., except as provided by subdivision (B) of this subdivision (15), whether growing or harvested, and includes:

- (i) the seeds of the plant;
- (ii) the resin extracted from any part of the plant; and
- (iii) any compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin.

(B) “Cannabis” does not include:

- (i) the mature stalks of the plant and fiber produced from the stalks;
- (ii) oil or cake made from the seeds of the plant;
- (iii) any compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, fiber, oil, or cake;
- (iv) the sterilized seed of the plant that is incapable of germination; or
- (v) hemp or hemp products, as defined in ~~6 V.S.A. § 562~~ 7 V.S.A. § 852.

Sec. 18. 32 V.S.A. § 7811(b) is amended to read:

(b) The tax established in this section shall not be imposed on:

(1) cannabis-related supplies sold by a dispensary registered under 7 V.S.A. chapter 37 to registered patients and registered caregivers, as those terms are defined in 7 V.S.A. § 972;

(2) cannabis products, as defined in 7 V.S.A. § 831, that do not contain tobacco; or

(3) hemp or hemp products, as defined in ~~6 V.S.A. § 562~~ 7 V.S.A. § 852, that do not contain tobacco.

Sec. 19. 7 V.S.A. § 845 is amended to read:

§ 845. CANNABIS REGULATION FUND

(a) There is established the Cannabis Regulation Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. The Fund shall be maintained by the Cannabis Control Board.

(b) The Fund shall be composed of:

(1) all State application fees, annual license fees, renewal fees, and civil penalties collected by the Board pursuant to ~~chapters~~ chapter 31, subchapter 3 (hemp); chapter 33 (cannabis establishments); and chapter 37 (medical cannabis dispensaries) of this title;

* * *

Sec. 20. 7 V.S.A. § 834 is added to read:

§ 834. SALES RESTRICTIONS

(a) As used in this section, “unregistered hemp” or “unregistered cannabis” means a product required by State law or rule of the Cannabis Control Board to be registered with the Cannabis Control Board, including a product derived from the unregistered hemp or unregistered cannabis, that is not registered on the date a transaction occurs.

(b) No person shall cause unregistered hemp or unregistered cannabis purchased by mail or through a computer network, telephonic network, or other electronic network to be shipped to anyone other than a licensed cannabis laboratory in this State.

(c) No person shall, with knowledge or reason to know of the violation, provide substantial assistance to a person in violation of this section.

(d) A violation of this section is punishable as follows:

(1) A knowing or intentional violation of this section shall be punishable by imprisonment for not more than five years or a fine of not more than \$5,000.00, or both.

(2) In addition to or in lieu of any other civil or criminal remedy provided by law, upon a determination that a person has violated this section, the Attorney General may impose a civil penalty in an amount not to exceed \$5,000.00 for each violation. For purposes of this subsection, each shipment or transport of unregistered hemp or unregistered cannabis shall constitute a separate violation.

(3) The Attorney General may seek an injunction to restrain a threatened or actual violation of this section.

(4) In any action brought pursuant to this section, the State shall be entitled to recover the costs of investigation, expert witness fees, the action, and reasonable attorney’s fees.

(5) A person who violates this section engages in an unfair and deceptive trade practice in violation of the State’s Consumer Protection Act, 9 V.S.A. §§ 2451 et seq.

(6) If a court determines that a person has violated the provisions of this section, the court shall order any profits, gain, gross receipts, or other benefit from the violation to be disgorged and paid to the State Treasurer for deposit in the General Fund.

(7) Unless otherwise expressly provided, the penalties or remedies, or both, under this section are in addition to any other penalties and remedies available under any other law of this State.

* * * Natural Resources Conservation Council Mortgages * * *

Sec. 21. 10 V.S.A. § 723 is amended to read:

§ 723. POWERS OF SUPERVISORS

The supervisors shall have the following powers:

* * *

(5) To obtain options upon and to acquire by purchase, exchange, lease, gift, grant, or bequest, any property, real or personal; to maintain, administer and improve any properties acquired; to receive income from the properties and to expend the income in carrying out the purposes and provisions of this chapter; and to borrow money, mortgage, sell, lease, or otherwise dispose of any of its property or interests in property in furtherance of the purposes and the provisions of this chapter, ~~provided however, that real estate shall not be mortgaged, and provided however, that the sale, lease, or other disposition of real property of the district is approved by the written consent of the governor;~~

* * *

* * * CAFO Permit Working Group * * *

Sec. 22. 10 V.S.A. § 1354 is added to read:

§ 1354. CONCENTRATED ANIMAL FEEDING OPERATION PERMIT
PROGRAM WORKING GROUP

(a) Creation. The Secretary of Natural Resources, in coordination with the Secretary of Agriculture, Food and Markets, shall convene a working group of interested parties to provide advice and recommendations on the implementation of and transition to the Concentrated Animal Feeding Operation (CAFO) permit required under section 1353 of this title.

(b) Membership. The working group shall be composed of the following:

(1) five livestock farmers who are in good standing, appointed by the Speaker of the House as follows:

(A) one representative of the Champlain Valley Farmer Coalition;

(B) one representative of the Franklin and Grand Isle Farmers Watershed Alliance;

(C) one representative of the Connecticut River Watershed Farmers Alliance;

(D) one representative of the Vermont Dairy Producers Alliance; and

(E) one representative of farmers from the Northeast Kingdom;

(2) three agricultural technical service providers, appointed by the Governor;

(3) three representatives from the environmental advocate community, appointed by the Committee on Committees; and

(4) the executive director or designee from the Vermont Association of Conservation Districts.

(c) Assistance. The Agency of Natural Resources and the Agency of Agriculture, Food and Markets shall participate in the working group on an advisory and administrative capacity but shall not have appointed members on the working group and shall not be required to submit reports to the General Assembly. The working group shall have the administrative, technical, and legal assistance of the Agency of Natural Resources.

(d) Meetings.

(1) The Secretary of Natural Resources shall call the first meeting of the working group to occur on or before November 1, 2026.

(2) The working group shall select co-chairs from among its members at the first meeting. One of the co-chairs shall represent livestock farmers, and one co-chair shall represent the environmental advocate community.

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

(4) The working group shall meet at least quarterly, or more frequently at the request of the co-chairs or at the request of the Secretary of Natural Resources.

(5) The working group's meetings shall be open to the public in accordance with 1 V.S.A. chapter 5, subchapter 2. Notwithstanding 1 V.S.A. § 313, the working group may go into executive session in order to discuss a circumstance or an event regarding a specific farm or regarding a possible CAFO permit violation by a specific farm.

(e) Report. The working group annually shall report to the House Committees on Agriculture, Food Resiliency, and Forestry and on Environment and the Senate Committees on Agriculture and on Natural Resources and Energy. The report may take the form of testimony to committees from members of the working group.

(f) Definition. As used in this section, “good standing” means a farmer subject to the requirement of this subchapter or to the requirements of 6 V.S.A. chapter 215 and who:

(1) does not have an active enforcement violation that has reached a final order with the Secretary of Natural Resources or the Secretary of Agriculture, Food and Markets; and

(2) is in compliance with the terms of any current grant agreement or contract with the Agency of Natural Resources or the Agency of Agriculture, Food and Markets.

Sec. 23. CONCENTRATED ANIMAL FEEDING OPERATION;

TRAINING ON INSPECTION

(a) On or before March 1, 2027, the Secretary of Natural Resources shall contract with a third-party consultant to:

(1) assist the Secretary in the development of standards and procedures to be used by the Agency of Natural Resources and the Agency of Agriculture, Food and Markets when inspecting Concentrated Animal Feeding Operations (CAFOs) as required by 10 V.S.A. chapter 47, subchapter 3A; and

(2) provide training to the Agency of Natural Resources and Agency of Agriculture, Food and Markets staff on implementation of inspection of CAFOs. Farmers who qualify for a CAFO permit may voluntarily attend training sessions.

(b) When the Secretary of Natural Resources and the Secretary of Agriculture, Food and Markets commence inspections of CAFOs under 10 V.S.A. chapter 47, subchapter 3A, the third-party consultant shall accompany the Agency of Natural Resources’ inspectors on 10 inspections to ensure compliance with the inspection standards developed under subsection (a) of this section.

Sec. 24. CONTINGENCY OF FUNDING

The duty to implement Sec. 23 of this act (Concentrated Animal Feeding Operation; training on inspection) is contingent upon an appropriation of funds in fiscal year 2027 from the General Fund to the Agency of Natural Resources for the specific purposes described in Sec. 23 of this act.

* * * Effective Dates * * *

Sec. 25. EFFECTIVE DATES

- (a) Secs. 15–20 (hemp oversight) shall take effect on passage.
- (b) All other sections shall take effect on July 1, 2026.

(Committee vote: 8-0-0)

Rep. Kimbell of Woodstock, for the Committee on Ways and Means, recommends that the report of the Committee on Agriculture, Food Resiliency, and Forestry be amended as follows:

First: In Sec. 19, 7 V.S.A. § 845, in subsection (b), in subdivision (1), by striking out “, subchapter 3 (hemp)” and inserting in lieu thereof “(cannabis)”

Second: By adding one new section to be Sec. 16a to read as follows:

Sec. 16a. HEMP FEES REPORTING

On or before January 15, 2027, the Cannabis Control Board shall submit to the House Committees on Agriculture, Food Resiliency, and Forestry, on Ways and Means, and on Government Operations and Military Affairs and the Senate Committees on Agriculture, on Finance, and on Economic Development, Housing and General Affairs a report that includes the following information:

- (1) a summary of all hemp fees in effect in fiscal year 2027, including any waivers, reductions, or alterations to the hemp fee schedule as set forth in 7 V.S.A. § 858;
- (2) a summary of the revenue derived from each fee in fiscal year 2026;
- (3) a comparison of fees in other jurisdictions;
- (4) an analysis of policies or trends that might affect the viability of the fee amount; and
- (5) a recommendation regarding how the hemp fee schedule as set forth in 7 V.S.A. § 858 may be adjusted to better promote the intent of the General Assembly to better support small-business hemp producers and processors.

Third: By adding one new section to be Sec. 16b to read as follows:

Sec. 16b. REPEAL

7 V.S.A. § 855(a)(12) (waiving or reducing licensing fees for craft processors) is repealed on January 1, 2028.

(Committee Vote: 9-0-2)

Rep. Stevens of Waterbury, for the Committee on Appropriations, recommends that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Agriculture, Food Resiliency, and Forestry, when amended as recommended by the Committee on Ways and Means, and when further amended as follows:

First: By adding a reader assistance heading and one new section to be Sec. 24a to read as follows:

* * * Farm and Forestry Operations Security Special Fund * * *

Sec. 24a. 6 V.S.A. § 4643(e) is amended to read:

(e) All administratively complete applications shall be evaluated by the Review Board. Within 15 days following receipt of an administratively complete application, the Review Board by majority vote shall recommend to the Secretary whether to issue a payment to the applicant. ~~If the Review Board recommends an award under this section, the~~ The Secretary shall ~~issue the award~~ make a final award determination within 15 days following the date of the Review Board's recommendation.

Second: By adding one reader assistance heading and two new sections to be Sec. 24b and 24c to read as follows:

* * * Permitting Large and Medium Farm Operations * * *

Sec. 24b. 6 V.S.A. § 4851(i) is amended to read:

(i) A Beginning on July 1, 2026, a person required to obtain a permit under this section shall ~~submit~~ not be required to pay an annual operating fee of \$2,500.00 to the Secretary. ~~During any calendar year in which a person has an active Large Concentrated Animal Feeding Operation permit issued by the Agency of Natural Resources pursuant to the federal Clean Water Act and pays the required associated fee, that person shall not be required to pay the \$2,500.00 annual operating fee described in this section. The fees collected under this section shall be deposited in the Agricultural Water Quality Special Fund under section 4803 of this title.~~

Sec. 24c. 6 V.S.A. § 4858(e) is amended to read:

(e) Operating fee. A Beginning on July 1, 2026, a person required to obtain a permit or coverage under this section shall ~~submit~~ not be required to pay an annual operating fee of \$1,500.00 to the Secretary. ~~The fees collected under this section shall be deposited in the Agricultural Water Quality Special Fund under section 4803 of this title.~~

(Committee Vote: 10-0-1)

Senate Proposal of Amendment

H. 606

An act relating to firearms procedures

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. 20 V.S.A. § 2307 is amended to read:

§ 2307. FIREARMS RELINQUISHED PURSUANT TO RELIEF FROM
ABUSE ORDER OR EXTREME RISK PROTECTION ORDER;
STORAGE; FEES; RETURN

(a) Definitions. As used in this section:

(1) “Federally licensed firearms dealer” means a licensed importer, licensed manufacturer, or licensed dealer required to conduct national instant criminal background checks under 18 U.S.C. § 922(t).

(2) “Firearm” ~~shall have~~ has the same meaning as in 18 U.S.C. § 921(a)(3).

(3) “Law enforcement agency” means the Vermont State Police, a municipal police department, or a sheriff’s department.

(4) “Third party” means a person other than a cooperating law enforcement agency or an approved federally licensed firearms dealer.

(b) Relinquishment.

(1) A person who is required to relinquish firearms, ~~ammunition,~~ or other weapons in the person’s possession by a court order issued under 15 V.S.A. chapter 21 (abuse prevention); 13 V.S.A. chapter 85, subchapter 2 (extreme risk protection orders); or any other provision of law consistent with 18 U.S.C. § 922(g)(8) shall, ~~unless the court orders an alternative relinquishment pursuant to subdivision (2) of this subsection,~~ upon service of the order immediately relinquish the firearms, ~~ammunition,~~ or weapons to a cooperating law enforcement agency or an approved federally licensed firearms dealer. As used in this subdivision, “person” means anyone who meets the definition of “intimate partner” under 18 U.S.C. § 921(a)(32) or who qualifies as a family or household member under 15 V.S.A. § 1101, or any person who is subject to an extreme risk protection order. The court may order an alternative relinquishment to a third party if after a hearing the court finds that the alternative relinquishment adequately protects the safety of the protected parties.

~~(2)(A) The court may order that the person relinquish the firearms, ammunition, or other weapons to a person other than a cooperating law enforcement agency or an approved federally licensed firearms dealer unless the court finds that relinquishment to the other person will not adequately protect the safety of the victim.~~

(i) Firearms shall not be held by a third party unless approved by the court using the process set forth in this subdivision (2).

(ii) A final relief from abuse hearing under 15 V.S.A. § 1103 or an extreme risk protection order hearing under 13 V.S.A. § 4053 shall not be continued solely for the purpose of approval of a third party. If the court is unable to accommodate hearing from the proposed third party at the hearing or if the defendant is not prepared to present the third party, the defendant may file a motion using a form approved by the court administrator to request a hearing at a later date on whether the proposed third party should be permitted to hold surrendered firearms.

(iii) To be considered as a third party eligible to hold surrendered firearms, the third party shall agree to undergo a background check through the National Instant Criminal Background Check System (NICS) to verify that the person is legally permitted to have a firearm. The background check required by this subdivision (iii) shall be provided to the court.

~~(B) A person to whom firearms, ammunition, or other weapons are relinquished pursuant to subdivision (2)(A) of this subsection (b) The proposed third party shall execute an affidavit on a form approved by the Court Administrator stating that the person:~~

~~(i) acknowledges receipt of the firearms, ammunition, or other weapons;~~

~~(ii) assumes responsibility for storage of the firearms, ammunition, or other weapons until further order of the court, and specifies the manner in which he or she the person will provide secure storage of such items;~~

~~(iii) is not prohibited from owning or possessing firearms under State or federal law; and~~

~~(iv) understands the obligations and requirements of the court order, including the potential for the person to be subject to civil contempt proceedings pursuant to subdivision (2)(C) of this subsection subdivision (b)(2) if the person permits the firearms, ammunition, or other weapons to be possessed, accessed, or used by the person who relinquished the item or by any other person not authorized by law to do so.~~

(C) A ~~person to whom firearms, ammunition, or other weapons are relinquished pursuant to subdivision (2)(A) of this subsection (b)~~ third party shall be subject to civil contempt proceedings under 12 V.S.A. chapter 5 if the person permits the firearms, ~~ammunition,~~ or other weapons to be possessed, accessed, or used by the person who relinquished the item or by any other person not authorized by law to do so. In the event that the person required to relinquish the firearms, ~~ammunition,~~ or other weapons or any other person not authorized by law to possess the relinquished items obtains access to, possession of, or use of a relinquished item, all relinquished items shall be immediately transferred to the possession of a law enforcement agency or approved federally licensed firearms dealer pursuant to subdivision (1) of this subsection (b).

(c) Obligation to catalogue; evidentiary firearms excluded. A law enforcement agency or an approved federally licensed firearms dealer that takes possession of a firearm, ~~ammunition,~~ or other weapon pursuant to subdivision (b)(1) of this section shall photograph, catalogue, and store the item in accordance with standards and guidelines established by the Department of Public Safety pursuant to ~~subdivision (i)(3)~~ subsection (k) of this section. A firearm, ~~ammunition,~~ or other weapon shall not be taken into possession pursuant to this section if it is being or may be used as evidence in a pending criminal matter.

(d) Acknowledgement form. A defendant who is required to relinquish firearms pursuant to a court order issued under 15 V.S.A. chapter 21 (abuse prevention); 13 V.S.A. chapter 85, subchapter 2 (extreme risk protection orders), or any other provision of law consistent with 18 U.S.C. § 922(g)(8) shall complete a form approved by the court administrator acknowledging that surrender has occurred and documenting the holder of the firearms. The form shall be filed with the court or law enforcement, or both, as directed by the court order.

(e) Fees.

(1) A law enforcement agency that stores firearms, ~~ammunition,~~ or weapons pursuant to subdivision (b)(1) of this section may charge the owner a reasonable storage fee, not to exceed:

(A) \$200.00 for the first firearm or weapon, and \$50.00 for each additional firearm or weapon for up to 15 months, prorated on the number of months the items are stored; and

(B) \$50.00 per firearm or weapon per year for each year or part thereof thereafter.

(2) A federally licensed firearms dealer that stores firearms, ~~ammunition~~, or weapons pursuant to subdivision (b)(1) of this section may charge the owner a storage fee that is reasonably related to the expenses it incurs in the administration of this section. Any federally licensed firearm dealer that certifies compliance under this section shall provide a copy of its fee schedule to the ~~court~~ Department of Public Safety upon request.

(3) Fees permitted by this subsection shall not begin to accrue until after the court issues a final relief from abuse order pursuant to 15 V.S.A. § 1103 or a final extreme risk protection order pursuant to 13 V.S.A. § 4053.

~~(e)~~(f) Sale. Nothing in this section shall be construed to prohibit the lawful sale of firearms or other items.

~~(f)~~ A final relief from abuse order issued pursuant to 15 V.S.A. § 1103 requiring a person to relinquish firearms, ammunition, or other weapons shall direct the law enforcement agency, approved federally licensed firearms dealer, or other person in possession of the items under subsection (b) of this section to release them to the owner upon expiration of the order if all applicable fees have been paid.

~~(g)~~ Law enforcement storage of firearms with a federally licensed firearms dealer.

(1) Law enforcement agencies that do not have the capacity to store firearms or do not elect to store nonevidentiary firearms may store nonevidentiary firearms relinquished to them pursuant to a relief from abuse order, an extreme risk protection order, or any other provision of law consistent with 18 U.S.C. § 922(g)(8) with a federally licensed firearms dealer, provided that the agency provides timely notice to the person surrendering the firearm of the transfer. The notice shall include the following information:

(A) The contact information for the federally licensed firearms dealer, including the dealer's name, phone number, and current address.

(B) It is the defendant's responsibility to keep the federally licensed firearms dealer informed of any address changes.

(C) The costs of the storage fees that the defendant will be responsible for paying.

(D) If the defendant fails to retrieve the firearms within 90 days after being eligible for release, the defendant forfeits ownership of the firearms and the firearms may be sold and all proceeds retained by the federally licensed firearms dealer or law enforcement agency that provided storage.

(E) Information about how to file a request with the court to have a third party provide storage.

(F) The eligibility requirements that a proposed third party is required to meet to hold firearms.

(2) The notice required by subdivision (1) of this subsection may be provided by the federally licensed firearms dealer to the defendant directly, provided that the dealer or law enforcement agency, or both, keeps a record to document that notice was provided.

(3) Law enforcement agencies that store nonevidentiary firearms with a federally licensed firearms dealer shall provide the dealer with:

(A) the name of the owner of the firearms;

(B) contact information for the owner to include name, date of birth, phone number, and current address;

(C) docket information about the court order requiring firearms surrender; and

(D) if requested by the dealer, information about any changes to the court order.

(4) Federally licensed firearms dealers shall not be used to store firearms relinquished pursuant to a temporary relief from abuse order issued pursuant to 15 V.S.A. § 1104 or a temporary extreme risk protection order issued pursuant to 13 V.S.A. § 4054 unless the defendant consents to have the dealer hold the firearms and agrees to pay storage fees that accrue while the temporary order is in effect.

(h) Victim notification of release of firearms. Prior to releasing firearms under this section, law enforcement agencies shall make reasonable efforts to provide notice to the plaintiff at least 24 hours in advance before the firearms are released unless the plaintiff is present in court when the court order requiring relinquishment is dismissed and is orally informed on the record that firearms will be released.

(i) Release of firearms.

(1) A law enforcement agency, an approved federally licensed firearms dealer, or any other person that takes possession of firearms, ~~ammunition~~, or weapons for storage purposes pursuant to this section shall not release the items to the owner without a court order unless the items are to be sold pursuant to subdivision (2)(A) of this subsection. If a court orders the release of firearms, ~~ammunition~~, or weapons stored under this section, the law enforcement agency or firearms dealer in possession of the items shall make

~~them available to the owner within three business days of receipt of the order and in a manner consistent with federal law 72 hours after completion of a background check through the National Instant Criminal Background Check System (NICS). The Supreme Court may promulgate rules under 12 V.S.A. § 1 for judicial proceedings under this subsection.~~

(2)(A)(i) If the owner fails to retrieve the firearm, ~~ammunition,~~ or weapon and pay the applicable storage fee within 90 days of ~~following~~ the court order releasing the items, the firearm, ~~ammunition,~~ or weapon may be sold for fair market value. Title to the items shall pass to the law enforcement agency or firearms dealer for the purpose of transferring ownership, except that the Vermont State Police shall follow the procedure described in section 2305 of this title.

(ii) The law enforcement agency or approved firearms dealer shall make a reasonable effort to notify the owner of the sale before it occurs. In no event shall the sale occur until after the court issues a final relief from abuse order pursuant to 15 V.S.A. § 1103 or a final extreme risk protection order pursuant to 13 V.S.A. § 4053.

(iii) As used in this subdivision (2)(A), “reasonable effort” shall ~~mean~~ means notice shall be served as provided for by Rule 4 of the Vermont Rules of Civil Procedure.

(B) ~~Proceeds from the sale of a firearm, ammunition, or weapon pursuant to subdivision (A) of this subdivision (2) shall be apportioned as follows:~~

~~(i) unpaid storage fees and associated costs, including the costs of sale and of locating and serving the owner, shall be paid to the law enforcement agency or firearms dealer that incurred the cost; and~~

~~(ii) any proceeds remaining after payment is made to the law enforcement agency or firearms dealer pursuant to subdivision (i) of this subdivision (2)(B) shall be paid to the original owner. If firearms eligible for release are not claimed by the owner, the federally licensed firearms dealer or law enforcement agency storing the firearms shall provide a certified letter to the owner’s last known address. If the firearms are not claimed within 90 days after notice by certified letter, the firearms may be sold by the dealer or law enforcement agency and the dealer or law enforcement agency may retain all proceeds from the sale.~~

~~(h)~~(j) Immunity.

(1) A federally licensed firearms dealer or law enforcement agency that stores firearms in accordance with this section shall be immune from:

(A) civil or criminal liability for the sale of firearms, provided that notice is provided as required by subsection (g) of this section; and

(B) civil or criminal liability for any damage or deterioration of firearms, ~~ammunition~~, or weapons stored or transported pursuant to subsection (c) of this section.

(2) This subsection shall not apply if the damage or deterioration occurred as a result of recklessness, gross negligence, or intentional misconduct by the law enforcement agency or federally licensed firearms dealer.

(i)(k) Department of Public Safety. The Department of Public Safety shall be responsible for the implementation and establishment of standards and guidelines to carry out this section. To carry out this responsibility, the Department shall:

(1) Establish minimum standards to be a qualified storage location and maintain a list of qualified storage locations, including:

(A) federally licensed firearms dealers that annually certify compliance with the Department's standards to receive firearms, ~~ammunition~~, or other weapons pursuant to subdivision (b)(2) of this section; and

(B) cooperating law enforcement agencies.

(2) Adopt a policy that encourages and supports federally licensed firearms dealers to provide storage for prohibited persons.

(3) Establish a fee schedule consistent with the fees established in this section for the storage of firearms and other weapons by law enforcement agencies pursuant to this section.

(3)(4) Establish standards and guidelines to provide for the storage of firearms, ~~ammunition~~, and other weapons pursuant to this section by law enforcement agencies. Such guidelines shall provide that:

(A) with the consent of the law enforcement agency taking possession of a firearm, ~~ammunition~~, or weapon under this section, an owner may provide a storage container for the storage of such relinquished items;

(B) the law enforcement agency that takes possession of the firearm, ~~ammunition~~, or weapon may provide a storage container for the relinquished item or items at an additional fee; and

(C) the law enforcement agency that takes possession of the firearm, ~~ammunition~~, or weapon shall present the owner with a receipt at the time of relinquishment that includes the serial number and identifying characteristics

of the firearm, ~~ammunition~~, or weapon and record the receipt of the item or items in a log to be established by the Department.

(4)(5) Report on January 15, 2015, and annually thereafter to the House and Senate Committees on Judiciary on the status of the program. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

Sec. 2. 20 V.S.A. § 2308 is added to read:

§ 2308. STATEWIDE MODEL POLICY PROHIBITING FIREARMS
ACCESS BY PROHIBITED PERSONS

(a) On or before December 30, 2026, the Department of Public Safety shall direct the Law Enforcement Advisory Board (LEAB) to adopt a statewide model law enforcement policy addressing firearms access by persons who are prohibited from possessing firearms pursuant to relief from abuse orders, extreme risk protection orders, or other legal prohibitions. The policy shall create a legal, safe, and fair process, including necessary forms and delineated roles and responsibilities, for law enforcement agencies interacting with federally licensed firearms dealers that are storing firearms for prohibited persons. The policy shall address the following:

(1) legal removal of firearms from the scene of a domestic violence incident;

(2) steps for inquiry and lawful removal of firearms by law enforcement when serving protective orders;

(3) a process for notifying the plaintiff about service and relinquishment, appropriate handling, and storage of firearms;

(4) procedures for storage of firearms with federally licensed firearms dealers and third parties, including informing the defendant about the option of third-party storage; and

(5) methods of data collection about the number and type of firearms surrendered, including descriptions of the firearms.

(b) On or before June 30, 2027, every state, county, and municipal law enforcement agency shall adopt a model firearms surrender policy that includes each component of the LEAB model. If an agency has not adopted a policy on or before June 30, 2027, the agency shall be deemed to have adopted, and shall follow and enforce, the LEAB model.

Sec. 3. 13 V.S.A. § 4059 is amended to read:

§ 4059. RELINQUISHMENT, STORAGE, AND RETURN OF
DANGEROUS WEAPONS

(a) A person who is required to relinquish a dangerous weapon other than a firearm in the person's possession, custody, or control by an extreme risk protection order issued under section 4053, 4054, or 4055 of this title shall upon service of the order immediately relinquish the dangerous weapon to a cooperating law enforcement agency. The law enforcement agency shall transfer the weapon to the Bureau of Alcohol, Tobacco, Firearms and Explosives for proper disposition.

~~(b)(1)~~ A person who is required to relinquish a firearm in the person's possession, custody, or control by an extreme risk protection order issued under section 4053, 4054, or 4055 of this title shall, ~~unless the court orders an alternative relinquishment pursuant to subdivision (2) of this subsection, upon service of the order immediately relinquish the firearm to a cooperating law enforcement agency or an approved federally licensed firearms dealer~~ relinquish the firearm pursuant to the procedures required by 20 V.S.A. § 2307.

~~(2)(A) The court may order that the person relinquish a firearm to a person other than a cooperating law enforcement agency or an approved federally licensed firearms dealer unless the court finds that relinquishment to the other person will not adequately protect the safety of any person.~~

~~(B) A person to whom a firearm is relinquished pursuant to subdivision (A) of this subdivision (2) shall execute an affidavit on a form approved by the Court Administrator stating that the person:~~

~~(i) acknowledges receipt of the firearm;~~

~~(ii) assumes responsibility for storage of the firearm until further order of the court and specifies the manner in which he or she will provide secure storage;~~

~~(iii) is not prohibited from owning or possessing firearms under State or federal law; and~~

~~(iv) understands the obligations and requirements of the court order, including the potential for the person to be subject to civil contempt proceedings pursuant to subdivision (C) of this subdivision (2) if the person permits the firearm to be possessed, accessed, or used by the person who relinquished the item or by any other person not authorized by law to do so.~~

~~(C) A person to whom a firearm is relinquished pursuant to subdivision (A) of this subdivision (2) shall be subject to civil contempt proceedings under 12 V.S.A. chapter 5 if the person permits the firearm to be possessed, accessed, or used by the person who relinquished the item or by any other person not authorized by law to do so. In the event that the person required to relinquish the firearm or any other person not authorized by law to possess the relinquished item obtains access to, possession of, or use of a relinquished item, all relinquished items shall be immediately transferred to the possession of a law enforcement agency or approved federally licensed firearms dealer pursuant to subdivision (b)(1) of this section.~~

~~(c) A law enforcement agency or an approved federally licensed firearms dealer that takes possession of a firearm pursuant to subdivision (b)(1) of this section shall photograph, catalogue, and store the item in accordance with standards and guidelines established by the Department of Public Safety pursuant to 20 V.S.A. § 2307(i)(3). [Repealed.]~~

~~(d) Nothing in this section shall be construed to prohibit the lawful sale of firearms or other items. [Repealed.]~~

~~(e) An extreme risk protection order issued pursuant to section 4053 of this title or renewed pursuant to section 4055 of this title shall direct the law enforcement agency, approved federally licensed firearms dealer, or other person in possession of a firearm under subsection (b) of this section to release it to the owner upon expiration of the order. [Repealed.]~~

~~(f)(1) A law enforcement agency, an approved federally licensed firearms dealer, or any other person who takes possession of a firearm for storage purposes pursuant to this section shall not release it to the owner without a court order unless the firearm is to be sold pursuant to subdivision (2)(A) of this subsection. If a court orders the release of a firearm stored under this section, the law enforcement agency or firearms dealer in possession of the firearm shall make it available to the owner within three business days after receipt of the order and in a manner consistent with federal law.~~

~~(2)(A)(i) If the owner fails to retrieve the firearm within 90 days after the court order releasing it, the firearm may be sold for fair market value. Title to the firearm shall pass to the law enforcement agency or firearms dealer for the purpose of transferring ownership, except that the Vermont State Police shall follow the procedure described in 20 V.S.A. § 2305.~~

~~(ii) The law enforcement agency or firearms dealer shall make a reasonable effort to notify the owner of the sale before it occurs. In no event shall the sale occur until after the court issues a final extreme risk protection order pursuant to section 4053 of this title.~~

~~(iii) As used in this subdivision (2)(A), “reasonable effort” shall mean notice shall be served as provided for by Rule 4 of the Vermont Rules of Civil Procedure.~~

~~(B) Proceeds from the sale of a firearm pursuant to subdivision (A) of this subdivision (2) shall be apportioned as follows:~~

~~(i) associated costs, including the costs of sale and of locating and serving the owner, shall be paid to the law enforcement agency or firearms dealer that incurred the cost; and~~

~~(ii) any proceeds remaining after payment is made to the law enforcement agency or firearms dealer pursuant to subdivision (i) of this subdivision (2)(B) shall be paid to the original owner. [Repealed.]~~

~~(g) A law enforcement agency shall be immune from civil or criminal liability for any damage or deterioration of a firearm stored or transported pursuant to this section. This subsection shall not apply if the damage or deterioration occurred as a result of recklessness, gross negligence, or intentional misconduct by the law enforcement agency. [Repealed.]~~

~~(h) This section shall be implemented consistent with the standards and guidelines established by the Department of Public Safety under 20 V.S.A. § 2307(i). [Repealed.]~~

~~(i) Notwithstanding any other provision of this chapter:~~

~~(1) A dangerous weapon shall not be returned to the respondent if the respondent’s possession of the weapon would be prohibited by state or federal law.~~

~~(2) A dangerous weapon shall not be taken into possession pursuant to this section if it is being or may be used as evidence in a pending criminal matter.~~

~~and that after passage the title of the bill be amended to read: “An act relating to firearms relinquishment and storage procedures”~~

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

H. 931

An act relating to miscellaneous changes in education law

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:

* * * Approved Independent School Moratorium * * *

Sec. 1. 2023 Acts and Resolves No. 78, Sec. E.511.1, as amended by 2025 Acts and Resolves No. 72, Sec. 16, is amended to read:

Sec. E.511.1 MORATORIUM ON APPROVAL OF NEW APPROVED INDEPENDENT SCHOOLS

(a) Notwithstanding any provision of law to the contrary, the State Board of Education shall be prohibited from approving an application for initial approval of an approved independent school until further direction by the General Assembly.

(b) Notwithstanding subsection (a) of this section, a change in either tax status or conversion to a nonprofit organization by a therapeutic approved independent school, absent any other changes, shall not affect the approval status of the school.

(c) Notwithstanding subsections (a) and (b) of this section, the moratorium on approval of new approved independent schools shall not apply to changes in ownership of therapeutic approved independent schools as that term is defined in 16 V.S.A. § 828(d). If submission of an application for initial approval of an approved independent school is required as the result of a change in ownership of a therapeutic approved independent school that at the time of the change in ownership is approved by the State Board of Education pursuant to 16 V.S.A. § 166, and the school will remain a therapeutic approved independent school after the change in ownership is complete, the moratorium created pursuant to subsection (a) of this section shall not apply and the Agency of Education and State Board of Education shall process the application according to applicable State and federal law.

* * * Interstate Compact for Education * * *

Sec. 2. 16 V.S.A. chapter 35 is added to read:

CHAPTER 35. INTERSTATE COMPACT FOR EDUCATION

§ 1501. PURPOSE AND POLICY—ARTICLE I

(a) It is the purpose of this compact to:

(1) establish and maintain close cooperation and understanding among executive, legislative, professional educational, and lay leadership on a nationwide basis at the state and local levels;

(2) provide a forum for the discussion, development, crystallization, and recommendation of public policy alternatives in the field of education;

(3) provide a clearinghouse of information on matters relating to education problems and how they are being met in different places throughout the nation, so that the executive and legislative branches of state government and of local communities may have ready access to the experience and record of the entire country, and so that both lay and professional groups in the field of education may have additional avenues for the sharing of experience and the interchange of ideas in the formation of public policy in education;

(4) facilitate the improvement of state and local education systems so that all of them will be able to meet adequate and desirable goals in a society that requires continuous qualitative and quantitative advance in educational opportunities, methods, and facilities.

(b) It is the policy of this compact to encourage and promote local and state initiative in the development, maintenance, improvement, and administration of education systems and institutions in a manner that will accord with the needs and advantages of diversity among localities and states.

(c) The party states recognize that each of them has an interest in the quality and quantity of education furnished in each of the other states, as well as in the excellence of its own education systems and institutions, because of the highly mobile character of individuals within the nation, and because the products and services contributing to the health, welfare, and economic advancement of each state are supplied in significant part by persons educated in other states.

§ 1502. STATE DEFINED—ARTICLE II

As used in this compact, “state” means a state, territory, or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

§ 1503. THE COMMISSION—ARTICLE III

(a) The Education Commission of the States, hereinafter called “the Commission,” is hereby established. The Commission shall consist of seven members representing each party state. One of such members shall be the governor; two shall be members of the state legislature selected by its respective houses and serving in such manner as the legislature may determine; and four shall be appointed by and serve at the pleasure of the governor, unless the laws of the state otherwise provide. If the laws of a state prevent legislators from serving on the Commission, six members shall be appointed and serve at the pleasure of the governor, unless the laws of the state otherwise provide. In addition to any other principles or requirements which a state may establish for the appointment and service of its members of the Commission, the guiding principle for the composition of the membership on the

Commission from each party state shall be that the members representing such state shall, by virtue of their training, experience, knowledge, or affiliations, be in a position collectively to reflect broadly the interests of the state government, higher education, the state education system, local education, and lay and professional, public and nonpublic educational leadership. Of those appointees, one shall be the head of a state agency or institution, designated by the governor, having responsibility for one or more programs of public education. In addition to the members of the Commission representing the party states, there may be not to exceed 10 nonvoting commissioners selected by the Steering Committee for terms of one year. Such commissioners shall represent leading national organizations of professional educators or persons concerned with educational administration.

(b) The members of the Commission shall be entitled to one vote each on the Commission. No action of the Commission shall be binding unless taken at a meeting at which a majority of the total number of votes on the Commission are cast in favor thereof. Action of the Commission shall be only at a meeting at which a majority of the commissioners are present. The Commission shall meet at least once a year. In its bylaws, and subject to such directions and limitations as may be contained therein, the Commission may delegate the exercise of any of its powers to the Steering Committee or the Executive Director, except for the power to approve budgets or requests for appropriations, the power to make policy recommendations pursuant to section 1504 of this chapter, and adoption of the annual report pursuant to subsection (j) of this section.

(c) The Commission shall have a seal.

(d) The Commission shall elect annually, from among its members, a chairman, who shall be a governor; a vice chairman; and a treasurer. The Commission shall provide for the appointment of an Executive Director. Such Executive Director shall serve at the pleasure of the Commission, and together with the Treasurer and such other personnel as the Commission may deem appropriate shall be bonded in such amount as the Commission shall determine. The Executive Director shall be Secretary.

(e) Irrespective of the civil service, personnel, or other merit system laws of any of the party states, the Executive Director, subject to the approval of the Steering Committee, shall appoint, remove, or discharge such personnel as may be necessary for the performance of the functions of the Commission and shall fix the duties and compensation of such personnel. The Commission in its bylaws shall provide for the personnel policies and programs of the Commission.

(f) The Commission may borrow, accept, or contract for the services of personnel from any party jurisdiction, the United States or any subdivision or agency of the aforementioned governments, or from any agency of two or more of the party jurisdictions or their subdivisions.

(g) The Commission may accept for any of its purposes and functions under this compact any and all donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state, the United States, or any other governmental agency, or from any person, firm, association, foundation or corporation, and may receive, utilize, and dispose of the same. Any donation or grant accepted by the Commission pursuant to this subsection or services borrowed pursuant to subsection (f) of this section shall be reported in the annual report of the Commission. Such report shall include the nature, amount, and conditions, if any, of the donation, grant, or services borrowed, and the identity of the donor or lender.

(h) The Commission may establish and maintain such facilities as may be necessary for the transacting of its business. The Commission may acquire, hold, and convey real and personal property and any interest therein.

(i) The Commission shall adopt bylaws for the conduct of its business and shall have the power to amend and rescind these bylaws. The Commission shall publish its bylaws in convenient form and shall file a copy thereof and a copy of any amendment thereto with the appropriate agency or officer in each of the party states.

(j) The Commission annually shall make to the governor and legislature of each party state a report covering the activities of the Commission for the preceding year. The Commission may make such additional reports as it may deem desirable.

§ 1504. POWERS—ARTICLE IV

In addition to authority conferred on the Commission by other provisions of the Compact, the Commission shall have authority to:

(1) collect, correlate, analyze, and interpret information and data concerning educational needs and resources;

(2) encourage and foster research in all aspects of education, but with special reference to the desirable scope of instruction, organization, administration, and instructional methods and standards employed or suitable for employment in public education systems;

(3) develop proposals for adequate financing of education as a whole and at each of its many levels;

(4) conduct or participate in research of the types referred to in this section in any instance where the Commission finds that such research is necessary for the advancement of the purposes and policies of this compact, using fully the resources of national associations, regional compact organizations for higher education, and other agencies and institutions, both public and private;

(5) formulate suggested policies and plans for the improvement of public education as a whole, or for any segment thereof, and make recommendations with respect thereto available to the appropriate governmental units, agencies, and public officials;

(6) do such other things as may be necessary or incidental to the administration of any of its authority or functions pursuant to this compact.

§ 1505. COOPERATION WITH FEDERAL GOVERNMENT—ARTICLE V

(a) If the laws of the United States specifically so provide, or if administrative provision is made therefore within the federal government, the United States may be represented on the Commission by not to exceed 10 representatives. Any such representative or representatives of the United States shall be appointed and serve in such manner as may be provided by or pursuant to federal law, and may be drawn from any one or more branches of the federal government, but no such representative shall have a vote on the Commission.

(b) The Commission may provide information and make recommendations to any executive or legislative agency or officer of the federal government concerning the common education policies of the states, and may advise with any such agencies or officers concerning any matter of mutual interest.

§ 1506. COMMITTEES—ARTICLE VI

(a) To assist in the expeditious conduct of its business when the full Commission is not meeting, the Commission shall elect a Steering Committee of 32 members which, subject to the provisions of this compact and consistent with the policies of the Commission, shall be constituted and function as provided in the bylaws of the Commission. One-fourth of the voting membership of the Steering Committee shall consist of governors, one-fourth shall consist of legislators, and the remainder shall consist of other members of the Commission. A federal representative on the Commission may serve with the Steering Committee, but without vote. The voting members of the Steering Committee shall serve for terms of two years, except that members elected to the first Steering Committee of the Commission shall be elected as follows: 16 for one year and 16 for two years. The Chairman, Vice Chairman,

and Treasurer of the Commission shall be members of the Steering Committee and, anything in this subsection to the contrary notwithstanding, shall serve during their continuance in these offices. Vacancies in the Steering Committee shall not affect its authority to act, but the Commission at its next regularly ensuing meeting following the occurrence of any vacancy shall fill it for the unexpired term. No person shall serve more than two terms as a member of the Steering Committee, provided that service for a partial term of one year or less shall not be counted toward the two-term limitation.

(b) The Commission may establish advisory and technical committees composed of state, local and federal officials, and private persons to advise it with respect to any one or more of its functions. Any advisory or technical committee may, on request of the states concerned, be established to consider any matter of special concern to two or more of the party states.

(c) The Commission may establish such additional committees as its bylaws may provide.

§ 1507. FINANCE—ARTICLE VII

(a) The Commission shall advise the governor or designated officer or officers of each party state of its budget and estimated expenditures for such period as may be required by the laws of that party state. Each of the Commission's budgets of estimated expenditures shall contain specific recommendations of the amount or amounts to be appropriated by each of the party states.

(b) The total amount of appropriation requests under any budget shall be apportioned among the party states. In making such apportionment, the Commission shall devise and employ a formula which takes equitable account of the populations and per capita income levels of the party states.

(c) The Commission shall not pledge the credit of any party states. The Commission may meet any of its obligations in whole or in part with funds available to it pursuant to subsection 1503(g) of this chapter of this compact, provided that the Commission takes specific action setting aside such funds prior to incurring an obligation to be met in whole or in part in such manner. Except where the Commission makes funds available to it pursuant to subsection 1503(g) of this chapter thereof, the Commission shall not incur any obligation prior to the allotment of funds by the party states adequate to meet the same.

(d) The Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission shall be subject to the audit and accounting procedures established by its bylaws.

However, all receipts and disbursements of funds handled by the Commission shall be audited yearly by a qualified public accountant, and the report of the audit shall be included in and become part of the annual reports of the Commission.

(e) The accounts of the Commission shall be open at any reasonable time for inspection by duly constituted officers of the party states and by any persons authorized by the Commission.

(f) Nothing contained herein shall be construed to prevent Commission compliance with laws relating to audit or inspection of accounts by or on behalf of any government contributing to the support of the Commission.

§ 1508. ELIGIBLE PARTIES; ENTRY INTO AND WITHDRAWAL—

ARTICLE VIII

(a) This compact shall have as eligible parties all states, territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico. In respect of any such jurisdiction not having a governor, the term “governor,” as used in this compact, shall mean the closest equivalent official of such jurisdiction.

(b) Any state or other eligible jurisdiction may enter into this compact, and it shall become binding thereon when it has adopted the same, provided that in order to enter into initial effect, adoption by at least 10 eligible party jurisdictions shall be required.

(c) Adoption of the Compact may be either by enactment thereof or by adherence thereto by the governor; provided that in the absence of enactment, adherence by the governor shall be sufficient to make his state a party only until December 31, 1967. During any period when a state is participating in this compact through gubernatorial action, the governor shall appoint

those persons who, in addition to himself, shall serve as the members of the Commission from his state, and shall provide to the Commission an equitable share of the financial support of the Commission from any source available to him.

(d) Except for a withdrawal effective on December 31, 1967, in accordance with subsection (c) of this section, any party state may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after the governor of the withdrawing state has given notice in writing of the withdrawal to the governors of all other party states. No withdrawal shall affect any liability already incurred by or chargeable to a party state prior to the time of such withdrawal.

§ 1509. AMENDMENTS TO THE COMPACT—ARTICLE IX

This Compact may be amended by a vote of two-thirds of the members of the Commission present and voting when ratified by the legislatures of two-thirds of the party states.

§ 1510. CONSTRUCTION AND SEVERABILITY—ARTICLE X

This Compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this compact shall be severable, and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any state or of the United States, or the application thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating therein, the Compact shall remain in full force and effect as to the state affected as to all severable matters.

* * * Background Checks * * *

Sec. 3. 16 V.S.A. § 254a is added to read:

§ 254a. AGENCY OF EDUCATION EMPLOYEES

(a) The Agency of Education shall request criminal record information for a person the Secretary of Education is prepared to recommend for any full-time, part-time, or temporary employment or contractual relationship with the Agency if such person will have or has the potential to have unsupervised contact with students (the applicant).

(b) After signing a user agreement, the Secretary shall make a request for criminal records directly to the Vermont Crime Information Center.

(c) A request made under subsection (b) of this section shall be accompanied by a release signed by the applicant on a form provided by the Vermont Crime Information Center and a set of the applicant's fingerprints. The Agency shall pay the fingerprinting fee required pursuant to 20 V.S.A. § 2062 and shall pay any fee required by the FBI associated with a fingerprint-supported criminal record check. The release form to be signed by the applicant shall include a statement informing the applicant of:

(1) the right to challenge the accuracy of the record by appealing to the Vermont Crime Information Center pursuant to rules adopted by the Commissioner of Public Safety; and

(2) the Secretary of Education's policy regarding maintenance and destruction of records and the applicant's right to request that the record or

notice be maintained for purposes of using it to comply with future criminal record check requests made pursuant to section 256 of this title.

(d) Upon completion of a criminal record check, the Vermont Crime Information Center shall send to the Secretary a notice that no record exists or, if a record exists, a copy of any criminal record. If a copy of a criminal record is received, the Secretary shall forward it to the applicant and shall inform the applicant in writing of:

(1) the right to challenge the accuracy of the record by appealing to the Vermont Crime Information Center pursuant to rules adopted by the Commissioner of Public Safety; and

(2) the Secretary of Education's policy regarding maintenance and destruction of records and the applicant's right to request that the record or notice be maintained for purposes of using it to comply with future criminal record check requests made pursuant to section 256 of this title.

(e) The Secretary shall request and obtain information from the Child Protection Registry maintained by the Department for Children and Families and from the Vulnerable Adult Abuse, Neglect, and Exploitation Registry maintained by the Department of Disabilities, Aging, and Independent Living (collectively, the Registries) for any applicant for whom a criminal record check is required under subsection (a) of this section. The Departments for Children and Families and of Disabilities, Aging, and Independent Living shall adopt rules in accordance with 3 V.S.A. chapter 25 governing the process for obtaining information from the Registries and for disseminating and maintaining records of that information under this subsection.

(f) An applicant convicted of a sex offense that requires registration pursuant to 13 V.S.A. chapter 167, subchapter 3 shall not be eligible for employment with the Agency.

Sec. 4. 16 V.S.A. § 256 is amended to read:

§ 256. CONTINUED VALIDITY OF CRIMINAL RECORD CHECK;
MAINTENANCE OF RECORDS

(a)(1) Anyone required to request a criminal record check under this subchapter about a person who previously has undergone a check, regardless of whether the check was for student teaching, licensure, or employment purposes, shall comply with that requirement by acquiring the results of the previous criminal record check unless:

- (A) the person refuses to authorize release of the information;
- (B) the record no longer exists;

(C) since the record check, there has been a period of one year or more during which the person has not worked for a Vermont school district or, a recognized or an approved independent school, or the Agency of Education; or

(D) as otherwise required by this chapter.

(2) Anyone required to request a criminal record check under this subchapter about a person who has previously undergone a check may request a name and date of birth or fingerprint-supported recheck of the criminal record at any time during the course of the record subject's employment in the capacity for which the original check was required. Rechecking criminal records may be accomplished through a subscription service.

* * *

* * * Intercollegiate Sexual Harm Prevention Council * * *

Sec. 5. 16 V.S.A. § 183 is amended to read:

§ 183. INTERCOLLEGIATE SEXUAL HARM PREVENTION COUNCIL

(a) Creation. There is created the Intercollegiate Sexual Harm Prevention Council to ~~create a coordinated~~ advance best practices for prevention of and response to campus sexual harm across institutions of higher learning in Vermont.

(b) Membership.

(1) The Council shall be composed of the following members:

(A)(1) ~~a the Title IX coordinator and a campus-based sexual harm prevention/education coordinator from an institution of higher learning, appointed by the Chancellor of the Vermont State Colleges or designee from each postsecondary school chartered in Vermont with a physical campus located within Vermont;~~

(B)(2) ~~a Title IX coordinator and a campus-based sexual harm prevention/education coordinator from an institution of higher learning, appointed by the President of the University of Vermont a peer educator or advocate appointed by the Vice Provost for Student Affairs of the University of Vermont;~~

(C)(3) ~~a Title IX coordinator and a campus-based sexual harm prevention/education coordinator from an institution of higher learning, appointed by the President of the Association of Vermont Independent Colleges~~ the Executive Director of the Network Against Domestic and Sexual Violence or designee;

~~(D)(4) two community-based sexual violence advocates, appointed by the Network Against Domestic and Sexual Violence the Program Coordinator of the Vermont Forensic Nursing Program or designee; and~~

~~(E)(5) two law enforcement or public safety representatives with experience responding to and investigating campus sexual violence, appointed by the Commissioner of Public Safety; the Commissioner of Public Safety or designee.~~

~~(F) three college students, at least one of whom has lived experience as a sexual violence survivor and one who represents a campus-based racial justice organization, appointed by the Center for Crime Victim Services;~~

~~(G) a person with expertise in sexual violence responses within the lesbian, gay, bisexual, transgender, and queer community, appointed by the Center for Crime Victim Services;~~

~~(H) a sexual assault nurse examiner, appointed by the Network Against Domestic and Sexual Violence;~~

~~(I) a prosecutor with experience in prosecuting sexual violence cases from either the Department of State's Attorneys and Sheriffs or the Office of the Attorney General, appointed by the Attorney General; and~~

~~(J) an attorney with experience in sexual violence cases, appointed by the Defender General.~~

~~(2) To ensure a council that is reflective of Vermont's college campuses, appointing authorities shall consider diversity when making appointments to the Council.~~

(c) Duties. The Council shall:

~~(1) review the recommendations from the Report of the Vermont Campus Sexual Harm Task Force and develop prevention solutions to sexual harm based on those recommendations; [Repealed.]~~

~~(2) implement interdisciplinary planning and information sharing to support sexual violence prevention programs on every college campus in Vermont; [Repealed.]~~

~~(3) undertake an annual review of trends in aggregate data collected by institutions of higher learning regarding sexual violence on college campuses in Vermont; [Repealed.]~~

~~(4) identify and share information about effective practices on regarding sexual violence prevention and response, sexual health education, and~~

strategies for mitigating sexual harm and secondary impacts of sexual harm on college campuses in Vermont;

(5) ~~identify~~ share information about campus-wide activities, publications, and services that promote a campus culture of respect to support the prevention of sexual harm;

(6) ~~recommend statutory protections to the General Assembly not later than November 1, 2021 to ensure that survivors of sexual harm are not punished for reporting an incident of sexual violence due to alcohol, drug use, or other minor conduct violations occurring at or around the time of an assault; and~~ [Repealed.]

(7) ~~create or promote annual~~ share information about training opportunities addressing prevention and sexual assault response processes ~~open to representatives from all Vermont postsecondary schools~~ for college populations.

(d) ~~Assistance.~~ ~~The Council shall have the administrative and technical assistance of the Network Against Domestic and Sexual Violence.~~ [Repealed.]

(e) ~~Report.~~ ~~On or before December 1, 2022 and annually thereafter, the Council shall submit a written report to the General Assembly with a summary of activities and any recommendations for legislative action.~~ [Repealed.]

(f) Meetings.

(1) The Network Against Domestic and Sexual Violence shall call the first meeting of the Council to occur on or before ~~July 15, 2024~~ November 15, 2026.

(2) The Council shall select ~~a chair~~ co-chairs from among its members at the first meeting, with one chair representing a public postsecondary school and one chair representing a private postsecondary school.

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

(4) The Council shall meet ~~quarterly~~ twice per year.

(5) ~~Members who are not otherwise compensated by the member's employer for attendance at meetings shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010. These payments shall be made from monies appropriated to the Network Against Domestic and Sexual Violence for such purposes~~ The co-chairs shall provide the Council with administrative support.

(6) The Council may invite or consult other community representatives as it deems appropriate.

* * * Hazing, Harassment, and Bullying Advisory Council * * *

Sec. 6. 16 V.S.A. § 570 is amended to read:

§ 570. HARASSMENT, HAZING, AND BULLYING PREVENTION
POLICIES

* * *

(d) Duties of the Secretary. The Secretary shall:

(1) develop and, ~~from time to time,~~ update model harassment, hazing, and bullying prevention policies; and

(2) establish an Advisory Council ~~to review and coordinate school and statewide activities relating to the prevention of and response to harassment, hazing, and bullying. The Council shall report annually in January to the State Board and the House and Senate Committees on Education. The Council shall include:~~

~~(A) the Executive Director of the Vermont Principals' Association or designee;~~

~~(B) the Executive Director of the Vermont School Boards Association or designee;~~

~~(C) the Executive Director of the Vermont Superintendents Association or designee;~~

~~(D) the President of the Vermont National Education Association or designee;~~

~~(E) the Executive Director of the Vermont Human Rights Commission or designee;~~

~~(F) the Executive Director of the Vermont Independent Schools Association or designee; and~~

~~(G) other members selected by the Secretary, at least one of whom shall be a current secondary student who has witnessed or experienced harassment, hazing, or bullying in the school environment; and~~

(3) provide the Advisory Council with administrative support.

(e) Advisory Council on Harassment, Hazing, and Bullying Prevention in Schools.

(1) Membership. The Advisory Council shall be composed of the following members:

(A) the Executive Director of the Vermont Principals' Association or designee;

(B) the Executive Director of the Vermont School Boards Association or designee;

(C) the Executive Director of the Vermont Superintendents Association or designee;

(D) the President of the Vermont-National Education Association or designee;

(E) the Executive Director of the Vermont Human Rights Commission or designee;

(F) the Executive Director of the Vermont Independent Schools Association or designee;

(G) two members who serve as designated employees under the hazing, harassment, and bullying prevention policy, appointed by the Secretary of Education;

(H) a member, appointed by the Vermont Educational Equity Collective;

(I) a school social worker, appointed by the National Association of Social Workers-Vermont Chapter;

(J) a member, appointed by the Vermont Coalition for Disability Rights;

(K) a student member, appointed by the Vermont Student Anti-Racism Network;

(L) a student member, appointed by Outright Vermont;

(M) a member, appointed by the Office of Racial Equity;

(N) a member, appointed by the Commission on Women;

(O) a member, appointed by the Vermont Network Against Domestic and Sexual Violence; and

(P) a parent or caregiver member, appointed by the Vermont Family Network.

(2) Duties. The Advisory Council shall:

(A) meet at least four and not more than 12 times per year;

(B) review and advise on coordination of school and statewide activities relating to the prevention of and response to harassment, hazing, and bullying;

(C) review the model harassment, hazing, and bullying prevention policies developed by the Secretary every three years, beginning in 2026, and recommend updates to the policies as necessary;

(D) review and advise on resources on harassment, hazing, and bullying prevention and response for school professionals;

(E) annually solicit input from students, parents, and schools on harassment, hazing, and bullying; and

(F) notwithstanding 2 V.S.A. § 20(d), annually on or before January 15, submit a written report to House and Senate Committees on Education, which shall hold a joint legislative hearing each legislative session to review the report. The Advisory Council shall also submit the report to the State Board of Education at the same time.

(3) Compensation and reimbursement. Members of the Advisory Council shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 12 meetings of the Advisory Council per year from funds appropriated to the Agency of Education.

(e)(f) Definitions. In this subchapter:

(1) “Educational institution” and “school” mean a public school or an approved or recognized independent school as defined in section 11 of this title.

(2) “Organization,” “pledging,” and “student” have the same meanings as in section 570i of this title.

(3) “Harassment,” “hazing,” and “bullying” have the same meanings as in subdivisions 11(a)(26), (30), and (32) of this title.

(4) “School board” means the board of directors or other governing body of an educational institution when referring to an independent school.

Sec. 7. APPROPRIATION

The sum of \$21,000.00 is appropriated from the General Fund to the Agency of Education in fiscal year 2027 for per diem compensation and reimbursement of expenses for the Advisory Council on Harassment, Hazing, and Bullying Prevention as authorized pursuant to 16 V.S.A. § 570(e)(3).

* * * Energy Performance Contracting * * *

Sec. 8. 16 V.S.A. § 3448f(a)(1) is amended to read:

(1) “Cost-saving measure” means any facility improvement, repair, addition, or alteration or any equipment, fixture, or furnishing to be constructed or installed in any facility that is designed to reduce energy consumption and operating costs or to increase the operating efficiency of facilities for their appointed functions, that is cost effective, and that is further defined by State Board rule.

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

H. 932

An act relating to the regulation of forestry under Act 250

The Senate proposes to the House to amend the bill in Sec. 1, 10 V.S.A. § 6001, in subdivision (3), by striking out subdivision (F) in its entirety and inserting in lieu thereof a new subdivision (F) to read as follows:

(F) When development is proposed to occur on a parcel or tract of land that is devoted to logging and forestry, only those portions of the parcel or the tract that support the development shall be subject to regulation under this chapter. Permits issued under this chapter shall not impose conditions on, apply to, or restrict or conflict with the *Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont* on other portions of the parcel or tract of land that do not support the development.

H. 937

An act relating to miscellaneous judiciary procedures

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

First: In Sec. 2, 7 V.S.A. § 656, after the second ellipses, by inserting the following:

(d) Issuance of notice of suspension.

(1) On behalf of the Commissioner of Motor Vehicles, a law enforcement officer issuing a notice of violation in accordance with subsection (c) of this section for a violation of subdivision (b)(1)(E) of this section shall also serve a notice of suspension of the person’s operator’s license and privilege to operate a motor vehicle in a form prescribed by the Court Administrator. The form shall include the following:

(A) the effective date of the suspension;

- (B) the suspension’s duration;
- (C) an explanation of the consequences of the suspension;
- (D) the option to operate a motor vehicle with an ignition interlock restricted driver’s license or certificate in accordance with 23 V.S.A. § 1213;
- (E) the projected date of reinstatement upon successful completion of the suspension; and
- (F) the ability to review the imposition of the suspension pursuant to Rule 75 of the Vermont Rules of Civil Procedure.

* * *

Second: By striking out Sec. 3, 7 V.S.A. § 1005, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. [Deleted.]

Third: In Sec. 5, 12 V.S.A. § 506, in subdivision (b)(3)(C), by striking out “affirmation” and inserting in lieu thereof “affirmative”

Fourth: By adding nine new sections to be Secs. 40a–40i to read as follows:

Sec. 40a. 28 V.S.A. § 102 is amended to read:

§ 102. COMMISSIONER OF CORRECTIONS; APPOINTMENT;
POWERS; RESPONSIBILITIES

* * *

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

* * *

(24) To provide and sustain trauma-informed family support services and programming pursuant to section 128 of this title.

(25) To provide notification and other services to victims. Notwithstanding any other provision of law requiring the Department to provide notification or other services to victims, a victim may decline any notification or other service provided by the Department.

Sec. 40b. 13 V.S.A. § 2029 is amended to read:

§ 2029. HOME IMPROVEMENT AND LAND IMPROVEMENT FRAUD

* * *

(b) A person commits the offense of home improvement or land improvement fraud when the person knowingly enters into a contract ~~or~~,

agreement, or change order, written or oral, for \$1,000.00 or more, with an owner for home improvement or land improvement, or into several contracts ~~or~~ agreements, or change orders for \$2,500.00 or more in the aggregate, with more than one owner for home improvement or land improvement, and the person knowingly:

~~(1)(A) fails to perform the contract or agreement, in whole or in part; and~~

~~(B) when the owner requests performance, payment, or a refund of payment made, the person fails to either:~~

~~(i) refund the payment;~~

~~(ii) make and comply with a definite plan for completion of the work that is agreed to by the owner; or~~

~~(iii) make the payment promises performance that the person does not intend to perform or knows will not be performed, in whole or in part;~~

(2) misrepresents a material fact relating to the terms of the contract ~~or~~ agreement, or change order or to the condition of any portion of the property involved;

(3) uses or employs any unfair or deceptive act or practice in order to induce, encourage, or solicit such person to enter into any contract ~~or~~ agreement, or change order or to modify the terms of the original contract ~~or~~ agreement, or change order; or

(4) when there is a declared state of emergency, charges for goods or services related to the emergency a price that exceeds two times the average price for the goods or services and the increase is not attributable to the additional costs incurred in connection with providing those goods or services.

* * *

Sec. 40c. 12 V.S.A. § 5606 is amended to read:

§ 5606. INDEMNIFICATION OF EMPLOYEES

(a) In any action defended by the Attorney General or the Attorney General's designee in which a judgment is rendered against an employee of the State for acts or omissions within the scope of his or her employment, or a settlement requires payment by such a person, and the right of action is based upon 42 U.S.C. § 1983 or a similar State statute, or under a similar federal statute where State law is incapable of establishing employee immunity, the State shall indemnify the employee for the amount of the employee's liability.

(b) The maximum liability of the State under this section shall be \$500,000.00 to any one person and the maximum aggregate liability shall be \$2,000,000.00 to all persons arising out of each occurrence.

* * *

Sec. 40d. 2023 Acts and Resolves No. 47, Sec. 44 is amended to read:

Sec. 44. TENANT REPRESENTATION PILOT PROGRAM

(a) Creation; purpose. Vermont Legal Aid shall create and administer a two-year Tenant Representation Pilot Program:

(1) to provide full representation to eligible and consenting tenants in ~~Lamoille and Windsor counties~~ Vermont who have been served with a summons and complaint for eviction; and

(2) to determine the impact of representation on the issuance of writs of possession and homelessness prevention.

(b) Tenant eligibility. Vermont Legal Aid may enter a notice of appearance on behalf of a residential tenant in ~~Lamoille or Windsor County~~ who is served with a summons and complaint in an ejection action, consents to the representation, and meets the following criteria:

(1) household income equals or is less than 120 percent of State area median income;

(2) the cost of rent equals or exceeds 30 percent of household income;
or

(3) household expenses exceed income.

(c) Scope of representation.

(1) Full representation through the Program is limited to eviction.

(2) The pursuit of counterclaims shall be at the discretion of appointed counsel.

(d) Conflicts of interest.

(1) Vermont Legal Aid may subcontract to Legal Services Vermont if it is unable to provide tenant representation due to a conflict of interest as defined by the Vermont Rules of Professional Conduct.

(2) If Legal Services Vermont also has a conflict of interest, Vermont Legal Aid may subcontract to one or more private counsels who are members in good standing of the Vermont Bar.

(e) Report. Vermont Legal Aid shall provide interim reports on the progress of the Program on or before ~~November 15, 2023~~ November 30, 2025, and ~~November 15, 2024~~ November 30, 2026, and a final report on or before ~~July 30, 2025~~ July 31, 2027, which shall describe:

(1) the number of tenants represented;

(2) case outcomes, including:

(A) the number of cases fully or partially resolved through access to the Rent Arrears Assistance Fund;

(B) the number of cases fully or partially resolved through the Vermont Landlord's Association mediation program; and

(C) the number of cases fully or partially resolved through access to another resource identified through the Rental Housing Stabilization Services Program; and

(3) recommendations for policy changes and for pilot expansion.

(f) Implementation. The duty to implement this section is contingent upon an appropriation in fiscal year ~~2024~~ 2025 from the General Fund to the Agency of Human Services for a subgrant to Vermont Legal Aid to provide representation in eligible eviction cases ~~in the two pilot counties of Lamoille and Windsor beginning on July 1, 2023~~ November 1, 2024.

Sec. 40e. 2024 Acts and Resolves No. 181, Sec. 95. is amended to read:

Sec. 95. APPROPRIATION; TENANT REPRESENTATION PILOT PROGRAM

The sum of \$1,025,000.00 is appropriated from the General Fund to the Agency of Human Services in fiscal year 2025 for a grant to Vermont Legal Aid for the Tenant Representation Pilot Program established by 2023 Acts and Resolves No. 47, Sec. 44. These funds shall carry forward each fiscal year until fully expended or reverted by an act of the General Assembly.

Sec. 40f. 9 V.S.A. § 4555 is amended to read:

§ 4555. INFORMATION; DISCLOSURE AND CONFIDENTIALITY

(a)(1) Except as provided in this subsection, the Human Rights Commission's complaint files and investigative files shall be confidential.

(2) The Commission shall make the investigative file available to the charging party, the respondent, their attorneys, and any State or federal law enforcement agency seeking to enforce ~~anti-discrimination~~ antidiscrimination

statutes, upon reasonable request, except that the Commission may refuse to disclose:

(A) the identities of nonparty witnesses to the investigation if good cause is shown to protect the witness's confidentiality; or

(B) records or information the release of which may be prohibited under State or federal law absent court order.

(3) For any complaint initiated pursuant to subsection 4554(b) of this title, any resulting investigative report shall not be confidential after the Commission has issued a final determination and after the parties have been notified of the Commission's determination, except that the Commission shall not proactively disclose any report and shall not disclose:

(A) the identities of nonparty witnesses to the investigation if good cause is shown to protect the witness's confidentiality;

(B) information the release of which may be prohibited under State or federal law absent court order; and

(C) the identity of the parties and any information that would identify the parties if the Commission finds that there are no reasonable grounds to believe that discrimination occurred.

(4) A party or entity denied information or records under subdivision (2)(A) or (B) of this subsection may seek the information or records by subpoena. The Commission and any affected person may contest the subpoena in court.

~~(4)~~(5) Any records or information described in subdivision (2)(A) or (B) of this subsection made available to a party or entity pursuant to a confidentiality agreement or court order requiring confidentiality shall be kept confidential in accordance with the agreement or order, unless disclosure is otherwise authorized by law or court order.

(b) Nothing said or done as part of conciliation efforts under this chapter may be made a matter of public record or used as evidence in a subsequent civil action without written consent of the parties. Final settlement agreements shall be public documents and the parties shall be so informed.

(c) If the Commission determines that there are reasonable grounds to believe that discrimination has occurred, that determination and the names of the parties may be made public after the parties have been notified of the Commission's determination. If the Commission finds that there are no reasonable grounds to find discrimination, the identity of the parties and any information that would identify the parties shall remain confidential. The

Commission shall inform the parties about the provisions of this subsection. In all cases, even if the records are confidential, the facts may be used for educational purposes if sufficiently altered so that no person involved in a case can be identified.

Sec. 40g. APPLICATION TO PENDING INVESTIGATIONS

Sec. 40f of this act shall apply to any pending investigations by the Human Rights Commission.

Sec. 40h. 15 V.S.A. § 1103 is amended to read:

§ 1103. REQUESTS FOR RELIEF

(a) Any family or household member may seek relief from abuse by another family or household member on behalf of themselves or their children by filing a complaint under this chapter. A minor 16 years of age or older, or a minor of any age who is in a dating relationship as defined in subdivision 1101(3) of this chapter, may file a complaint under this chapter seeking relief on the minor's own behalf. The plaintiff shall submit an affidavit in support of the order.

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

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

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

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

* * *

Sec. 40i. 13 V.S.A. § 7551 is amended to read:

§ 7551. IMPOSITION OF BAIL, SECURED APPEARANCE BONDS, AND APPEARANCE BONDS

* * *

(b) Limitation on imposition of bail, secured appearance bonds, and appearance bonds.

(1) Except as provided in subdivision (2) of this subsection, no bail, secured appearance bond, or appearance bond may be imposed:

(A) at the initial appearance of a person charged with a misdemeanor if the person was cited for the offense in accordance with Rule 3 of the Vermont Rules of Criminal Procedure; or

(B) at the initial appearance or upon the temporary release pursuant to Rule 5(b) of the Vermont Rules of Criminal Procedure of a person charged with a violation of a misdemeanor offense that is eligible for ~~expungement~~ sealing pursuant to subdivision 7601(4)(A) of this title.

(2) In the event the court finds that imposing bail is necessary to mitigate the risk of flight from prosecution for a person charged with a violation of a misdemeanor offense that is eligible for ~~expungement~~ sealing pursuant to subdivision 7601(4)(A) of this title, the court may impose bail in a maximum amount of \$200.00. The \$200.00 limit shall not apply to an offense allegedly committed by a defendant who has been released on personal recognizance or conditions of release pending trial for another offense.

* * *

Committee of Conference Report

S. 325

An act relating to regional planning and Act 250 Tier jurisdiction

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference, to which were referred the disagreeing votes of the two Houses upon Senate Bill, entitled:

S.325. An act relating to regional planning and Act 250 Tier jurisdiction.

Respectfully reports that it has met and considered the same and recommends that the Senate accede to the House proposal of amendment with further amendment thereto as follows:

First: In Sec. 6, 10 V.S.A. § 6081, by striking out subsection (t) in its entirety and inserting in lieu thereof a new subsection (t) to read as follows:

(t)(1) No permit or permit amendment is required for the construction of improvements for an accessory on-farm business for the storage or sale of qualifying products or the other eligible enumerated products as defined in 24 V.S.A. § 4412(11)(A)(i)(I).

(2) No permit or permit amendment is required for the construction of improvements for an accessory on-farm business for the preparation or processing of qualifying products as defined in 24 V.S.A. § 4412(11)(A)(i)(I), provided that more than 50 percent of the total annual sales of the prepared or processed qualifying products come from products produced on the farm where the business is located. ~~This subsection shall not apply to~~

(3) ~~No permit or permit amendment is required for the construction of improvements related to hosting events or farm stays as part of~~ for an accessory on-farm business of educational, recreational, or social events that feature agricultural practices or qualifying products, or both, as defined in 24 V.S.A. § 4412(11)(A)(i)(II). Types of events may include concerts and farm stays with five or fewer dwelling units. To qualify for this exemption, the accessory on-farm business shall not:

(A) have noise exceed 70 dB at the property boundaries; and

(B) have events that continue past 10:00 p.m.

(4) For purposes of this subsection, “feature agricultural practices or qualifying products” means that a host farm’s agricultural practices or its qualifying products are a substantial component of any educational, recreational, or social event the accessory on-farm business hosts.

Second: In Sec. 9, public engagement plan, in subsection (a), by striking out subdivisions (1) and (2) in their entirety and inserting in lieu thereof new subdivisions (1) and (2) to read as follows:

(1) ensure the engagement planning process does not presuppose outcomes or take positions on policy and political issues;

(2) utilize nonpartisan facilitation for statewide, democratic public engagement;

Third: In Sec. 9, public engagement plan, in subsection (b), by striking out subdivisions (1) and (2) in their entirety and inserting in lieu thereof new subdivisions (1) and (2) to read as follows:

(1) the risks of losing working lands, both agricultural and forestland, and the causes of those risks, and critical natural resources not already well-protected by current land use policy, permitting programs, or other regulatory tools, including agricultural soils, rare natural communities, forest blocks, habitat connectors of statewide significance, and headwaters; and

(2) equitable, efficient, and effective regulatory or nonregulatory tools to protect these working lands and critical natural resources and the barriers to land stewardship.

Fourth: In Sec. 10, 2 V.S.A. chapter 32, in section 1031, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) Composition. The Committee shall be composed of six members: three members of the House of Representatives, who shall not all be from the same party, appointed by the Speaker of the House; and three members of the Senate, who shall not all be from the same party, appointed by the Committee on Committees.

Fifth: In Sec. 10, 2 V.S.A. chapter 32, in section 1031, in subsection (c), by striking out the last sentence in its entirety and inserting in lieu thereof a new sentence to read as follows:

A quorum shall consist of four members.

Sixth: In Sec. 10, 2 V.S.A. chapter 32, in section 1031, by striking out subsection (g) in its entirety and inserting in lieu thereof a new subsection (g) to read as follows:

(g) Duties. The Committee shall meet with the Land Use Review Board to ensure strong communication and coordination regarding the interpretation and implementation of the statutes amended as part of 2024 Acts and Resolves No. 181, how the permitting process under 10 V.S.A. chapter 151 is working, and how the new Board structure is working. The Committee shall also meet with the Agency of Natural Resources to learn about Agency efforts to improve and better coordinate its permitting processes and to coordinate efforts for further improvements to the process for applicants and outcomes for Vermonters.

Seventh: In Sec. 14, 24 V.S.A. § 4303, in subdivision (43), by striking out subdivision (E) in its entirety and inserting in lieu thereof a new subdivision (E) to read as follows:

(E) serves to strengthen agricultural and forest industries, including homesteading, small-scale agriculture and forestry, and the housing that supports these activities, while minimizing conflicts of development with these industries;

Eighth: In Sec. 20, 24 V.S.A. § 5808, by striking out subdivision (1) in its entirety and inserting in lieu thereof a new subdivision (1) to read as follows:

(1) a summary of the Community Investment Program's activities during the preceding fiscal year, including which municipalities received a designation or new Step, or other actions taken by the Board that confer eligibility for or priority access to State funding, tax credits, and other Program benefits;

Ninth: In Sec. 21, municipal appeals and discretionary review of housing; report, in subsection (a), by striking out subdivision (5) in its entirety and inserting in lieu thereof a new subdivision (5) to read as follows:

(5) data on housing that has been built in the areas exempt from Act 250 jurisdiction under 10 V.S.A. § 6081(dd), including the number of units; the type of units, including the number of affordable units, market-rate units, second homes, units for short-term rental, units for long-term rental, single-unit dwellings, and multiunit dwellings; the price; and where the units were constructed; and

Tenth: By striking out Sec. 23, effective date, in its entirety and inserting in lieu thereof a new Sec. 23 to read as follows:

Sec. 23. EFFECTIVE DATE

This act shall take effect on July 1, 2026, except that in Sec. 6 (10 V.S.A. § 6081), subsection (t) shall take effect on July 1, 2027.

SEN. ANNE E. WATSON

SEN. SETH BONGARTZ

SEN. TERRY K. WILLIAMS

Committee on the part of the Senate

REP. AMY D. SHELDON

REP. LARRY LABOR

REP. ELA CHAPIN

Committee on the part of the House

CONSENT CALENDAR FOR ACTION

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

The following concurrent resolutions have been introduced for approval by the Senate and House and will be adopted automatically unless a Senator or Representative requests floor consideration in that member's chamber before today's adjournment. Requests for floor consideration in either chamber should be communicated to the Senate Secretary's Office or the House Clerk's Office, as applicable. For text of resolutions, see Addendum to House Calendar of May 21, 2026.

H.C.R. 306

House concurrent resolution honoring George Springston for his exemplary roles in environmental and natural resources management

H.C.R. 307

House concurrent resolution honoring Representative Kevin "Coach" Christie of Hartford for his inspirational civic leadership and extending future best wishes

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]*

JFO #3278: \$690,050.00 to the Department of Public Service from the State and Community Energy Programs, U.S. Department of Energy.

Funds for a revolving loan program (Municipal Energy Revolving Fund) to help VT communities meet state energy goals. The funds will be managed by the Building and General Services department via a Memorandum of Understanding with the Department of Public Service. *[Received May 11, 2026]*

JFO #3279: \$160,000.00 land donation to the Agency of Natural Resources, Department of Forests, Parks and Recreation from the Robert M. Burley Trust. The land is 102-acre donation in Elmore, VT to extend the Elmore State Park.. PILOT (payment in lieu of taxes) will be \$1,123.71 annually. *[Received May 11, 2026]*

JFO #3280: \$20,000.00 to the Vermont Truth and Reconciliation Commission (VTRC) from Patricia Fontaine, private donor. Funds will hire consultants to fulfill the mission of the VTRC in their pursuit of community-centered justice

JFO #3281: \$867,972.00 to the Agency of Commerce and Community Development, Department of Housing and Community Development from the Department of the Interior, National Park Service. Funds to fix drainage and foundation issues at the Theron Boyd State Historic Site and to prepare a full historic structure report. A State match of \$27,750.00 is required for this grant and is covered by the major maintenance funds allocated to ACCD, Historic Preservation Division in the State Capital Construction Bill for fiscal year 2028. *[Received May 11, 2026]*and holistic healing. *[Received May 11, 2026]*